

**ITEM 1: COVER PAGE**



Firm Brochure  
(Part 2A of Form ADV)

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Gagnon Securities LLC is a registered investment adviser with the United States Securities and Exchange Commission ("SEC"). SEC registration neither implies nor asserts that the SEC nor any state securities authority has approved or endorsed Gagnon Securities LLC or the contents of this disclosure.

This brochure provides information about the qualifications and business practices of Gagnon Securities LLC. If you have any questions about the contents of this brochure, please contact us at 212-554-5060. The information in this brochure has not been approved or verified by the SEC or by any state securities authority. Additional information about Gagnon Securities LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **ITEM 2: SUMMARY OF MATERIAL CHANGES**

Following is a summary of changes reflected in this Brochure as compared to our most recently filed annual amendment on February 13, 2026. In this Brochure we have updated section 14 to reflect that Gagnon Securities does not pay third parties for referrals.

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## **ITEM 4: ADVISORY BUSINESS**

### **Principal Owners**

Founded in 1999, Gagnon Securities LLC ("Gagnon Securities" or the "Firm"), is registered with the SEC as both a broker-dealer and an investment advisor. Gagnon Securities also is a member of FINRA. The Firm primarily manages advisory accounts on a discretionary basis and offers brokerage accounts. The Firm's clients are both individuals and institutions. Gagnon Securities is principally owned by Neil J. Gagnon.

### **Types of Advisory Services**

Gagnon Securities is a team of brokers and investment advisors whose primary business is managing money for clients on a discretionary basis. Diverse in business experience and perspective, we take a research-intensive, generalist approach to evaluating investments for our advisory clients. As we aim for capital appreciation, our client portfolios reflect the best opportunities we find across sectors and market capitalizations, assembled stock by stock and balanced to mitigate risk. As a group, we share a core belief that thoughtful and persistent research coupled with disciplined risk-taking will yield outsized returns over time.

### **Investment Restrictions**

The investment objectives for our clients and the portion of an individual or institution's net worth that is invested with our Firm must be aggressive growth. If an individual client or institution is restricted from purchasing a specific security due to an affiliation with the company, then an account can be blocked from transacting in that security. In addition, if clients have a moral objection or otherwise object to purchasing securities of a company that offers specific services or products, such as for example tobacco or gambling, their account can be blocked from transacting in those securities.

### **Assets Under Management**

Gagnon Securities has the following regulatory assets under management as of December 31, 2025:

|                   |                  |
|-------------------|------------------|
| Discretionary     | \$529,713,650.60 |
| Non-Discretionary | \$0              |
| Total             | \$529,713,650.60 |

## **ITEM 5: FEES AND COMPENSATION**

### **Fee Schedules**

Our standard fee schedule for non-retirement accounts consists of an asset-based commission and

transaction fees, as described below. These fees are for both the advisory and brokerage services we provide. Clients who maintain non-retirement accounts are charged commissions on each buy and sell transaction for their account equal to a maximum of 2% of the net trade amount. The commission rate can, from time to time, be discounted in certain instances, including, but not limited to, initial investments, liquidations, and tax-related transactions. However, the standard commission rate is non-negotiable. In addition, these accounts will be charged a transaction fee not to exceed \$0.04 cents per share. It is the policy of Gagnon Securities that commission and transaction fees are not refundable unless an error in the amount charged has occurred, at which time we will promptly process a trade correction to reflect the correct amount.

Clients who maintain retirement accounts, and former clients of Townsend Group Investments ("Townsend") who maintain retirement and non-retirement accounts, are charged a management fee equal to 2.25% (for long only accounts) or 3.00% (for hedged accounts) per annum paid monthly at the beginning of each month in arrears for the previous month, calculated on the average capital for the previous month. These accounts are not also charged commissions or transaction fees on the trades executed on their behalf. A management fee is charged for both advisory and brokerage services we provide. Management fees are non-negotiable and non-refundable.

Former Townsend clients who open non-retirement accounts will be charged an asset-based advisory fee, consistent with their prior fee structure, even though it is Gagnon Securities' practice to charge a transaction-based advisory fee for non-retirement advisory accounts. The asset-based fee structure is being offered to former Townsend clients because it is consistent with the type of advisory fees previously charged by Townsend and is consistent with the terms of the acquisition between Townsend and Gagnon Securities.

