

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

SCHEDULE 13D
(Rule 13d-101)

**INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT
TO RULE 13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO
RULE 13d-2(a)**

(Amendment No.)¹

Gyrodynne, LLC
(Name of Issuer)

Common Stock, par value \$1.00 per share
(Title of Class of Securities)

403829104
(CUSIP Number)

STAR EQUITY FUND, LP
53 Forest Avenue, Suite 101
Old Greenwich, Connecticut 06870
(203) 489-9504
(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

July 26, 2022
(Date of Event Which Requires Filing of This Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box ☐.

Note. Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 13d-7 for other parties to whom copies are to be sent.

¹ The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934, as amended ("Exchange Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, *see the Notes*).

1	NAME OF REPORTING PERSONS	
	STAR EQUITY FUND, LP	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*(a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS WC	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION DELAWARE	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER 74,734
	8	SHARED VOTING POWER - 0 -
	9	SOLE DISPOSITIVE POWER 74,734
	10	SHARED DISPOSITIVE POWER - 0 -
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 74,734	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 5.04%	
14	TYPE OF REPORTING PERSON PN	

1	NAME OF REPORTING PERSONS	
	STAR EQUITY FUND GP, LLC	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*(a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS AF	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION DELAWARE	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER 74,734
	8	SHARED VOTING POWER - 0 -
	9	SOLE DISPOSITIVE POWER 74,734
	10	SHARED DISPOSITIVE POWER - 0 -
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 74,734	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 5.04%	
14	TYPE OF REPORTING PERSON OO	

1	NAME OF REPORTING PERSONS	
	STAR INVESTMENT MANAGEMENT, LLC	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*(a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS AF	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION CONNECTICUT	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER 74,734
	8	SHARED VOTING POWER - 0 -
	9	SOLE DISPOSITIVE POWER 74,734
	10	SHARED DISPOSITIVE POWER - 0 -
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 74,734	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 5.04%	
14	TYPE OF REPORTING PERSON OO	

1	NAME OF REPORTING PERSONS	
	STAR EQUITY HOLDINGS, INC.	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*(a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS AF, OO	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION DELAWARE	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER 74,734
	8	SHARED VOTING POWER - 0 -
	9	SOLE DISPOSITIVE POWER 74,734
	10	SHARED DISPOSITIVE POWER - 0 -
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 74,734	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 5.04%	
14	TYPE OF REPORTING PERSON CO	

1	NAME OF REPORTING PERSONS	
	JEFFREY E. EBERWEIN	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*(a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS AF, PF	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION USA	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER 74,734
	8	SHARED VOTING POWER - 0 -
	9	SOLE DISPOSITIVE POWER 74,734
	10	SHARED DISPOSITIVE POWER - 0 -
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 74,734	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 5.04%	
14	TYPE OF REPORTING PERSON IN	

1	NAME OF REPORTING PERSONS	
	STAR VALUE, LLC	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*(a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS AF	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION DELAWARE	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER 74,734
	8	SHARED VOTING POWER - 0 -
	9	SOLE DISPOSITIVE POWER 74,734
	10	SHARED DISPOSITIVE POWER - 0 -
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 74,734	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 5.04%	
14	TYPE OF REPORTING PERSON OO	

The following constitutes the Schedule 13D filed by the undersigned (the “Schedule 13D”).

Item 1. Security and Issuer.

This statement relates to the common stock, par value \$1.00 per share (the “Shares”), of Gyrodyne, LLC a New York limited liability company (the “Issuer”). The address of the principal executive offices of the Issuer is 1 Flowerfield, Suite 24, St. James, New York 11780.

Item 2. Identity and Background.

(a) This statement is filed by:

- (i) Star Equity Holdings, Inc., a Delaware corporation (“Star Equity Holdings”);
- (ii) Star Equity Fund, LP, a Delaware limited partnership (“Star Equity Fund”);
- (iii) Star Equity Fund GP, LLC, a Delaware limited liability company (“Star Equity GP”), which serves as the general partner of Star Equity Fund;
- (iv) Star Investment Management, LLC, a Connecticut limited liability company (“Star Investment Management”), which serves as the investment manager of Star Equity Fund;
- (v) Jeffrey E. Eberwein, who serves as the manager of Star Equity GP and Star Investment Management; and
- (vi) Star Value, LLC., a Delaware limited liability company (“Star Value”).

Each of the foregoing is referred to as a “Reporting Person” and collectively as the “Reporting Persons.” Accordingly, the Reporting Persons are hereby filing a joint Schedule 13D. Each of the Reporting Persons is party to that certain Joint Filing Agreement, as further described in Item 6. Accordingly, the Reporting Persons are hereby filing a joint Schedule 13D.

