

C2 Research Circular #C2-RS17-181

Date: May 26, 2017

To: Permit Holders
From: Scott Speer
RE: Celsion Corporation ("CLSN")
1-for-14 Reverse Common Stock Split
Ex-Distribution Date: May 30, 2017

Celsion Corporation ("CLSN") has announced a 1-for-14 reverse common stock split, in which each outstanding share of CLSN common stock will automatically be converted into one-fourteenth (0.0714286) of a share of "New" CLSN common stock. **The ex-date for the reverse common stock split will be Tuesday, May 30, 2017.**

Contract Adjustment

Pursuant to OCC rules (Article VI, Section 11 and 11A), all outstanding CLSN option series as of Tuesday, May 30, 2017, at 8:30 A.M. Chicago time will be adjusted to reflect this 1-for-14 reverse common stock split. All CLSN options will be adjusted to require the receipt or delivery of: **(A) 7 shares of "New" Celsion Corporation ("CLSN") Common Stock; plus (B) cash in lieu of approximately 0.14286 fractional share of "New" CLSN Common Stock.** The contract multiplier will remain 100, *i.e.*, 1 point of premium or strike price will equal \$100. Strike prices will remain the same. The option symbol will change to **CLSN1**. Premiums for the adjusted CLSN1 options will continue to be calculated on the basis of a multiplier of 100, *i.e.*, for premium and strike-price extensions, 1.00 will equal \$100. [

The option adjustment will appear in the Daily Position Report of the clearing member firms on the ex-date. After 8:30 A.M. Tuesday, May 30, 2017, all trades, corrections, and exercises must be submitted to the C2 and OCC on an adjusted basis.

Settlement

The CLSN component of the CLSN1 deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the CLSN1 deliverable until the cash in lieu of fractional CLSN share is determined. Upon determination of the cash in lieu amount, OCC will require Put exercisers and Call assignees to deliver the appropriate cash amount.

GTC Order Conversion

On Friday, May 26, 2017, immediately after the C2 close, the system will convert or cancel all resting orders in the CLSN order book. If your firm has requested, all booked orders (phone, wire, and electronic) and all OHS orders residing outside the book (booth or crowd routed) will be converted reflecting the adjustments. If your firm has requested, all booked orders and OHS orders residing outside of the book will be canceled. If your firm receives CXL drops, the CXL confirms will print at your booth at 3:15 p.m. OHS CXLs will also be transmitted electronically to your branches.

Immediately after the close, the book staff will return a final written report listing the orders that are converted or canceled to all firms. If converted, this list will also show how the new orders will be adjusted. This report will be available on request anytime during the day prior to the night of the adjustment.

Position and Exercise Limits

The C2 Regulatory Division has determined that: "The position and exercise limits will remain the same."

Questions regarding this memo can be addressed to Options Industry Services at 1-888-OPTIONS (1-888-678-4667). C2 contract adjustment memos can also be accessed from www.c2exchange.com at the following web address:

<http://www.c2exchange.com/ContractAdjustments>