Variables that affect the amount of trading in an account, such as account type, market conditions and the portfolio manager's strategy, can increase or decrease the amount of trading in an account. Due to these variables, at times the asset-based advisory fees applied to retirement or non-retirement accounts are more or less advantageous for clients, than the commission and transaction-based fees paid by the majority of non-retirement accounts and also by employee accounts. Generally, if there is a high level of trading activity in the account, an asset-based advisory account has the potential to be economically more favorable for the client. However, if the account does not trade actively, it has the potential to be economically more favorable for the client to pay a transaction-based advisory fee. Clients are advised of their fee structure prior to investing with Gagnon Securities.

### **Deduction of Fees**

For clients who are charged the commission and transaction fee structure, these fees are deducted from the account at the time of each trade and disclosed to the client on the confirmation for that trade.

For clients who are charged an asset-based management fee structure, those fees are deducted at the beginning of each month from the clients' accounts. This amount is shown on each client's brokerage statement and, upon request, is available in invoice format.

## **Other Fees and Expenses**

Margin Accounts: Clients who maintain margin accounts have additional funds available to purchase securities through loans from our custodian secured by the securities held in the clients' individual accounts at the custodian. Margin accounts allow Gagnon Securities to invest more money on behalf of a client, but are riskier than cash accounts. Margin accounts are the only accounts in which you can transact in short strategies. Because our custodian lends the client money, margin accounts are subject to margin and short interest charges. Your account pays interest to the custodian and a portion of that interest is credited to Gagnon Securities. With regard to short positions, your account is charged for borrowing securities, but Gagnon Securities absorbs this cost. However, Gagnon Securities receives a credit for the shorts that are maintained in the accounts it manages. As a result, Gagnon Securities has a conflict of interest in connection with the recommendation of margin accounts because it receives additional compensation in connection with such accounts from our clearing firm, as compared to long only accounts/strategies. We address this conflict by disclosing this conflict to clients. Further, we do not take such potential revenue into account when making account-type recommendations. For a more detailed discussion about our custodian, please refer to Item 15.

## **Prepaid Fees**

There are no pre-paid fees at Gagnon Securities

## **Compensation for the Sale of Securities**

Neither Gagnon Securities nor any of its representatives are compensated from the sale of products or securities outside of the compensation and fees described above.

## **ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

Gagnon Securities does not charge a performance-based fee.

## **ITEM 7: TYPES OF CLIENTS**

Gagnon Securities' core business is managing accounts on a discretionary basis for individuals, retirement accounts, trusts, custodial accounts, and other institutions and business entities. The Firm does not impose a minimum account size, however, our investment professionals may have each his or her own minimum investment which vary, but are generally not less than a \$15,000 initial investment.

Gagnon Securities will, at times, have clients for whom we do not have regulatory assets under management, but for which we provide investment advisory services. Gagnon Securities generally shares the knowledge, experience, and perspective we have regarding the market and securities with these clients. Gagnon Securities does not provide personalized investment advice to these clients. The information that is shared does not account for the client's financial circumstances or investment objectives. This relationship exists solely because the client finds value in Gagnon Securities' research-intensive approach to evaluating investments.

## **ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

Gagnon Securities is a team of brokers and investment advisors whose primary business is managing money for our clients on a discretionary basis. Diverse in business experience and perspective, we take a research-intensive, generalist approach to evaluating investments. As we aim for capital appreciation, our client portfolios reflect the best opportunities we find across sectors and market capitalizations, assembled stock by stock and balanced to mitigate risk. As a group, we share a core belief that thoughtful and persistent research coupled with disciplined risk-taking will yield outsized returns over time.