(b) The address of the principal office of each of Star Equity Fund, Star Equity GP, Star Investment Management, Star Equity Holdings, Star Value and Mr. Eberwein is 53 Forest Avenue, Suite 101, Old Greenwich, Connecticut 06870.

(c) The principal business of Star Equity Fund is investing in securities. The principal business of Star Equity GP is serving as the general partner of Star Equity Fund. The principal business of Star Investment Management is serving as the investment manager of Star Equity. The principal business of Star Equity Holdings, Inc. is serving as a diversified holding company with various divisions. The principal business of Star Value is serving as sole member of Star Equity GP. The principal occupation of Mr. Eberwein is serving as the Executive Chairman of Star Equity Holdings, and CEO and board member of Hudson Global Inc. He also serves as manager of Star Equity GP and Star Investment Management.

(d) No Reporting Person, nor any person listed on Schedule A, annexed hereto, has, during the last five years, been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

(e) Other than as set forth here in this paragraph, no Reporting Person, has during the last five years, been party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

Mr. Eberwein and Lone Star Value Management, LLC (“LSVM”), an entity managed by Mr. Eberwein, are subject to an SEC administrative order dated February 14, 2017, File No. 3-17847 (the “Consent Agreement”). Without admitting or denying the findings set forth in the Consent Agreement, among other things, (A) Mr. Eberwein and LSVM consented to ceasing and desisting from committing or

causing any violations and any future violations of Section 13(d) of the Exchange Act, and Rules 13d-1 and 13d-2 promulgated thereunder, (B) Mr. Eberwein consented to ceasing and desisting from committing or causing any violations and any future violations of Section 16(a) of the Exchange Act and Rules 16a-2 and 16a-3 promulgated thereunder, (C) Mr. Eberwein agreed to pay a civil money penalty in the amount of \$90,000 to the SEC, and (D) LSVM agreed to pay a civil money penalty in the amount of \$120,000 to the SEC. The Consent Agreement did not include any finding that (i) Mr. Eberwein and LSVM or any of their affiliates committed any violations of the federal securities laws, or (ii) there was any harm to any investor in Lone Star Value Investors, LP or its affiliates. On February 24, 2020, the SEC issued an order (Exchange Act Release No. 5448) (the "Advisers Act Order") relating to allegations, among other things, that LSVM failed to properly disclose certain specific transactions in advance and obtain client consent for these transactions prior to their completion and that LSVM failed to implement certain written policies and procedures. The Advisers Act Order alleged violations of Section 206(3) and 206(4) of the Investment Advisers Act of 1940 ("Advisers Act") and Rule 206(4)-7 thereunder by Mr. Eberwein and LSVM. Without admitting or denying the findings, they consented to the Advisers Act Order and agreed to cease and desist from committing or causing any violations of the above-referenced Advisers Act provisions, for LSVM to be censured and to pay civil penalties of \$25,000 for Mr. Eberwein and \$100,000 for LSVM.

(f) Mr. Eberwein is a citizen of the United States of America.

Item 3. Source and Amount of Funds or Other Consideration.

The Shares purchased by Star Equity Fund were purchased with working capital (which may, at any given time, include margin loans made by brokerage firms in the ordinary course of business) in open market purchases, except as otherwise noted, as set forth in Schedule A, which is incorporated by reference herein. The aggregate purchase price of the 74,734 Shares beneficially owned by Star Equity Fund is approximately \$941,007, excluding brokerage commissions, of which 200 shares are held directly by Star Equity Fund.

Item 4. Purpose of Transaction.

On March 23, 2022, Star Equity Fund (together with the other Reporting Persons, the "Shareholder Group") delivered a letter to the Issuer announcing an intent to nominate highly qualified candidates for election to the Issuer's Board of Directors (the "Board") at the Issuer's 2022 annual meeting of shareholders ("Annual Meeting"). Unfortunately, despite multiple requests by the Shareholder Group, the Issuer refused to provide the Reporting Persons with certain documents required for a shareholder to nominate candidates for election to the Board in accordance with the Issuer's Amended and Restated Limited Liability Company Agreement (the "LLC Agreement"). The Issuer also refused to waive provisions of the LLC Agreement requiring ownership of at least 1% of the outstanding Shares for more than a year, or 5% of the outstanding Shares, for a shareholder to nominate candidates for election to the Board. In our view, the Board has used these provisions of the LLC Agreement as an entrenchment mechanism to protect the incumbent directors from accountability to shareholders.

