



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

1. Title of Derivative	2. Conversion Date	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	Code of Transaction (Instr. 8)	V Code (Instr. 8)	6A. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	Date Exercisable	Expiration Date	Title of Underlying Derivative Security (Instr. 3 and 4)	Amount of Derivative Security (Instr. 5)	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)
(Instr. 3)	Price of Derivative Security													
1. Restricted Shares granted by BlackRock Kelso Capital Advisors LLC ("Advisor") pursuant to a Restricted Stock Agreement, dated December 31, 2007, vesting in equal installments on January 2, 2009, 2010 and 2011.														
2. Share amounts do not include shares to be received as a result of the reinvestment of dividends on the Issuer's Common Stock pursuant to the Issuer's Dividend Reinvestment Plan.														
3. Includes 4,465.06 Restricted Shares granted by Advisor pursuant to a Restricted Stock Agreement, dated January 2, 2007, vesting in equal installments on January 2, 2009 and 2010.														
4. Owned indirectly through the Reporting Person's direct ownership of interests in BlackRock Kelso Capital Super Holdings LLC ("Super"), which owns Common Stock of the Issuer through its indirect ownership of interests in BlackRock Kelso Capital Holding LLC ("Holding").														
5. Owned indirectly through the Reporting Person's direct ownership of interests in Advisor, which owns Common Stock of the Issuer through its indirect ownership of interests in Holding.														
6. The Reporting Person has a pecuniary interest in Michael B. Lazar IRA, which has a direct ownership interest in Super. See Footnote 4.														
7. The Reporting Person has a pecuniary interest in Lazar 2005 Family Trust, U/T/A dated 6/14/2005, which has a direct ownership interest in Advisor. See Footnote 5. The Reporting Person disclaims beneficial ownership of the shares beneficially owned by such trust.														
8. 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 (D) reported exercisable. The Reporting Person disclaims beneficial ownership of all of the reported shares for purposes of Section 16 or otherwise.														

Michael B. Lazar, by Frank D. Gordon, Attorney-in-Fact      01/03/2008

\*\* 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.**

POWER OF ATTORNEY

The undersigned hereby authorizes, designates and appoints Frank Gordon to act as attorney-in-fact to execute and file statements on Form ID, Form 3 and Form 4 and any successor forms adopted by the Securities and Exchange Commission, as required by the Securities Act of 1933, the Securities Exchange Act of 1934 (the "1934 Act") and the Investment Company Act of 1940 and the rules thereunder, and to take such other actions as such attorney-in-fact may deem necessary or appropriate in connection with such statements, hereby confirming and ratifying all actions that such attorney-in-fact have taken or may take in reliance hereon. This power of attorney shall continue in effect until the undersigned no longer has an obligation to file statements on the forms cited above, or until specifically terminated in writing by the undersigned.

IN WITNESS WHEREOF, the undersigned has duly executed this power of attorney on February 5, 2007.

By: /s/ Michael B. Lazar  
Name: Michael B. Lazar