



Edgar Filing: WALTON WILLIAM L - Form 4

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

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SEC 1474  
(9-02)

**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 Underlying Security (Instr. 3 and 4) |       |                  |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------|------------------|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable   | Expiration Date   | Title | Am<br>Nur<br>Sha |
| Incentive Stock Option (right to buy)      | \$ 0.73  | 04/01/2010                           |  | D                              | 50  | (2) 03/03/2016   | Common Stock  |       |                  |
| Non-Qualified Stock Option (right to buy)  | \$ 0.73  | 04/01/2010                           |  | D                              | 899,950   | (2) 03/03/2016   | Common Stock  | 89    |                  |

## Reporting Owners

| Reporting Owner Name / Address  | Relationships |           |                       |       |
|---|---------------|-----------|-----------------------|-------|
|   | Director      | 10% Owner | Officer               | Other |
| WALTON WILLIAM L<br>1919 PENNSYLVANIA AVENUE, NW<br>3RD FLOOR<br>WASHINGTON, DC 20006 | X             |           | Chairman of the Board |       |

## Signatures

By: s/Kelly A. Anderson attorney in fact For: William L. Walton

04/05/2010

\*\*Signature of Reporting Person

Date

## Explanation of Responses:

\* 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).

On April 1, 2010, ARCC Odyssey Corp., a wholly owned subsidiary of Ares Capital Corporation ("Ares Capital"), was merged with and into Allied Capital Corporation (the "Company") pursuant to an Agreement and Plan of Merger, dated as of October 26, 2009, among the (1) Company, Ares Capital and ARCC Odyssey Corp. (the "Merger Agreement"). Immediately thereafter, Allied Capital merged with and into Ares Capital. Pursuant to the Merger Agreement, each Company stockholder received 0.325 shares of Ares Capital common stock for each share of Company common stock owned (the "Exchange Ratio").

(2)

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This option, which provided for vesting in three equal annual installments commencing June 30, 2009, was cancelled in connection with the merger in exchange for a cash payment equal to the product of (1) the excess of the option closing amount (calculated as the difference between the exercise price of the option and the five-day average closing price of Ares Capital multiplied by 0.325, the Exchange Ratio, or \$4.758 per share) over the exercise price per share for such option multiplied by (2) the total number of shares of Company common stock subject to such option, less applicable withholdings.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.