On August 1, 2022, the Shareholder Group issued a press release and open letter to the Board (the "Press Release") announcing the Shareholder Group's intent to vote at the Annual Meeting as follows: (i) WITHHOLD on the re-election of incumbent board members Paul Lamb and Richard Smith and (ii) AGAINST Proposal 2, the compensation of the Issuer's named executive officers, as a signal to Issuer's incumbent Board on the poor structure of its Retention Bonus Plan amended recently in May 2022 (the "Bonus Plan"). As more fully explained in the Press Release, which is attached hereto as Exhibit 99.2 and is incorporated herein by reference, the Shareholder Group is concerned that the Board has failed to adequately align itself with shareholders, as evidenced by the Board's limited stock ownership as well as by the Board compensating itself via the Bonus Plan, of which 65% goes to the Board, whose members own a small amount of Shares, and have an average tenure on the Board of approximately 20 years.

The Shareholder Group calls for specific corporate governance changes including the declassification of the Board, as more fully explained in Declassification Presentation, which is attached hereto as Exhibit 99.3 and is incorporated herein by reference. The Shareholder Group believes that the Issuer's shareholders need a refreshed Board capable of considering and implementing changes.

The Reporting Persons purchased the Shares based on the Reporting Persons' belief that the Shares, when purchased, were undervalued and represented an attractive investment opportunity. Depending upon overall market conditions, other investment opportunities available to the Reporting Persons, and the availability of Shares at prices that would make the purchase or sale of Shares desirable, the Reporting Persons may endeavor to increase or decrease their position in the Issuer through, among other things, the purchase or sale of Shares on the open market or in private transactions or otherwise, on such terms and at such times as the Reporting Persons may deem advisable.

The Reporting Persons have engaged, and may continue to engage, in general discussions with the Issuer's Board and management team, including with respect to the composition of the Board, the Issuer's corporate governance and evaluating all options to maximize shareholder value, including potential business combinations or strategic alternatives involving the Issuer or certain of the Issuer's businesses or assets.

No Reporting Person has any present plan or proposal which would relate to or result in any of the matters set forth in subparagraphs (a) - (j) of Item 4 of Schedule 13D except as set forth herein or such as would occur upon or in connection with completion of, or following, any of the actions discussed herein. The Reporting Persons intend to review their investment in the Issuer on a continuing basis. Depending on various factors including, without limitation, the Issuer's financial position and investment strategy, the price levels of the Shares, conditions in the securities markets and general economic and industry conditions, the Reporting Persons may in the future take such actions with respect to their investment in the Issuer as they deem appropriate including, without limitation, engaging in additional communications with management and the Board of the Issuer, engaging in discussions with shareholders of the Issuer and others about the Issuer and the Reporting Persons' investment, making proposals to the Issuer concerning changes to the capitalization, ownership structure, board structure (including Board composition) or operations of the Issuer, or potential business combinations or strategic alternatives involving the Issuer or certain of the Issuer's businesses or assets, including transactions in which the Reporting Persons may seek to participate and potentially engage in (including with other third parties), purchasing additional Shares, selling some or all of their Shares, engaging in short selling of or any hedging or similar transaction with respect to the Shares, or changing their intention with respect to any and all matters referred to in Item 4.

Item 5. Interest in Securities of the Issuer.

The aggregate percentage of the Shares reported owned by each person named herein is based upon 1,482,680 Shares outstanding as of July 18, 2022, which is the total number of Shares reported outstanding in the Issuer's Definitive Proxy Statement on Schedule 14A, filed with the Securities and Exchange Commission on July 20, 2022.

A. Star Equity Holdings

- (a) Star Equity Holdings, as the parent of Star Value, sole member of Star Management, and limited partner of Star Equity Fund may be deemed the beneficial owner of the 74,734 Shares beneficially owned by Star Equity Fund.

Percentage: Approximately 5.04%

- (b) 1. Sole power to vote or direct vote: 74,734
2. Shared power to vote or direct vote: 0
3. Sole power to dispose or direct the disposition: 74,734
4. Shared power to dispose or direct the disposition: 0

- (c) Star Equity Holdings has not entered into any transactions in the Shares during the past 60 days. The transactions in the Shares on behalf of Star Equity Fund during the past 60 days are set forth in Schedule A and are incorporated herein by reference.

B. Star Equity Fund

- (a) As of the close of business on August 1, 2022, Star Equity Fund beneficially owned 74,734 Shares.
Percentage: Approximately 5.04%
- (b)
 - 1. Sole power to vote or direct vote: 74,734
 - 2. Shared power to vote or direct vote: 0
 - 3. Sole power to dispose or direct the disposition: 74,734
 - 4. Shared power to dispose or direct the disposition: 0
- (c) The transactions in the Shares by Star Equity Fund during the past 60 days are set forth in Schedule A and are incorporated herein by reference.

