

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 16, 2006

Celsion Corporation

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or other jurisdiction
of incorporation)

000-14242
(Commission File Number)

52-1256615
(IRS Employer
Identification No.)

10220-L Old Columbia Road, Columbia, Maryland
(Address of principal executive office)

21046-2364
(Zip Code)

Registrant's telephone number, including area code: (410) 290-5390

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligations of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communication pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.135-4(c))
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Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

Item 1.01 Entry into a Material Definitive Agreement.

On March 16, 2006, Celsion Corporation (the "Company") made awards of restricted common stock pursuant to the Company's 2004 Stock Incentive Plan to its Named Executive Officers (as that term is defined in Item 402 of Regulation S-K) in lieu of bonuses of those executive officers and in lieu of a \$50,000.00 salary increase for 2006 for the Company's President and Chief Executive Officer, Lawrence S. Olanoff. The number of shares of restricted stock awarded to each executive officer was based upon the March 15, 2006 closing price of the Company's common stock on The American Stock Exchange, which was \$4.08. Each of the awards of restricted stock will vest on March 15, 2007. The restricted stock awards and percentage of bonuses are as follows:

<u>Name and Title of Executive Officer</u>	<u>Restricted Stock Awarded in Lieu of All or a Portion of 2005 Bonus</u>		<u>Restricted Stock Awarded in Lieu of 2006 Salary Increase</u>	<u>Value of Shares Awarded</u>
	<u>Percentage of Bonus</u>	<u>Shares of Restricted Stock Awarded</u>		
Lawrence S. Olanoff, President – Chief Executive Officer	100%	12,255	12,255	\$100,000.08
Anthony P. Deasey, Executive Vice President – Chief Operating Officer and Chief Financial Officer	50%	10,478	—	\$ 42,750.24
Carolyn Finkle, Vice President – Regulatory Affairs	33%	2,369	—	\$ 9,665.52
Michael Oleck, Vice President – Operations	50%	4,534	—	18,498.72

A copy of the letters from the Company to the executive officers regarding the awards of restricted stock are attached hereto as exhibits 10.1, 10.2, 10.3 and 10.4, and are incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
10.1	Letter dated March 16, 2006 from the Company to Lawrence S. Olanoff
10.2	Letter dated March 16, 2006 from the Company to Anthony P. Deasey
10.3	Letter dated March 16, 2006 from the Company to Carolyn Finkle
10.4	Letter dated March 16, 2006 from the Company to Michael Oleck

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CELSION CORPORATION

Date: March 21, 2006

By: /s/ Anthony P. Deasey

Anthony P. Deasey
Executive Vice President, Chief Financial Officer and
Chief Operating Officer

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Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
10.1	Letter dated March 16, 2006 from the Company to Lawrence S. Olanoff
10.2	Letter dated March 16, 2006 from the Company to Anthony P. Deasey
10.3	Letter dated March 16, 2006 from the Company to Carolyn Finkle
10.4	Letter dated March 16, 2006 from the Company to Michael Oleck



Celsion Corporation	T 410.290.5390	www.celsion.com
10220-L Old Columbia Road	T 800.262.0394	celsion@celsion.com
Columbia MD 21046-2364	F 410.290.5394	

March 16, 2006

Dear Dr. Olanoff:

You have elected to have 100% (\$50,000) of your 2005 annual bonus designated in restricted shares of Celsion stock which will vest on March 15, 2007. The Board of Directors has also granted you an additional award of \$50,000 in lieu of a salary increase for 2006. These awards have been converted into stock using the closing price of the stock on March 15, 2006 (\$4.08). The company will issue a certificate for 24,510 shares of Celsion Corporation stock in your name. The company will retain the certificate in safekeeping and release it to you when the restriction has been lifted on March 15, 2007.

Sincerely,

/s/ Anthony P. Deasey

Anthony P. Deasey
Executive Vice President – Chief Operating Officer
Chief Financial Officer



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March 16, 2006

Dear Anthony:

As you are aware, 50% (\$42,750) of your annual bonus has been issued in restricted stock which will vest March 15, 2007. The number of shares issued was calculated using the closing price of Celsion stock on March 15, 2006 (\$4.08). The company will issue a certificate for 10,478 shares of Celsion stock in your name. The company will retain the certificate in safekeeping and release it to you when the restriction has been lifted on March 15, 2007.

Sincerely,

/s/ Lawrence S. Olanoff

Lawrence S. Olanoff
President – Chief Executive Officer



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March 16, 2006

Dear Carolyn:

As you are aware, 33% (\$9,667) of your annual bonus has been issued in restricted stock which will vest March 15, 2007. The number of shares issued was calculated using the closing price of Celsion stock on March 15, 2006 (\$4.08). The company will issue a certificate for 2,369 shares of Celsion stock in your name. The company will retain the certificate in safekeeping and release it to you when the restriction has been lifted on March 15, 2007.

Sincerely,

/s/ Anthony P. Deasey

Anthony P. Deasey
Executive Vice President – Chief Operating Officer
Chief Financial Officer



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March 16, 2006

Dear Mike:

As you are aware, 50% (\$18,500) of your annual bonus has been issued in restricted stock which will vest March 15, 2007. The number of shares issued was calculated using the closing price of Celsion stock on March 15, 2006 (\$4.08). The company will issue a certificate for 4,534 shares of Celsion stock in your name. The company will retain the certificate in safekeeping and release it to you when the restriction has been lifted on March 15, 2007.

Sincerely,

/s/ Anthony P. Deasey

Anthony P. Deasey
Executive Vice President – Chief Operating Officer
Chief Financial Officer