

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL	
OMB Number:	3235-0287
Estimated average burden hours per response:	0.5

1. Name and Address of Reporting Person* BlackRock Kelso Capital Advisors LLC			2. Issuer Name and Ticker or Trading Symbol BlackRock Kelso Capital CORP [BKCC]			5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner Officer (give title below) X Other (specify below) Investment adviser to Issuer		
(Last)	(First)	(Middle)	3. Date of Earliest Transaction (Month/Day/Year) 01/02/2012			6. Individual or Joint/Group Filing (Check Applicable Line) X Form filed by One Reporting Person Form filed by More than One Reporting Person		
40 EAST 52ND STREET			4. If Amendment, Date of Original Filed (Month/Day/Year)					
(Street)	(City)	(State)	(Zip)	NEW YORK NY 10022				

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock, par value \$0.001 per share	01/02/2012		A ⁽¹⁾		57,963 ⁽¹⁾	D	\$0 ⁽¹⁾	114,835.98 ⁽²⁾	D	
Common Stock, par value \$0.001 per share	01/02/2012		J ⁽³⁾		28,630 ⁽³⁾	D	\$0 ⁽³⁾	114,835.98 ⁽²⁾	D	

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date					
Restricted Stock Units	(3)	01/02/2012		J ⁽³⁾		28,630 ⁽³⁾		(3)	(3)	Common Stock, par value \$0.001 per share	28,630	0	D	

Explanation of Responses:

1. Restricted Shares granted by the Reporting Person to certain of its officers and employees pursuant to Restricted Stock Agreements, each dated January 2, 2012, vesting in equal installments on January 2, 2013, 2014 and 2015.
2. Excludes 8,648 Restricted Shares granted by the Reporting Person to certain of its officers and employees pursuant to Restricted Stock Agreements, each dated January 2, 2010, vesting on January 2, 2013; 90,184 Restricted Shares granted by the Reporting Person to certain of its officers and employees pursuant to Restricted Stock Agreements, each dated March 15, 2010, vesting on January 2, 2013; 18,206 Restricted Shares granted by the Reporting Person to certain of its officers and employees pursuant to Restricted Stock Agreements, each dated January 2, 2011, vesting in equal installments on January 2, 2013 and 2014; and 57,265 shares underlying Restricted Stock Units granted by the Reporting Person to certain of its employees pursuant to Restricted Stock Agreements, each dated April 1, 2011, vesting in equal installments on January 2, 2013 and 2014. Additionally, 28,630 of the Restricted Stock Units granted on April 1, 2011 were settled on January 2, 2012.
3. Settlement of 28,630 Restricted Stock Units by the Reporting Person to certain of its employees pursuant to Restricted Stock Unit Agreements, each dated April 1, 2011. Shares of the Issuer's common stock underlying the remaining Restricted Stock Units granted on April 1, 2011 are scheduled to vest and become payable in shares of the Issuer's common stock in equal installments on January 2, 2013 and 2014.

Laurence D. Paredes, Secretary 01/04/2012

** Signature of Reporting Person Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.