C. Star Equity GP

- (a) Star Equity GP, as the general partner of Star Equity Fund, may be deemed the beneficial owner of the 74,734 Shares owned by Star Equity Fund.
Percentage: Approximately 5.04%
- (b)
 - 1. Sole power to vote or direct vote: 74,734
 - 2. Shared power to vote or direct vote: 0
 - 3. Sole power to dispose or direct the disposition: 74,734
 - 4. Shared power to dispose or direct the disposition: 0
- (c) Star Equity GP has not entered into any transactions in the Shares during the past 60 days. The transactions in the Shares on behalf of Star Equity Fund during the past 60 days are set forth in Schedule A and are incorporated herein by reference.

D. Star Investment Management

- (a) Star Investment Management, as the investment manager of Star Equity Fund, may be deemed the beneficial owner of the 74,734 Shares owned by Star Equity Fund.
Percentage: Approximately 5.04%
- (b)
 - 1. Sole power to vote or direct vote: 74,734
 - 2. Shared power to vote or direct vote: 0
 - 3. Sole power to dispose or direct the disposition: 74,734
 - 4. Shared power to dispose or direct the disposition: 0
- (c) Star Equity Holdings has not entered into any transactions in the Shares during the past 60 days. The transactions in the Shares on behalf of Star Equity Fund during the past 60 days are set forth in Schedule A and are incorporated herein by reference.

E. Mr. Eberwein

- (a) Mr. Eberwein, as the manager of Star Equity GP and Star Equity Management, may be deemed the beneficial owner of the 74,734 Shares owned by Star Equity Fund.
Percentage: Approximately 5.04%

- (b) 1. Sole power to vote or direct vote: 74,734
2. Shared power to vote or direct vote: 0
3. Sole power to dispose or direct the disposition: 74,734
4. Shared power to dispose or direct the disposition: 0
- (c) Mr. Eberwein has not entered into any transactions in the Shares during the past 60 days. The transactions in the Shares on behalf of Star Equity Fund during the past 60 days are set forth in Schedule A and are incorporated herein by reference.

F. Star Value

- (a) Star Value, as the sole member of Star Equity GP and wholly owned subsidiary of Star Equity Holdings may be deemed the beneficial owner of the Shares of common stock owned by Star Equity Fund.

Percentage: Approximately 5.04%
- (b) 1. Sole power to vote or direct vote: 74,734
2. Shared power to vote or direct vote: 0
3. Sole power to dispose or direct the disposition: 74,734
4. Shared power to dispose or direct the disposition: 0
- (c) Star Value has not entered into any transactions in the Shares during the past 60 days. The transactions in the Shares on behalf of Star Equity Fund during the past 60 days are set forth in Schedule A and are incorporated herein by reference.

Each Reporting Person, as a member of a "group" with the other Reporting Persons for the purposes of Section 13(d)(3) of the Exchange Act, may be deemed the beneficial owner of the Shares directly owned by the other Reporting Persons. Each Reporting Person disclaims beneficial ownership of such Shares except to the extent of his or its pecuniary interest therein.
- (d) No person other than the Reporting Persons is known to have the right to receive, or the power to direct the receipt of dividends from, or proceeds from the sale of, the Shares.
- (e) Not applicable.

Item 6. Material to be Filed as Exhibits.

On August 1, 2022, the Reporting Persons entered into a Joint Filing Agreement in which the parties agreed to the joint filing on behalf of each of them of statements on Schedule 13D with respect to the securities of the Issuer. A copy of the Joint Filing Agreement is attached as Exhibit 99.1 hereto and is incorporated herein by reference.

Other than as described herein, there are no contracts, arrangements, understandings or relationships among the Reporting Persons, or between the Reporting Persons and any other person, with respect to the securities of the Issuer.

Item 7. Material to be Filed as Exhibits.

The following items are to be filed as exhibits:

<u>99.1</u>	<u>Joint Filing Agreement</u>
<u>99.2</u>	<u>Press Release, dated August 1, 2022</u>
<u>99.3</u>	<u>Declassification Presentation</u>

SIGNATURES

After reasonable inquiry and to the best of his knowledge and belief, each of the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: August 1, 2022

Star Equity Holdings, Inc.

