

**GSV CAPITAL CORP. - STOCK DIVIDEND (ELECTION)**

Ex - Distribution Date: 01/04/2016

DESCRIPTION:

GSV Capital Corp. (GSVC) has declared a \$2.76 dividend payable in cash or stock to GSVC Common Shareholders. GSVC Shareholders have the right to elect to receive the dividend in Common Stock (share election) or cash (cash election). In aggregate, the amount of cash to be distributed will be at minimum 20% of the total dividend but will be limited to a maximum of 50% of the distribution. The remainder of the dividend will be paid in the form of GSVC Common Shares. The Election Deadline is December 18, 2015. GSVC Shareholders who fail to make an election will receive the dividend in the form of shares. The exact amount of Common Shares to be received by non-electing shareholders will be determined by the company after the Election Deadline on a date to be announced.

NASDAQ Capital Market has set January 4, 2016 as the ex-distribution date for the dividend. The Payable Date is December 31, 2015. The Record Date was November 16, 2015.

Adjustment Determination

Adjustment determinations are made by a panel of the OCC Securities Committee in accordance with Article VI, Sections 11 and 11A of the OCC By-Laws. The contract adjustment described below was established by the GSVC adjustment panel of the Securities Committee by applying Interpretation .01 of Article VI, Section 11A of the OCC By-Laws to the dividend in the form that will be received by non-electing shareholders.

Since it is expected that the majority of the \$2.76 dividend will be paid in stock to non-electing GSVC shareholders, the stock dividend provision contained in Interpretation .01 was utilized.

Pursuant to the terms of the Interpretation .01, a stock dividend that is less than a 10% stock dividend and occurs on a quarterly basis will be considered an ordinary stock dividend. Dividends meeting these criteria of an ordinary dividend will generally not result in an adjustment. Because GSVC dividends are anticipated to occur on an annual basis instead of quarterly and the amount of shares paid to non-electing shareholders is expected to exceed 10% even if some of the dividend is paid in cash to non-electing shareholders (GSVC closed at \$9.95 on the GSVC dividend declaration date of November 4, 2015), the portion of the \$2.76 dividend paid in stock to non-electing shareholders qualifies as a non-ordinary stock dividend under the OCC By-Laws and will therefore result in a contract adjustment. The stock dividend adjustment will also include cash in lieu of fractional shares, if any.

If any portion of the dividend is paid to non-electing shareholders as a cash dividend, any such amount will be construed under the cash dividend provisions of the By-Laws. In other words, if the form of the non-electing dividend includes both stock and cash, the stock portion of the dividend will result in an adjustment pursuant to the discussion above and the cash portion of the dividend will be evaluated under the cash dividend provisions of the OCC By-Laws. Interpretation .01 describes an ordinary cash dividend as follows:

Cash dividends deemed to be ordinary pursuant to Section 11A will not result in a contract adjustment. The GSVC dividend is being paid pursuant to the company's policy of paying dividends as described in the GSVC Form 10-Q dated November 9, 2015. As a result, any portion of the \$2.76 dividend that is will be paid as a cash dividend to non-electing shareholders will be classified as an ordinary dividend and will not result in an adjustment as a cash dividend. Without a designation by the company to classify the dividend as special, any portion of the \$2.76 dividend paid as a cash dividend to non-electing shareholders will be considered an ordinary cash dividend and consequently will not result in an adjustment.

Contract Adjustments:

Pursuant to the By-Laws of the Options Clearing Corporation ("OCC"), the below options will be adjusted as follows.

Adjustment Date: **01/04/2016**

Option Symbol: GSVC becomes GSV1

Underlying Security: GSV1 remains GSV1

CUSIP: 36191J101

Contract Multiplier: 1

Strike Divisor: 1

New Multiplier: 100

Strike Price: **Remains the Same**

New Deliverable: Cash in lieu of fractional GSV1 shares, if any
An additional amount of GSV1 Common Shares reflecting the stock dividend received by non-electing GSV1 shareholders (x100)
100 GSV Capital Corp. (GSV1) Common Shares

Pricing Considerations: Until the exact amount of additional GSV1 shares and the cash in lieu amount of fractional GSV1 shares, if any, to be included in the GSV1 deliverable are determined, the underlying price for GSV1 will be determined as follows:

$$\text{GSV1} = \text{GSV1} + 2.76$$

Additional Exchange Info: On Thursday, December 31st, 2015, immediately after the BOX close, all resting orders for GSV1 in the order book will be canceled by the BOX Market Operations Center. If a BOX Participant wishes to enter orders for the new GSV1 series, the BOX Participant will need to reenter the orders before the open on Monday, January 4th, 2016.

