

Gagnon Securities LLC
Business Continuity Plan Summary

At Gagnon Securities LLC, we recognize that you rely not only on us, but also on our systems and services for the management of the assets that you have entrusted to us. We also recognize that the unexpected can and does occur, from simple situations to major outages. Gagnon Securities has successfully maintained critical business activities during disruptions of normal business processes, and we want you to know that we have extensive plans in place to safeguard your vital account information.

Gagnon Securities has pre-established contingency and disaster recovery plans, which include a Business Continuity Plan and Information Security Plan. We consider the monitoring of these plans to be an ongoing process that requires regular review and assessment of various risks and appropriate responses. As a result, these plans are continually reviewed and tested periodically to ensure effectiveness.

Significant business disruptions can vary in scope and type. For example, the disruption could affect only our firm, a single building that houses our firm, the business district within which we operate, the city in which we are located, or the entire region. Within each of these areas, the severity of disruption can vary from minimal to severe. Additionally, the disruption can be physical, internal, or cyber-related.

Gagnon Securities relies on its hybrid cloud-based/remote application infrastructure, employees and clearing firm to protect itself from the different types of business disruptions. Our hybrid cloud-based/remote application infrastructure gives us the ability to transfer our operations to sites outside of the affected area, recover and resume business as quickly as possible by allowing us continuous connectivity to our critical systems. During a disruption, our employees will notify our clients by any means available, including telephone, e-mail, mobile phone or postings to our website. Our employees have been advised of procedures and will be able to assist clients during a time of disruption. If our infrastructure fails during a business disruption, we will attempt to transfer our operations temporarily to our clearing firm, National Financial Services LLC, Fidelity Clearing & Custody Solutions® (“NFS”). Although Gagnon Securities and NFS work diligently to plan for disruptions, during these times, clients may experience delays. If a disruption is so severe that it prevents us from remaining in business, we will ensure prompt access to our clients’ funds and securities. NFS backs up its important records in a geographically separate location. While emergency situations may pose unique problems, depending upon time of day and the severity of the disruption, NFS has advised us that its objective is to restore its own operations, be able to complete pending transactions, accept new transactions and adhere to its responsibilities and procedures set forth in its disaster recovery and business continuity plan.

Key features of the Gagnon Securities Business Continuity Plan and Information Security Plan include annual reviews of the following:

- Identification of all mission critical systems (and system backup and recovery);
- A review of financial operations and risks;
- Alternate communications between Gagnon Securities and our clients, clearing firm, critical business constituents and regulators;
- Employee safety strategies and communications; and
- Alternate computer network location and preparedness.

The most updated version of our Business Continuity Plan Summary is sent out annually, located on our website (www.gagnonsec.com) and accessible by contacting our Client Services team at 212-554-5038 or clientservices@gagnonsec.com. If you have any questions regarding our Business Continuity Plan or Information Security Plan, please do not hesitate to contact either Lisa Ferrante at 212-554-5060 or Alison Tranchida at 212-554-5007.