Our clients understand and believe in our investment approach. We share one objective, namely, to grow their capital significantly. Working toward that goal involves risk and requires patience. We invest with a long-term perspective, recognizing that periods of volatility, sometimes extreme, are inevitable in this process. Our method is not for everyone. We make mistakes; at times, so do the companies we invest in. Therefore, our accounts experience large monthly, quarterly or even yearly fluctuations. We go to great lengths to ensure that clients understand exactly what we do and, more importantly, that our investment approach fits their needs. Establishing this clarity of purpose from the outset enables us to concentrate more fully on what we do best. We spend our time studying companies. We meet with management teams to better evaluate their business plans for growth and incentives. Companies visit our offices, and we frequently travel to their headquarters and other facilities to further assess their prospects. We augment these visits by talking to employees, suppliers, partners and competitors. We attend trade shows and conferences, read industry-specific publications and speak to numerous analysts to build an information mosaic around the companies we follow. Our craft is to understand the microeconomics of a business, then synthesize information about competitive, economic and internal factors to determine which issues represent opportunities or potential dangers. Capitalizing on these opportunities and responding quickly to downturns requires intensive focus. Timing can prove crucial. Our clients hire us for this ability and give us the freedom to act on their behalf (without authorizing each decision) by signing a limited trading authorization and managed account agreement.

## **ITEM 9: DISCIPLINARY INFORMATION**

On September 10, 2014, Neil Gagnon consented to the entry of an Order Instituting Administrative and Cease-And-Desist Proceedings (“Order”) by the SEC. In the Order, the SEC found that Mr. Gagnon failed to timely file beneficial ownership reports required under Section 13(d) and Section 16(a) of the Securities Exchange Act of 1934 (“Exchange Act”). Specifically, the SEC alleged that Mr. Gagnon failed to file timely amendments to its Schedule 13Gs and continued to file as a passive investor on a Schedule 13G, despite owning in excess of 20% of the outstanding voting securities of a particular issuer, thereby requiring a Schedule 13D filing and subsequent amendments. Further, Mr. Gagnon failed to make timely reports on Forms 4 and 5 to in accordance with Section 16(a) of the Exchange Act. Without admitting or denying the SEC’s findings, Mr. Gagnon agreed to cease and desist from future violations of Sections 13(d) and 16(a) of the Exchange Act and Rules 13d-1, 13d-2 and 16a-3 thereunder, and to pay a civil monetary penalty of \$75,000.

## **ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

### **Broker-Dealer Registration**

Gagnon Securities is registered with the SEC as a broker-dealer and is a member of FINRA.

### **Gagnon Administrative Services and Gagnon Securities Partners Fund/Gagnon Securities Private Partners Fund**

Partners of Gagnon Securities are also equal partners of Gagnon Administrative Services and the Gagnon Securities Partners Fund. The purpose of Gagnon Administrative Services is to provide administrative services to Gagnon Securities, Gagnon Advisors, certain Funds advised by Gagnon Advisors, and certain Affiliated Investment Vehicles that are independently advised by managers who are also affiliated with Gagnon Securities and Gagnon Advisors. Gagnon Securities Partners Fund is the vehicle through which Gagnon Securities' Partners invest capital of Gagnon Securities. Additional investments can be purchased by partners in the Gagnon Private Partners Fund.

### **Other Material Relationships**

**Maureen Drew** is a Senior Partner/Registered Representative of Gagnon Securities, she is a member of Gagnon Advisors LLC.

**Brian Gagnon** is a Senior Partner/Registered Representative of Gagnon Securities. He is a member of Gagnon Advisors, LLC. In addition, Brian Gagnon is the president of Hilltop Aviation LLC. Brian is also an advisory council member of the National Kidney Foundation – NKF Innovation Fund.

**Neil Gagnon** is the Managing Partner/Registered Representative of Gagnon Securities. He is a principal of Gagnon Advisors LLC. Gagnon Advisors LLC is the investment manager to Gagnon Investment Associates Master Fund and GIS Fund of Funds LLC. Gagnon Investment Associates Master Fund consists of Gagnon Investment Associates LLC, a domestic long/short hedge fund, and Gagnon Investment Associates Offshore Ltd., a Cayman long/short hedge fund. GIS Fund of Funds LLC, is a domestic fund of funds. Neil Gagnon is also a member of GagnonLee Management, LLC which is the investment manager of, and GagnonLee Associates, which serves as the General Partner to, The Darwin Partnership L.P., a domestic long/short equity hedge fund, which Neil Gagnon co-manages. In addition, Neil Gagnon is a limited partner in Hilltop Aviation LLC and the owner of Penguin Ice Cream Shop, where he is not involved in day-to-day activities. Neil Gagnon is the president of the Gagnon Family Foundation (it is possible for Gagnon Securities to make a donation to the Gagnon Family Foundation) and a Board Member of the Cathay Advisory Board.

