NBT BANCORP INC
Form 4
May 05, 2005

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 OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL	
OMB Number:	3235-0287
Expires:	January 31, 2005
Estimated average burden hours per response...	0.5

(Print or Type Responses)

1. Name and Address of Reporting Person *
CHOJNOWSKI RICHARD

(Last) (First) (Middle)

52 SOUTH BROAD STREET

(Street)

NORWICH, NY 13815

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
NBT BANCORP INC [NBTB]

3. Date of Earliest Transaction (Month/Day/Year)
05/03/2005

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

__X__ Director _____ 10% Owner
_____ Officer (give title below) _____ Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ 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			
NBT Bancorp Inc. Common Stock	05/03/2005		A		400	A	$ 0 (1)	268,209	D	
NBT Bancorp Inc. Common Stock	05/03/2005		A		682	A	$ 0 (2)	268,891	D	

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

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 control number.

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 Amo Underlying Secu (Instr. 3 and 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	An or Nu of Sh
Non-Qualified Stock Option (right to buy)	$ 20.7492	05/03/2005		A		1,500		05/01/2006 [3]	05/01/2015	NBT Bancorp Inc. Common Stock	1
Non-Qualified Stock Option (right to buy)	$ 14.3492							01/28/2003 [3]	01/28/2012	NBT Bancorp Inc. Common Stock	1
Non-Qualified Stock Option (right to buy)	$ 16.0625							01/22/2002 [3]	01/22/2011	NBT Bancorp Inc. Common Stock	1
Non-Qualified Stock Option (right to buy)	$ 17.6008							01/01/2004 [3]	01/01/2013	NBT Bancorp Inc. Common Stock	1
Non-Qualified Stock Option (right to buy)	$ 22.1388							01/01/2005 [3]	01/01/2014	NBT Bancorp Inc. Common Stock	1
Non-Qualified Stock Option (right to buy)	$ 23.2708							01/20/2006 [3]	01/20/2015	NBT Bancorp Inc.	

Common
Stock

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
CHOJNOWSKI RICHARD 52 SOUTH BROAD STREET NORWICH, NY 13815	X			

Signatures

By: Michael J. Chewens, Power of Attorney For: Richard Chojnowski	05/05/2005
**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).

(1) Acquired pursuant to the NBT Bancorp Inc. Non-employee Directors' Restricted and Deferred Stock Plan pursuant to which each outside director is entitled to receive an annual retainer for Board service in the form of deferred shares of the Company's common stock rather than cash that vests immediately upon date of grant.

(2) Acquired pursuant to the formula provisions of the NBT Bancorp Inc. Non-employee Directors' Restricted and Deferred Stock Plan pursuant to which each outside director is entitled to receive an annual retainer for Board service in the form of restricted shares of the Company's common stock rather than cash that vests in three annual installments.

(3) Pursuant to NBT Non-Employee Director, Divisional Director and Subsidiary Director Stock Option Plan grant vests 40% for first year, 20% annually for following years.

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. family:inherit;font-size:10pt;">Average purchase price per share

$
16.28

$
15.14

$
15.70

13. RELATED PARTY TRANSACTIONS

In accordance with the investment advisory and management agreement, the Company bears all costs and expenses of the operation of the Company and reimburses its investment adviser or its affiliates for certain of such costs and expenses incurred in the operation of the Company. For the years ended December 31, 2017, 2016 and 2015, the Company’s investment adviser or its affiliates incurred such expenses totaling $5, $5 and $7, respectively.

The Company is party to office leases pursuant to which it is leasing office facilities from third parties. For certain of these office leases, the Company has also entered into separate subleases with Ares Management LLC, the sole member of Ares Capital Management, and IHAM, pursuant to which Ares Management LLC and IHAM sublease a portion of these leases. For the years ended December 31, 2017, 2016 and 2015, amounts payable to the Company under these subleases totaled $7, $6 and $5, respectively.

Ares Management LLC has also entered into separate subleases with the Company, pursuant to which the Company subleases certain office spaces from Ares Management LLC. For the years ended December 31, 2017, 2016 and 2015, amounts payable to Ares Management LLC under these subleases totaled $1, $1 and $1, respectively.

The Company has also entered into agreements with Ares Management LLC and IHAM, pursuant to which Ares Management LLC and IHAM are entitled to use the Company's proprietary portfolio management software. For the years ended December 31, 2017, 2016 and 2015, amounts payable to the Company under these agreements totaled $0, $0 and $0, respectively.

As part of the American Capital Acquisition, the Company assumed a long term incentive plan liability related to certain employees of a subsidiary of ACAM, which is now a subsidiary of IHAM. The liability is determined based on the fair value of certain investments acquired in the American Capital Acquisition. As of December 31, 2017, the liability amount was estimated to be $29 and is included within accounts payable and other liabilities in the Company's consolidated balance sheet. This liability will be paid on an annual basis based on exited investments in a given calendar year and the value received upon their exit.