By: /s/ Jeffrey E. Eberwein
Name: Jeffrey E. Eberwein
Title: Executive Chairman

Star Equity Fund, LP

By: Star Equity Fund GP, LLC
General Partner

By: /s/ Jeffrey E. Eberwein
Name: Jeffrey E. Eberwein
Title: Manager

Star Equity Fund GP, LLC

By: /s/ Jeffrey E. Eberwein
Name: Jeffrey E. Eberwein
Title: Manager

Star Investment Management, LLC

By: /s/ Jeffrey E. Eberwein
Name: Jeffrey E. Eberwein
Title: Manager

Star Value, LLC

By: Star Equity Holdings, Inc.

By: /s/ Jeffrey E. Eberwein
Name: Jeffrey E. Eberwein
Title: Executive Chairman
/s/ Jeffrey E. Eberwein
Jeffrey E. Eberwein

SCHEDULE A

Transactions in the Securities of the Issuer During the Past Sixty Days

Shares of Common Stock Purchased/(Sold)	Price Per Share (\$) ¹	Date of Purchase / Sale
<u>STAR EQUITY FUND, LP</u>		
1	\$12.01	6/6/2022
100	\$12.01	6/8/2022
578	\$12.01	6/15/2022
2	\$12.01	6/16/2022
20	\$12.01	6/30/2022
2	\$12.01	7/1/2022
2,486	\$12.01	7/6/2022
2	\$11.41	7/8/2022
21	\$12.01	7/13/2022
20	\$12.01	7/25/2022
1,476	\$12.50	7/26/2022

¹ The prices reported in this column are weighted average prices. Star Equity Fund, LP undertakes to provide the Issuer and any security holder of the Issuer, or the staff of the Securities and Exchange Commission, upon request, full information regarding the number of shares purchased (or sold) at each separate price such shares were purchased.

JOINT FILING AGREEMENT

In accordance with Rule 13d-1(k)(1)(iii) under the Securities Exchange Act of 1934, as amended, the persons named below agree to the joint filing on behalf of each of them of a Statement on Schedule 13D (including additional amendments thereto) with respect to the shares of Common Stock, par value \$1.00 per share, of Gyrodyne, LLC. This Joint Filing Agreement shall be filed as an Exhibit to such Statement.

Dated: August 1, 2022

Star Equity Holdings, Inc.

By: /s/ Jeffrey E. Eberwein
 Name: Jeffrey E. Eberwein
 Title: Executive Chairman

Star Equity Fund, LP

By: Star Equity Fund GP, LLC
 General Partner

By: /s/ Jeffrey E. Eberwein
 Name: Jeffrey E. Eberwein
 Title: Manager

Star Equity Fund GP, LLC

By: /s/ Jeffrey E. Eberwein
 Name: Jeffrey E. Eberwein
 Title: Manager

Star Investment Management, LLC

By: /s/ Jeffrey E. Eberwein
 Name: Jeffrey E. Eberwein
 Title: Manager

Star Value, LLC

By: Star Equity Holdings, Inc.

By: /s/ Jeffrey E. Eberwein
 Name: Jeffrey E. Eberwein
 Title: Manager

Star Equity Fund Intends to Vote WITHHOLD on the Re-Election of Paul Lamb and Richard Smith to the Gyrodyne Board

Old Greenwich, CT – August 1, 2022 – Star Equity Fund, LP (“Star Equity Fund”, “we”, “our”), a 5.0% shareholder of Gyrodyne, LLC (Nasdaq: GYRO) (“Gyrodyne” or “the Company”), seeks to unlock shareholder value and improve corporate governance at its portfolio companies. To that end, as a Gyrodyne shareholder, we intend to vote WITHHOLD on the re-election of incumbent board members Paul Lamb and Richard Smith at the Company’s 2022 Annual Meeting of Shareholders, which will be held on August 24, 2022 at 11:00 a.m., ET. We also intend to vote AGAINST Proposal 2, the compensation of the Company’s named executive officers, as a signal to Gyrodyne’s incumbent board of directors (the “Board”) on the poor structure of its Retention Bonus Plan (the “Bonus Plan”).

We believe that under Lamb’s and Smith’s directorship, the Board has failed to adequately align itself with shareholders. This lack of alignment is evidenced by the Board’s limited stock ownership as well as by the Board compensating itself via the Bonus Plan. From an ownership standpoint, Gyrodyne directors collectively own only a small amount of the Company shares despite an average director tenure of approximately 20 years while the management team collectively owns zero shares, a serious concern for which we fault the Board. We are also highly concerned with the Bonus Plan, which stipulates that upon liquidation of Gyrodyne’s properties, 5% of the gross sale proceeds are allocated to the Board members and management as long as the proceeds are at least equal to the properties’ appraised values. Further, the Board members and management earn an additional fee on any incremental gross proceeds in excess of the appraisal values. We believe the Bonus Plan is egregious with 65% of the bonus pool going to the Board, which unfairly benefits a poorly performing incumbent Board to the detriment of shareholders. We believe the Board and management should instead own stock and they should terminate the Bonus Plan to properly align themselves with shareholders. In addition, the Board has made changes to the Bonus Plan several times, never with shareholder approval—something they could not do with a stock-based plan.

