SEC F	Form 4
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FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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

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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 V Other (specify
I (LAST) (EITST) (MIDDIE) I		(Middle)	3. Date of Earliest Transaction (Month/Day/Year) 12/09/2008	Investment adviser to Issuer
(Street)	NY	10022	4. If Amendment, Date of Original Filed (Month/Day/Year)	6. Individual or Joint/Group Filing (Check Applicable Line) X Form filed by One Reporting Person
(City)	(State)	10022 (Zip)		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	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership
			Code	v	Amount	(A) or (D)	Price	Transaction(s) (Instr. 3 and 4)		(Instr. 4)
Common Stock, par value \$0.001 per share	12/09/2008		Р		200	A	\$ <mark>8.9</mark>	348,139.47 ⁽¹⁾⁽²⁾	D	
Common Stock, par value \$0.001 per share	12/09/2008		Р		200	A	\$8.9 1	348,339.47(1)(2)	D	
Common Stock, par value \$0.001 per share	12/09/2008		Р		200	A	\$8.92	348,539.47(1)(2)	D	
Common Stock, par value \$0.001 per share	12/09/2008		Р		200	A	\$8.95	348,739.47(1)(2)	D	
Common Stock, par value \$0.001 per share	12/09/2008		Р		99	A	\$ <mark>9</mark>	348,838.47(1)(2)	D	
Common Stock, par value \$0.001 per share								1,114,382.79	I	By BlackRock Kelso Capital Holding 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. Transa Code (8)		of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exerc Expiration Da (Month/Day/Y	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			Date Exercisable	Expiration Date	Amount or Number of Title Shares				

Explanation of Responses:

1. Excludes 30,052.84 Restricted Shares granted by the Reporting Person to certain of its officers and employees pursuant to Restricted Stock Agreements, each dated January 2, 2007, vesting in equal installments on January 2, 2009 and 2010.

2. Excludes 102,313.28 Restricted Shares granted by the Reporting Person to certain of its officers and employees pursuant to Restricted Stock Agreements, each dated December 31, 2007, vesting in equal installments on January 2, 2009, 2010 and 2011.

3. Owned indirectly through the Reporting Person's direct ownership of interests in BlackRock Kelso Capital Intermediate Holdings LLC, which owns Common Stock of the Issuer indirectly through its ownership of interests in BlackRock Kelso Capital Holding LLC.



** Signature of Reporting Person Date

12/09/2008

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

 \ast 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.