

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 | |
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|---|---|--|
| 1. Name and Address of Reporting Person* MAHER JAMES R (Last) (First) (Middle) C/O BLACKROCK KELSO CAPITAL CORPORATION 40 EAST 52ND STREET (Street) NEW YORK NY 10022 (City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol BlackRock Kelso Capital CORP [BKCC] | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) <input checked="" type="checkbox"/> Other (specify below) Chief Executive Officer / C.E.O. of investment adviser |
| | 3. Date of Earliest Transaction (Month/Day/Year) 03/15/2010 | |
| | 4. If Amendment, Date of Original Filed (Month/Day/Year) | 6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person |

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 | 03/15/2010 | | A | | 82,160 ⁽¹⁾ | A | \$0 ⁽¹⁾ | 497,782.58 ⁽²⁾ | D | |
| Common Stock, par value \$0.001 per share | | | | | | | | 42,493.31 | I | By BlackRock Kelso Capital Advisors LLC ⁽³⁾ |

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) | | 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) | | | | | |

Explanation of Responses:

1. Restricted Shares granted by BlackRock Kelso Capital Advisors LLC ("Advisor") pursuant to a Restricted Stock Agreement, dated March 15, 2010, vesting in equal installments on January 2, 2011, 2012 and 2013.
2. Includes 7,600.79 Restricted Shares granted by Advisor pursuant to a Restricted Stock Agreement, dated December 31, 2007, vesting on January 2, 2011; and 19,646 Restricted Shares granted by Advisor pursuant to a Restricted Stock Agreement, dated January 2, 2009, vesting in equal installments on January 2, 2011 and 2012. Excludes shares owned by the individual's adult children and shares owned by a family trust, as to each of which the individual disclaims beneficial ownership.
3. The Reporting Person, as a Manager of Advisor, may be deemed to beneficially own all the Common Stock of the Issuer owned by Advisor. The Reporting Person disclaims beneficial ownership of such shares except to the extent of his pecuniary interest therein and the inclusion of such shares in this report shall not be deemed an admission of beneficial ownership of all of the reported shares for purposes of Section 16 or otherwise.

James R. Maher, by Frank Gordon, Attorney-in-Fact

03/16/2010

** 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.