See Notes 3, 4, 6 and 16 for descriptions of other related party transactions.

14. FINANCIAL HIGHLIGHTS

The following is a schedule of financial highlights as of and for the years ended December 31, 2017, 2016 and 2015:

	As of and For the Years Ended December 31,		
Per Share Data:	2017	2016	2015
Net asset value, beginning of period(1)	$16.45	$16.46	$16.82
Issuances of common stock	(0.01)	—	0.01
Repurchases of common stock	—	—	(0.01)
Deemed contribution from Ares Capital Management (See Note 16)	0.13	—	—
Issuances of convertible notes	0.04	—	—
Net investment income for period(2)	1.20	1.57	1.62
Net realized and unrealized gains(losses) for period(2)	0.36	(0.06)	(0.41)
Net increase in stockholders' equity	1.72	1.51	1.21
Total distributions to stockholders(3)	(1.52)	(1.52)	(1.57)
Net asset value at end of period(1)	$16.65	$16.45	$16.46
Per share market value at end of period	$15.72	$16.49	$14.25
Total return based on market value(4)	4.55%	26.39%	1.35%
Total return based on net asset value(5)	10.53%	9.15%	7.16%
Shares outstanding at end of period	426	314	314
Ratio/Supplemental Data:			
Net assets at end of period	$7,098	$5,165	$5,173
Ratio of operating expenses to average net assets(6)(7)	9.45%	9.59%	9.51%
Ratio of net investment income to average net assets(6)(8)	7.65%	9.58%	9.75%
Portfolio turnover rate(6)	51%	39%	42%

(1) The net assets used equals the total stockholders' equity on the consolidated balance sheet.

(2) Weighted average basic per share data.

(3) Includes an additional dividend of $0.05 per share for the three months ended March 31, 2015.

(4) For the year ended December 31, 2017, the total return based on market value equaled the decrease of the ending market value at December 31, 2017 of $15.72 per share from the ending market value at December 31, 2016 of $16.49 per share plus the declared and payable dividends of $1.52 per share for the year ended December 31, 2017, divided by the market value at December 31, 2016. For the year ended December 31, 2016, the total return based on market value equaled the increase of the ending market value at December 31, 2016 of $16.49 per share from the ending market value at December 31, 2015 of $14.25 per share plus the declared and payable dividends of $1.52 per share for the year ended December 31, 2016, divided by the market value at December 31, 2015. For the year ended December 31, 2015, the total return based on market value equaled the decrease of the ending market value at December 31, 2015 of $14.25 per share from the ending market value at December 31, 2014 of $15.61 per share plus the declared and payable dividends of $1.57 per share for the year ended December 31, 2015, divided by the market value at December 31, 2014. The Company's shares fluctuate in value. The Company's performance changes over time and currently may be different than that shown. Past performance is no guarantee of future results.

(5)

For the year ended December 31, 2017, the total return based on net asset value equaled the change in net asset value during the period plus the declared and payable dividends of $1.52 per share for the year ended December 31, 2017, divided by the beginning net asset value for the period. For the year ended December 31, 2016, the total return based on net asset value equaled the change in net asset value during the period plus the declared and payable dividends of $1.52 per share for the year ended December 31, 2016, divided by the beginning net asset value for the period. For the year ended December 31, 2015, the total return based on net asset value equaled the change in net asset value during

F-105

the period plus the declared and payable dividends of $1.57 per share for the year ended December 31, 2015, divided by the beginning net asset value for the period. These calculations are adjusted for shares issued in connection with the dividend reinvestment plan, the issuance of common stock in connection with any equity offerings and the equity components of any convertible notes issued during the period. The Company's performance changes over time and currently may be different than that shown. Past performance is no guarantee of future results.

(6) The ratios reflect an annualized amount.

(7) For the year ended December 31, 2017, the ratio of operating expenses to average net assets consisted of 2.57% of base management fees, 2.18% of income based fees and capital gains incentive fees, net of the Fee Waiver (2.32% of income based fees and capital gains incentive fees excluding the Fee Waiver), 3.37% of the cost of borrowing and 1.33% of other operating expenses. For the year ended December 31, 2016, the ratio of operating expenses to average net assets consisted of 2.64% of base management fees, 2.29% of income based fees and capital gains incentive fees, 3.58% of the cost of borrowing and 1.08% of other operating expenses. For the year ended December 31, 2015, the ratio of operating expenses to average net assets consisted of 2.55% of base management fees, 2.31% of income based fees and capital gains incentive fees, 4.32% of the cost of borrowing and 0.33% of other operating expenses.