Old Option Symbol	Old PutCall Code	Old Strike Price	Old Contract Date	New Option Symbol	New PutCall Code	New Strike Price	New Contract Date
GSV1	C/P	2.50	01/15/2016	GSV1	C/P	2.50	01/15/2016
GSV1	C/P	5.00	01/15/2016	GSV1	C/P	5.00	01/15/2016
GSV1	C/P	7.50	01/15/2016	GSV1	C/P	7.50	01/15/2016
GSV1	C/P	10.00	01/15/2016	GSV1	C/P	10.00	01/15/2016
GSV1	C/P	12.50	01/15/2016	GSV1	C/P	12.50	01/15/2016
GSV1	C/P	15.00	01/15/2016	GSV1	C/P	15.00	01/15/2016
GSV1	C/P	17.50	01/15/2016	GSV1	C/P	17.50	01/15/2016
GSV1	C/P	20.00	01/15/2016	GSV1	C/P	20.00	01/15/2016
GSV1	C/P	22.50	01/15/2016	GSV1	C/P	22.50	01/15/2016
GSV1	C/P	25.00	01/15/2016	GSV1	C/P	25.00	01/15/2016
GSV1	C/P	2.50	02/19/2016	GSV1	C/P	2.50	02/19/2016
GSV1	C/P	5.00	02/19/2016	GSV1	C/P	5.00	02/19/2016
GSV1	C/P	7.50	02/19/2016	GSV1	C/P	7.50	02/19/2016
GSV1	C/P	10.00	02/19/2016	GSV1	C/P	10.00	02/19/2016
GSV1	C/P	12.50	02/19/2016	GSV1	C/P	12.50	02/19/2016
GSV1	C/P	15.00	02/19/2016	GSV1	C/P	15.00	02/19/2016
GSV1	C/P	17.50	02/19/2016	GSV1	C/P	17.50	02/19/2016
GSV1	C/P	2.50	03/18/2016	GSV1	C/P	2.50	03/18/2016
GSV1	C/P	5.00	03/18/2016	GSV1	C/P	5.00	03/18/2016
GSV1	C/P	7.50	03/18/2016	GSV1	C/P	7.50	03/18/2016
GSV1	C/P	10.00	03/18/2016	GSV1	C/P	10.00	03/18/2016
GSV1	C/P	12.50	03/18/2016	GSV1	C/P	12.50	03/18/2016
GSV1	C/P	15.00	03/18/2016	GSV1	C/P	15.00	03/18/2016

Old Option Symbol	Old PutCall Code	Old Strike Price	Old Contract Date	New Option Symbol	New PutCall Code	New Strike Price	New Contract Date
GSVC	C/P	17.50	03/18/2016	GSVC1	C/P	17.50	03/18/2016
GSVC	C/P	20.00	03/18/2016	GSVC1	C/P	20.00	03/18/2016
GSVC	C/P	2.50	06/17/2016	GSVC1	C/P	2.50	06/17/2016
GSVC	C/P	5.00	06/17/2016	GSVC1	C/P	5.00	06/17/2016
GSVC	C/P	7.50	06/17/2016	GSVC1	C/P	7.50	06/17/2016
GSVC	C/P	10.00	06/17/2016	GSVC1	C/P	10.00	06/17/2016
GSVC	C/P	12.50	06/17/2016	GSVC1	C/P	12.50	06/17/2016
GSVC	C/P	15.00	06/17/2016	GSVC1	C/P	15.00	06/17/2016
GSVC	C/P	17.50	06/17/2016	GSVC1	C/P	17.50	06/17/2016

Disclaimer:

This Information Memo summarizes corporate events affecting listed options. No warranty of accuracy or completeness is given with respect to the summary. Option series information is based on series existing at OCC at the time this Memo was generated.

Contact Information:

Questions regarding this memo can be addressed to the BOX Market Operations Center at 617-235-2291 or toll free at 1-866-768-8845.