We were extremely disappointed to see in Gyrodyne’s 10-Q filed May 11, 2022 that the Company amended the Bonus Plan (once again) such that it cannot be (a) suspended or terminated, or (b) amended in a manner that would reduce, eliminate or otherwise materially impair the manner in which (i) the bonus pool is to be determined, calculated or funded, or (ii) bonus payments are to be made to participants in the Bonus Plan. The amendment also clarified that a director nominated for reelection but failing to get reelected would be treated as if he or she was terminated without cause (and thus eligible for modified benefits post-termination). We believe these changes were prompted by our March 2022 press release regarding our intent to nominate directors at the Company. These changes to the Bonus Plan further reinforce our view that the Board is running this Company principally for its own benefit rather than for the benefit of shareholders. We were also disappointed to see in the Company’s 2021 10-K filing that it has (yet again) delayed its liquidation timeline from 2022 to year-end 2024. We believe the Board is incentivized to protract the dissolution of the Company because they receive compensation in the interim and are more concerned with maximizing their bonus payout under the Bonus Plan rather than maximizing net present value for shareholders.

Gyrodyne’s Board has a track record of poor corporate governance, and proxy advisory firms ISS and Glass Lewis have noted numerous issues with the Board and its corporate governance. In their reports related to the Company’s 2021 annual meeting of shareholders, these proxy advisory firms recommended a vote against the Company’s say-on-pay proposal in 2021 due to Gyrodyne having demonstrated poor responsiveness following shareholder dissent on the previous year’s say-on-pay proposal. Further, Glass Lewis recommended shareholders withhold votes from all Gyrodyne’s nominees in 2021 and cited the 34% withhold vote rate on the Company’s nominees at the 2020 annual meeting of shareholders as evidence for a “high level of shareholder disapproval.” This withhold rate jumped to a staggering 40% in 2021. Both firms also noted the incumbent Board lacks gender diversity.

In March 2022, we requested the Board waive its entrenchment mechanism of requiring a nominating shareholder to have held at least \$2,000 worth, or 1%, of the Company’s common stock for at least one year. We are disappointed to report the Company declined our request, yet another example of the entrenched Board’s refusal to facilitate shareholder input at the Company.

Gyrodyne’s long-suffering shareholders deserve better, and we aim to give them an opportunity for much-needed change on the Board. We should note our appreciation of management’s efforts and their engagement with us as shareholders. It is our intention to continue to monitor the Company’s progress; we remain ready to act in the future on behalf of shareholders if further progress on improving shareholder value and shareholder rights is not made. Our intent to withhold our vote for the election of incumbent Board members, Paul Lamb and Richard Smith, and against Proposal 2 is reflective of our dissatisfaction with the current Board’s lack of commitment to maximizing shareholder value and shareholder rights at Gyrodyne.

About Star Equity Fund, LP

Star Equity Fund, LP is an investment fund managed by Star Equity Holdings, Inc. Star Equity Fund seeks to unlock shareholder value and improve corporate governance at its portfolio companies.

About Star Equity Holdings, Inc.

Star Equity Holdings, Inc. is a diversified holding company with three divisions: Healthcare, Construction, and Investments.

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Corporate Governance
and Staggered Boards:
Trends and Analysis

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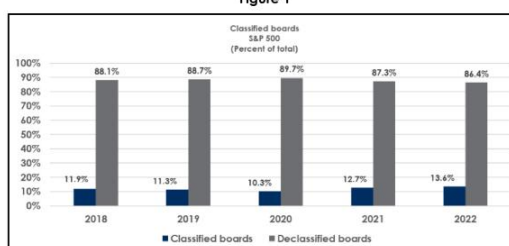
▪ **Over the last 20 years, there has been an overwhelming trend of declassification across S&P 500 companies**

- The number of S&P 500 companies with classified (or “staggered”) boards declined from 300 in 2000 to 60 in 2013 (80% decline) and has stayed low since 2013
- Per *Corporate Board Practices*’s 2021 report, S&P Midcap 400 prevalence of staggered boards has declined 10% over the last four years (40.3% to 30.9% from 2018 to 2021)
- Per FactSet Research Systems, from January 1, 2012, to June 30, 2013:
 - More than 90 S&P 500 companies brought management proposals to declassify their boards to a vote at annual meetings
 - More than 50 declassification proposals passed at annual meetings of S&P 500 companies
 - On average, over 75% of votes were cast in favor of shareholder proposals to declassify the boards of S&P 500 companies