**Dwight Lee** is a Partner/Registered Representative of Gagnon Securities. Dwight Lee is a member of Lee Associates, LLC, which serves as the investment manager as well a General Partner of Upland Asset Management, the General Partner to Upland Associates L.P., a long/short equity hedge fund, which Dwight Lee manages. Dwight Lee is also a member of GagnonLee Management, LLC, which serves as the investment manager of, and GagnonLee Associates, which serves as the General Partner to, The Darwin Partnership L.P., long/short equity hedge fund which he co-manages. In addition, Dwight Lee co-manages GIS Fund of Funds. Dwight Lee is involved in the following

organizations: The Graduate Center Foundation Inc., CUNY-Trustee, Vice Chair of the Board and Chairman for the Committee of Trustees; The John Simon Guggenheim Memorial Foundation-Chairman Board of Trustees; The Century Association - Investment Committee Member; Civitella Ranieri Foundation, a non-profit organization - Treasurer, member of the Board of Directors and the Executive Committee.

**Willis Taylor** is a Senior Partner/Registered Representative of Gagnon Securities. He is the managing member of WGT Asset Management LLC, which is the investment manager of Old Growth Partners LLC, a domestic long/short equity fund that Willis Taylor manages. Willis Taylor is also a member of GagnonLee Management, LLC, which is the investment manager and GagnonLee Associates, which serves as the General Partner to The Darwin Partnership L.P., a domestic long/short equity hedge fund, which Willis Taylor co-manages. In addition, Willis Taylor is the Managing General Partner of Upland Asset Management, L.P. and a member of Gagnon Advisors, LLC.

**Jonathan Robohm** is a Partner/ Registered Representative of Gagnon Securities, and co-manager of GIS Fund of Funds.

#### Receipt of Compensation from Investment Advisers

Neither Gagnon Securities nor any affiliated persons receive any compensation from any non-affiliated investment advisers in connection with Gagnon Securities' management of its client accounts.

### **ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

#### **Code of Ethics**

Gagnon Securities is registered as an investment adviser under the Investment Advisers Act of 1940, as amended (the "Advisers Act"). In accordance with Rule 204A-1 of the Advisers Act, Gagnon Securities has adopted this code of ethics (the "Code of Ethics" or the "Policy") to prevent violations of federal securities laws. Moreover, this Policy is intended to help you understand Gagnon Securities' obligations as a registered investment adviser and to assist in complying with these obligations.

Gagnon Securities expects all employees to act with honesty, integrity, and professionalism and to adhere to federal securities laws.

A copy of our Business Code of Ethics in its entirety will be sent to you upon request. Please contact Lisa Ferrante at 212-554-5060 or [lisa@gagnonsec.com](mailto:lisa@gagnonsec.com) to obtain a copy.

#### **Participation or Interest in Client Transactions**

It is against Gagnon Securities' Business Code of Ethics to for it or any of our affiliated persons to have participation or interest in client accounts or transactions.

### **Participation or Interest in Personal Trading**

As more fully described in the Gagnon Securities Code of Ethics, all employees are required to submit reports detailing their personal securities holdings to the Chief Compliance Officer on an initial basis, a quarterly basis and an annual basis. In addition, any personal trading in outside accounts requires additional prior approval from the Chief Compliance Officer. Gagnon Securities requires its employees to submit brokerage statements and trade confirmations for accounts held outside Gagnon Securities, unless the employee maintains an outside discretionary account. For employees that have discretionary accounts outside of Gagnon Securities, they are required to show documentation that gives discretion to another person. In addition, brokerage statements must be provided.

In instances when the Chief Compliance Officer has engaged in personal securities transactions, Neil Gagnon, Managing Partner, shall review the Chief Compliance Officer's brokerage statements and trade confirmations.

### **The Funds, Discretionary Accounts and Employee Accounts**

Portfolio Managers at Gagnon Securities oftentimes manage accounts for themselves as well as their family members, referred to as "insider accounts." To the extent that a portfolio manager manages accounts for clients, private funds and insiders, when an order is placed to purchase or sell a security, clients' accounts are executed FIRST. Once the trade order for clients is complete, the private funds will be executed and, lastly, the insider accounts.

