



#37952

DATE: DECEMBER 7, 2015

SUBJECT: GSV CAPITAL CORP. - STOCK DIVIDEND (ELECTION)
OPTION SYMBOL: G SVC
NEW SYMBOL: GSVC1
DATE: 1/4/16

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. Interpretation .01 states:

Stock dividends or distributions by the issuer of the underlying security (i) in an aggregate amount per dividend or distribution which does not exceed 10% of the number of shares or other units of the underlying security outstanding as of the close of trading on the declaration date, and (ii) which the Corporation believes to have been declared pursuant to a policy or practice of paying such dividends or distributions on a quarterly basis, will, as a general rule, be deemed to be "ordinary stock dividends or distributions" within the meaning of paragraph (c) of Section 11A.

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.

Although it is anticipated that the non-electing dividend will be paid out in stock, 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 or distributions (regardless of size) by the issuer of the underlying security which the Corporation believes to have been declared pursuant to a policy or practice of paying such dividends or distributions on a quarterly or other regular basis will, as a general rule, be deemed to be "ordinary cash dividends or distributions" within the meaning of paragraph (c) of Section 11A.

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.

GSVC1 exercise and assignment activity will be subject to delayed settlement from January 4, 2016 until the final non-electing stock dividend amount is determined. It is currently not known when the final stock dividend amount will be determined by GSVC.

Contract Adjustment

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|----------------------------------|---|
| Effective Date: | January 4, 2016 |
| Option Symbol: | GSVC changes to GSVC1 |
| Contract Multiplier: | 1 |
| Strike Divisor: | 1 |
| New Multiplier: | 100 (e.g., for premium or strike dollar extensions 1.00 will equal \$100) |
| New Deliverable Per Contract: | 1) 100 GSV Capital Corp. (GSVC) Common Shares 2) An additional amount of GSVC Common Shares reflecting the stock dividend received by non-electing GSVC shareholders (x100) 3) Cash in lieu of fractional GSVC shares, if any |
| CUSIP: | 36191J101 |

PRICING

Until the exact amount of additional GSVC shares and the cash in lieu amount of fractional GSVC shares, if any, to be included in the GSVC1 deliverable are determined, the underlying price for GSVC1 will be determined as follows:

$$\text{GSVC1} = \text{GSVC} + 2.76$$

DELAYED SETTLEMENT

OCC will delay settlement of both the GSVC component and the cash in lieu component, if any, of the GSVC1 deliverable until the exact amount of GSVC shares and the cash in lieu amount, if any, to be included in the GSVC1 deliverable are determined. Upon determination of the GSVC distribution rate and the cash in lieu of fractional share amount, if any, OCC will require Put exercisers and Call assignees to deliver the appropriate share and cash amounts. Once determined, the GSVC component of the GSVC1 deliverable will settle through National Securities Clearing Corporation (NSCC). Clearing members should remind customers that settlement of GSVC1 exercise/ assignment activity will include a future obligation to deliver GSVC Common Shares and pay the cash in lieu amount, if any.

DISCLAIMER

This Information Memo provides an unofficial summary of the terms of corporate events affecting listed options or futures prepared for the convenience of market participants. OCC accepts no responsibility for the accuracy or completeness of the summary, particularly for information which may be relevant to investment decisions. Option or futures investors should independently ascertain and evaluate all information concerning this corporate event(s).

The determination to adjust options and the nature of any adjustment is made by a panel of The OCC Securities Committee pursuant to OCC By-Laws, Article VI, Sections 11 and 11A. The adjustment panel is comprised of representatives from OCC and each exchange which trades the affected option. The determination to adjust futures and the nature of any adjustment is made by OCC pursuant to OCC By-Laws, Article XII, Sections 3, 4, or 4A, as applicable. For both options and futures, each adjustment decision is made on a case by case basis. Adjustment decisions are based on information available at the time and are subject to change as additional information becomes available or if there are material changes to the terms of the corporate event(s) occasioning the adjustment.

ALL CLEARING MEMBERS ARE REQUESTED TO IMMEDIATELY ADVISE ALL BRANCH OFFICES AND CORRESPONDENTS ON THE ABOVE.

For questions regarding this memo, call Investor Services at 1-888-678-4667 or email investorservices@theocc.com. Clearing Members may contact Member Services at 1-800-544-6091 or, within Canada, at 1-800-424-7320, or email memberservices@theocc.com.