▪ **The Harvard Shareholder Rights Project (2011-2014)**

- Established by the Harvard Law School Program on Institutional Investors to contribute to education, discourse, and research related to efforts by institutional investors to improve corporate governance at publicly traded firms
- 196 shareholder proposals were submitted to 129 different S&P 500 and Fortune 500 companies over the span of the project
- Of the 129 companies receiving proposals for the 2012, 2013, and/or 2014 proxy seasons, over 90% agreed to move towards annual elections of all board members (i.e., declassify their boards)
 - The 121 companies that agreed to declassify their boards represent about two-thirds of the S&P 500 companies that had classified boards as of the beginning of 2012 and had a market capitalization exceeding one trillion dollars as of June 30, 2014

Figure 1



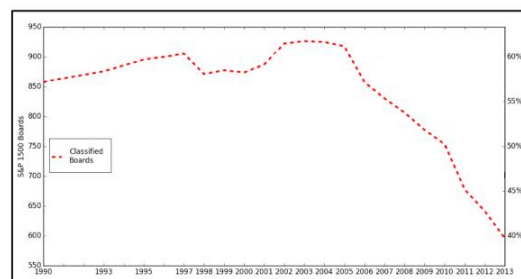
▪ **Staggered Boards and the Value of Voting Rights (Karakas and Mohseni 2021)**

- Analyzed 350 U.S. public companies from 1996 to 2018 with liquid options traded on them
 - Created a measure to distinguish the value of control rights versus rights to future cash flows reflected in the price of a stock – “voting premium”
 - Compared option prices (representative of cash flow rights but not voting rights) against common stock prices (representative of cash flow and voting rights) on companies with staggered boards versus those without staggered boards
- Concluded that “staggered boards are perceived by the market on average as a value-reducing rather than a value-maximizing corporate governance choice”

▪ **Board Classification and Shareholder Value: Evidence from Corporate Law Amendments (Kim 2016)**

- Sampled 76 public companies incorporated in Indiana, Iowa, and Oklahoma
- Examined the causal relationship between board classification and shareholder value using four corporate law amendments between 2009 and 2012
 - Each state enacted amendments to corporate law to mandate a three-class board structure for publicly traded domestic corporations
 - Oklahoma repealed their earlier 2010 amendment in 2012, effectively nullifying it
 - Found a direct negative relationship between the increase in the probability of board classification and the market’s reaction to shareholder value
- Concluded that the “market perceives classified boards as hampering and declassified boards as improving shareholder value”

Figure 2:
Board Declassification Trend of
S&P 1500 Companies (1990-2013)



▪ **Classified Boards, Firm Value, and Managerial Entrenchment (Faleye 2006)**

- Sampled 2,021 firms from 1995 to 2002
 - Excluded mutual funds, real estate investment trusts, and limited partnerships
 - Each firm either maintained a staggered board or annual election of all directors throughout all years of the study
- Found an average of \$795 million reduction in the market value of companies with a staggered board using Fama-McBeth framework
 - Ran regressions over eight-year period, found correlation to be negative and significant (p value < .01) in each year
- Concluded that “classified boards are associated with a significant depression in firm value each year during the entire eight-year period”
- Found that “classified boards significantly insulate top management from market discipline”

▪ **The Costs of Entrenched Boards (Bebchuk and Cohen 2005)**

- Conducted study from 1995 to 2002
- Found firms with staggered boards established in the firm's corporate charter to be more negatively correlated with firm value than firms with staggered boards established in the company's by-laws
 - Supports the notion that companies with staggered boards enumerated in the company's by-laws are more attractive to shareholders because of the relative ease with which company by-laws can be amended compared to corporate charters
- Found that staggered boards are associated with lower firm value

▪ **Corporate Governance and Equity Prices (Gompers, Ishii, and Metrick 2003)**

- Sampled approximately 1,500 firms per year during the 1990s
- Found that “corporate governance [was] strongly correlated with stock returns during the 1990s”
- Observed decline in firm value as the balance of power shifted away from shareholders across companies in study
 - Reduction in firm value increased over 500% from the beginning to the end of the decade for each “one-point increase in the Governance Index” (a metric used to indicate increasing management power and decreasing shareholder power)
- Concluded that an investment strategy that purchased shares of firms with the lowest Governance Index and selling shares of firms with the highest Governance Index would have yielded annual returns of 8.5%