## **ITEM 12: BROKERAGE PRACTICES**

### **Broker-Dealer Selection**

Gagnon Securities is a dually registered investment adviser and broker dealer. All clients direct brokerage transactions in their account to be placed through Gagnon Securities in its capacity as broker dealer. Being a broker dealer allows Gagnon Securities to fully control the level of service we provide to our clients. As a broker dealer, Gagnon Securities can rely on its staff to service clients operationally rather than another broker dealer. We have direct access to our clearing firms platform which provides us with efficiency when reporting and settling trades, generating statements, confirms and tax documents.

Trading through Gagnon Securities, in its capacity as broker dealer, creates a conflict of interest. Gagnon Securities may not always be able to achieve the most favorable execution for transactions in client accounts and clients may pay higher transaction costs or receive less favorable prices as a result of trading through Gagnon Securities. The prices, commissions, other execution costs and transaction charges for trades directed through Gagnon Securities, acting as broker dealer, and executed through other broker dealers, banks or other counterparties may not be as favorable as those that might be obtained if the trades were placed through another broker dealer.

Gagnon Securities clears through National Financial Services ("NFS"). Gagnon Securities has

entered into a clearing agreement with NFS pursuant to which Gagnon Securities has a minimum amount due and whereby Gagnon Securities receives certain compensation from NFS. This compensation is typically paid through a portion of the margin interest and short credits that are associated with the accounts.

### **Research and Other Soft Dollar Benefits**

Gagnon Securities has no soft dollar agreements and receives no soft dollar benefits.

### **Directed Brokerage**

Gagnon Securities does not allow clients to direct securities transactions to another broker-dealer, but rather, as discussed above, clients direct trading through Gagnon Securities in its capacity as broker dealer.

### **Aggregation of Trades**

It may be determined that the purchase or sale of a particular security is appropriate for more than one client account, in which case client orders will be aggregated or “bunched”. In such cases, Gagnon Securities owes fiduciary duties to each client and, therefore, has an obligation to treat each client fairly. When aggregating orders, and in the process of allocating block purchases and block sales to individual client accounts, Gagnon Securities follows a Trade Allocation Procedure designed to treat all clients fairly and to achieve an equitable distribution of bunched orders. If orders are combined, we will give each client the average price for the combined order and will allocate securities to client accounts pro rata, i.e. in proportion to the size of the orders placed. Additionally, Gagnon Securities, as a matter of policy, does not aggregate trades so as to include client accounts, managed pooled accounts and Gagnon Securities affiliate accounts within the same block. Client accounts are only aggregated with other client accounts. Managed pooled accounts and Gagnon Securities affiliate accounts are aggregated separately and traded after the aggregated client account block has executed. If an exception to this rule occurs, it will be documented and approved by the compliance officer. Additionally, while Gagnon Securities is a dually registered Investment Adviser and Broker Dealer, circumstances can arise where the firm receive an order from a brokerage-only client to buy or sell in the same security as advisory clients, managed pooled accounts and affiliates of Gagnon Securities. When this occurs, the trader will notify the brokerage-only client that there are competing orders on the trade desk. If the brokerage-only client decides to continue the trade, the brokerage-only client will be executed alongside the advisory clients, managed pooled accounts and/or affiliates of Gagnon Securities. The orders will be worked simultaneously and executed appropriately.

### **IPO Trades**

Investing in IPOs is strictly prohibited for all Gagnon Securities employees. Each portfolio manager whose clients meet the requirements to participate in an IPO will be allocated on a pro rata basis based on percentage of assets the portfolio manager represents. For example: Manager “A” has 10 accounts but only 5 can participate in an IPO. The market value of those 5 accounts total \$20,000. Manager “B” has 3 accounts and all 3 can participate. The market value of those accounts total \$5,000. The shares received from the IPO would be split 80% to Manager “A” and 20% to Manager

“B”. (20,000+5,000= 25,000)

Manager “A” = 20,000/25,000 = 80%

Manager “B” = 5,000/25,000 = 20%

Allocation to those eligible accounts will be as follows:

- 1) Clients are allocated shares first. Once all clients are completed for that manager, then the pooled investment accounts for that manager can receive an allocation. It’s important to note that any shares allocated to the pooled investment accounts will not have any realized or unrealized gain or losses applied to those limited partners who are insiders.
- 2) If the allocation does not complete the clients’ accounts and a partial allocation occurs, the allocation of shares will be based on the worst performing accounts for the prior month for that portfolio manager. Any other method of allocation would require approval from the operations manager and/or CCO.

