

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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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): November 4, 2010

**BLACKROCK KELSO CAPITAL CORPORATION**  
(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**001-33559**  
(Commission  
File Number)

**20-2725151**  
(IRS Employer  
Identification Number)

**40 East 52<sup>nd</sup> Street**  
**New York, NY 10022**  
(Address of principal executive offices)

**(212) 810-5800**  
(Registrant's telephone number, including area code)

**Not Applicable**  
(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 obligation of the registrant under any of the following provisions:

- Written communications 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 240.13e-4(c))
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## ITEM 8.01. OTHER EVENTS

BlackRock Kelso Capital Corporation (NASDAQ:BKCC) (“BlackRock Kelso Capital” or the “Company”) announced today that the underwriters of its recent public offering of common stock have fully exercised their over-allotment option and have purchased an additional 900 thousand shares of the Company's common stock at a price of \$11.95 per share. The over-allotment option was granted in connection with the Company's previously announced public offering of 6 million shares of common stock completed on October 22, 2010. With the exercise of the over-allotment option, a total of 6.9 million shares of common stock were sold in the offering. The Company raised approximately \$78.7 million in net proceeds after deducting underwriting discounts and commissions.

The Company expects to use the net proceeds of this offering to make investments in portfolio companies, repay indebtedness owed under its credit facility, and for general corporate purposes.

The information disclosed under this Item 8.01, including Exhibit 99.1 hereto, is being furnished and shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 and shall not be deemed incorporated by reference into any filing made under the Securities Act of 1933, except as expressly set forth by specific reference in such filing.

## ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.

- (a) Not applicable.
- (b) Not applicable.
- (c) Not applicable.
- (d) Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press Release dated November 4, 2010

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**SIGNATURE**

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 thereunto duly authorized.

BLACKROCK KELSO CAPITAL CORPORATION

Date: November 4, 2010

By: /s/ Frank D. Gordon

Name: Frank D. Gordon

Title: Chief Financial Officer

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EXHIBIT INDEX

Exhibit Number

Description

99.1

Press Release dated November 4, 2010

**BLACKROCK KELSO CAPITAL****Investor Contact:**

Frank Gordon  
212.810.5858

**Press Contact:**

Brian Beades  
212.810.5596

**BlackRock Kelso Capital Corporation Announces Exercise and Closing of Over-Allotment Option**

**New York, November 4, 2010** - BlackRock Kelso Capital Corporation (NASDAQ:BKCC) (“BlackRock Kelso Capital” or the “Company”) announced today that the underwriters of its recent public offering of common stock have fully exercised their over-allotment option and have purchased an additional 900 thousand shares of the Company’s common stock at a price of \$11.95 per share. The over-allotment option was granted in connection with the Company’s previously announced public offering of 6 million shares of common stock completed on October 22, 2010. With the exercise of the over-allotment option, a total of 6.9 million shares of common stock were sold in the offering. The Company raised approximately \$78.7 million in net proceeds after deducting underwriting discounts and commissions.

The Company expects to use the net proceeds of this offering to make investments in portfolio companies, repay indebtedness owed under its credit facility, and for general corporate purposes.

Citi, BofA Merrill Lynch, Credit Suisse and UBS Investment Bank were joint bookrunning managers for the offering. BMO Capital Markets was lead manager. Lazard Capital Markets was co-manager. Investors are advised to carefully consider the investment objectives, risks and charges and expenses of BlackRock Kelso Capital before investing. The prospectus contains this and other information about BlackRock Kelso Capital and should be read carefully before investing.

This press release does not constitute an offer to sell or the solicitation of an offer to buy nor will there be any sale of the shares referred to in this press release in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of such state or jurisdiction. A registration statement relating to these securities was filed and has been declared effective by the Securities and Exchange Commission.

A copy of the prospectus for the offering may be obtained from: Citi, Brooklyn Army Terminal, 140 58th Street, 8th Floor, Brooklyn, New York 11220 (telephone number: 1-800-831-9146, email: batprospectusdept@citigroup.com); BofA Merrill Lynch, 4 World Financial Center, New York, NY 10080, Attention: Prospectus Department or email dg.prospectus\_requests@baml.com; Credit Suisse, Attn: Prospectus Dept., One Madison Avenue, New York, NY 10010, 1-800-221-1037; or UBS Investment Bank, Attn: Prospectus Dept., 299 Park Avenue, New York, New York 10171, Telephone: 888-827-7275 Ext. 3884.

**About BlackRock Kelso Capital Corporation**

BlackRock Kelso Capital Corporation is a business development company formed in 2005 by its management team, BlackRock, Inc. and principals of Kelso & Company, to provide debt and equity capital to middle-market companies.

The Company’s investment objective is to generate both current income and capital appreciation through debt and equity investments. The Company invests primarily in middle-market companies in the form of senior and junior secured and unsecured debt securities and loans, each of which may include an equity component, and by making direct preferred, common and other equity investments in such companies.

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## **Forward-Looking Statements**

Statements included herein may constitute “forward looking statements.” These statements are not guarantees of future performance or results and involve a number of risks and uncertainties. Actual results may differ materially from those in the forward-looking statements as a result of a number of factors, including those described from time to time in our filings with the Securities and Exchange Commission. The Company undertakes no duty to update any forward looking statements made herein.

## **Available Information**

BlackRock Kelso Capital Corporation’s filings with the Securities and Exchange Commission, press releases, earnings releases and other financial information are available on its website.

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