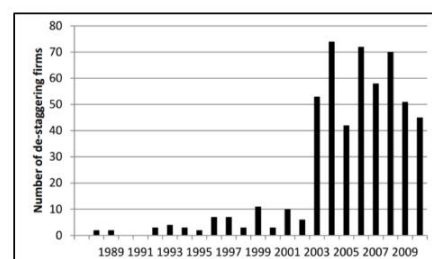
▪ **Staggered Boards, Unequal Voting Rights, Poison Pills and Innovation Intensity: New Evidence from the Asian Markets (Mbanyele 2021)**

- Studied a sample of 625 listed firms from six Asian countries (China, India, Indonesia, Japan, South Korea, and Thailand)
- Questioned the pro-staggered board opinion that classification facilitates better long-term R&D outcomes by evaluating innovation intensity and spending
 - Employed three proxy measures of takeover protection as independent variables: staggered board provision, unequal voting rights provision, and poison pill provision
- Found that the adoption of classified boards was associated with a 7.7% decrease in R&D intensity, defined as R&D expenditure scaled by total assets
- Determined that all three proxy measures had "no incremental effect on long term innovation activities" individually or combined

▪ **Activism and the Shift to Annual Director Elections (Guo, Kruse, Nohel 2014)**

- Sampled 465 firms that switched from staggered boards to annual director elections between 2003 and 2010
- Found that the market responds favorably to a switch to annual director elections (significant at the 5% level)
- Movements to declassify director boards prompted by an aggressive 13D filing from an activist hedge fund causes a "highly significant" jump in share prices of around 1.4%
 - Declassifying announcements prompted by a shareholder proposal shows no significant action in share price
- Concluded that hedge funds are far more able to create change in board staggering compared to individual shareholders
 - Observed that companies prodded by hedge funds to declassify completed the transition to annual elections significantly faster than firms encouraged by non-binding shareholder proposals
 - Hedge funds in the sample had a stake in the target firm of at least 5%

Figure 3:
Distribution of Sample Firms by Year
of the Decision to Declassify



1. Since the mid-2000s, there has been a significant shift in corporate governance favoring the declassification of boards
2. Insulation of incumbent board members via board-staggering has been shown to associate with reduction in firm value
3. Shifting the balance of power away from shareholders has been observed to cause reduction in firm value
4. Leading corporations across all major industries have exhibited movement towards board declassification
5. Activist hedge funds are significantly more successful than individual shareholders in motivating companies to declassify their boards

A P P E N D I X

Sources •

Contact Information •



Sources

Year	Source	Link	Year	Source	Link
2014	Activism and the Shift to Annual Director Elections (Guo, Kruse, Nohel)	http://www.na-businesspress.com/JAF/NohelT_Web14_4.pdf	2016	Governance trends at Russell 2000 companies (EY)	http://www.ey.com/Publication/vwLUAssets/EY-governance-trends-at-russell-2000-companies/\$FILE/EY-cbm-russell-2000-governance-trends.pdf
2016	Board Classification and Shareholder Value: Evidence from Corporate Law Amendments (Kim)	KIM-DISSERTATION-2016.pdf (utexas.edu)	2014	Harvard Shareholder Rights Project	http://www.srp.law.harvard.edu/companies-entering-info-agreements.shtml
2016	Board De-Classification May Lead to More Diversity (Equilar)	http://www.equilar.com/blogs/60-board-de-classify.html	2014	Netflix Notice of Annual Meeting of Stockholders	https://www.sec.gov/Archives/edgar/data/1065280/000119312514163399/d705110ddef14a.htm
2006	Classified Boards, Firm Value, and Managerial Entrenchment (Faleye)	http://web.cba.neu.edu/~ofaleye/doc/cboards.pdf	2021	Staggered Boards and the Value of Voting Rights (Karakas and Mohseni)	Staggered Boards and the Value of Voting Rights by Oğuzhan Karakas, Mahdi Mohseni :: SSRN
2021	Corporate Board Practices 2021 Edition	Corporate Board Practices 2021 Edition.pdf (esgauge.org)	2021	Staggered Boards, Unequal Voting Rights, Poison Pills and Innovation Intensity: New Evidence from the Asian Markets (Mbanyele)	Staggered Boards, Unequal Voting Rights, Poison Pills and Innovation Intensity: New Evidence from the Asian Markets, by William Mbanyele :: SSRN
2003	Corporate Governance and Equity Prices (Gompers, Ishii, and Metrick)	http://www.corporategovernanceadvisory.com/uploads/4/0/9/3/40931365/cg_and_equity_prices_-_glm.pdf	2005	The Costs of Entrenched Boards (Bebchuk and Cohen)	doi:10.1016/j.jfineco.2004.12.006 (harvard.edu)

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