## **ITEM 13: REVIEW OF ACCOUNTS**

### **General Description**

Gagnon Securities reviews different aspects of its clients' advisory accounts on a timely basis. Reviews are conducted in the event of a new deposit, a withdrawal, the rebalancing of a portfolio, a material change in the investment environment, a change in the client's goals, time horizons or financial needs, or at a client's request.

Lisa Ferrante (CRCP® and IACCP® designee), Chief Compliance Officer and Partner of Gagnon Securities, or her designee will review all order tickets daily for proper record keeping, commission/fee charges and compliance with firm standards and applicable industry rules. Ms. Ferrante, or her designee, will review and approve all new accounts to check for completeness of a client application, suitability standards and compliance with anti-money laundering procedures. Routinely, both the operational staff and portfolio managers will review client accounts and positions, with oversight from Ms. Ferrante or her designee. Included in the portfolio manager's quarterly letters to clients, it is requested that clients notify Gagnon Securities of any changes in their investment objectives or financial information to ensure suitability.

### **Client Reports**

Clients that have activity in their accounts for the month will receive monthly brokerage statements from Fidelity Clearing & Custody Solutions, National Financial Services LLC ("NFS"), as well as timely trade confirmations. Clients, at a minimum, will receive brokerage statements quarterly. In addition, at a minimum, a quarterly letter is written by the client's portfolio manager. These letters give the portfolio manager an opportunity to provide his/her clients with an update on various topics, including, but not limited to, a market outlook, portfolio holdings, investment strategies, tax transactions and macroeconomic events. In addition, upon request, clients can receive a portfolio summary and cost basis report through in-house software system provided by SS&C Technologies

or our clearing firm NFS.

#### **ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION**

Gagnon Securities does not currently compensate third parties for client referrals. If, in the future, Gagnon Securities does compensate third parties for client referrals, it will comply with Rule 206(4)-1 under the Advisers Act. Any payment of this compensation creates a financial incentive for the recipient to refer clients or investors to Gagnon Securities.

For five years, beginning in 2022, Gagnon Securities' clearing firm, NFS, agreed to grant Gagnon Securities a Business Development Credit of \$100,000 annually. This credit was agreed upon to assist Gagnon Securities in updating various operational and business technologies that aid in streamlining processes. While this is an incentive for Gagnon to clear through NFS, it is not the only factor Gagnon considered in determining to maintain this clearing relationship. However, the receipt of such credits creates an incentive for Gagnon to clear client transactions through NFS.

#### **ITEM 15: CUSTODY**

Gagnon Securities does not maintain custody of customer accounts. All accounts are custodied at NFS on a fully disclosed basis. NFS is a qualified custodian.

#### **ITEM 16: INVESTMENT DISCRETION**

Client accounts of Gagnon Securities are managed on a discretionary basis. Each client and/or "insider" account if applicable will sign a "limited trading authorization" form authorizing the purchase and sale of securities at the portfolio manager's discretion. Clients can indicate at the time of opening an account or any time thereafter in writing that they cannot or do not want to purchase or sell a specific security or types or stocks, for example "sin" stocks. The trading authorization is limited to only the purchase and sale of stocks rather than any transfer of funds. Accounts are reviewed frequently by the Chief Compliance Officer or her designee for appropriateness of securities transactions, frequency of trading, and suitability.

#### **ITEM 17: VOTING CLIENT SECURITIES**

##### **Proxy Voting Policies - No Authority**

Proxies are sent out from our clearing firm NFS directly to our clients, (the account holder of record). Gagnon Securities currently does not vote proxies on behalf its clients. Clients of Gagnon Securities may vote their own proxies in their sole discretion. Clients are informed of our proxy voting policy first by receiving this policy as part of our Form ADV Part II and, secondly, after they open an account as part of our standard welcome letter. Clients are also advised of alternative means of receiving their proxies directly other than hard copy in the mail.

## **ITEM 18 FINANCIAL INFORMATION**

### **Financial Conditions**

Gagnon Securities is required in this document to provide you with certain financial information or disclosures about its financial condition. Gagnon Securities has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of bankruptcy proceedings.