(8) The ratio of net investment income to average net assets excludes income taxes related to realized gains and losses.

15. SELECTED QUARTERLY DATA (Unaudited)

	2017			
	Q4	Q3	Q2	Q1
Total investment income	$307	$294	$284	$275
Net investment income before net realized and unrealized gains (losses) and income based fees and capital gains incentive fees, net of waiver of income based fees (See Note 3)	$185	$175	$154	$142
Income based fees and capital gains incentive fees, net of waiver of income based fees (See Note 3)	$45	$22	$30	$48
Net investment income before net realized and unrealized gains (losses)	$140	$153	$124	$94
Net realized and unrealized gains (losses)	$92	$(14)	54	$24
Net increase in stockholders' equity resulting from operations	$232	$139	$178	$118
Basic and diluted earnings per common share	$0.54	$0.33	$0.42	$0.28
Net asset value per share as of the end of the quarter	$16.65	$16.49	$16.54	$16.50

	2016			
	Q4	Q3	Q2	Q1
Total investment income	$261	$258	$245	$248
Net investment income before net realized and unrealized gains (losses) and income based fees and capital gains incentive fees	$157	$164	$144	$147
Income based fees and capital gains incentive fees	$19	$27	$39	$33
Net investment income before net realized and unrealized gains (losses)	$138	$137	$105	$114
Net realized and unrealized gains (losses)	$(63)	$(28)	$53	$18
Net increase in stockholders' equity resulting from operations	$75	$109	$158	$132
Basic and diluted earnings per common share	$0.24	$0.35	$0.50	$0.42
Net asset value per share as of the end of the quarter	$16.45	$16.59	$16.62	$16.50

Explanation of Responses:

	2015			
	Q4	Q3	Q2	Q1
Total investment income	$262	$261	$249	$253
Net investment income before net realized and unrealized gains and income based fees and capital gains incentive fees	$151	$160	$145	$147
Income based fees and capital gains incentive fees	$4	$29	$36	$25
Net investment income before net realized and unrealized gains	$147	$131	$108	$122
Net realized and unrealized gains	$(132)	$(14)	$38	$(21)
Net increase in stockholders' equity resulting from operations	$15	$117	$146	$101
Basic and diluted earnings per common share	$0.05	$0.37	$0.47	$0.32
Net asset value per share as of the end of the quarter	$16.46	$16.79	$16.80	$16.71

16. AMERICAN CAPITAL ACQUISITION

On May 23, 2016, the Company entered into a definitive agreement (the "Merger Agreement") to acquire American Capital. On the Acquisition Date, the Company completed the American Capital Acquisition pursuant to the terms and conditions of the Merger Agreement. Pursuant to the Merger Agreement, American Capital shareholders received total consideration of approximately $18.06 per share comprised of: (i) $14.41 per share from the Company consisting of approximately $6.48 per share of cash (including a make-up dividend in the amount of $0.07 per share) and 0.483 shares of the Company's common stock for each American Capital share at a value of $7.93 per American Capital share (based on the closing price per share of the Company's common stock on the Acquisition Date), (ii) $2.45 per share of cash from American Capital's sale of American Capital Mortgage Management, LLC, and (iii) approximately $1.20 per share of cash as transaction support provided by Ares Capital Management acting solely on its own behalf. As of the Acquisition Date, the transaction was valued at approximately $4.2 billion. The total cash and stock consideration paid by the Company was $3.3 billion. In connection with the stock consideration, the Company issued approximately 112 shares of its common stock to American Capital's then-existing stockholders (including holders of outstanding in-the-money American Capital stock options), thereby resulting in the Company's then-existing stockholders owning approximately 73.7% of the combined company and then-existing American Capital stockholders owning approximately 26.3% of the combined company. In addition, in connection with the American Capital Acquisition, Ares Capital Management agreed to waive certain income based fees as described in Note 3.

The American Capital Acquisition was accounted for in accordance with the asset acquisition method of accounting as detailed in ASC 805-50, Business Combinations-Related Issues. The fair value of the merger consideration paid by the Company was allocated to the assets acquired and liabilities assumed based on their relative fair values as of the date of acquisition and did not give rise to goodwill. Since the fair value of the net assets acquired exceeded the fair value of the merger consideration paid by the Company, the Company recognized a deemed contribution from Ares Capital Management.

The following table summarizes the allocation of the purchase price to the assets acquired and liabilities assumed as a result of the American Capital Acquisition:

Common stock issued by the Company	$1,839
Cash consideration paid by the Company	1,502
Deemed contribution from Ares Capital Management	54
Total purchase price	$3,395
Assets acquired:	
Investments(1)	$2,543
Cash and cash equivalents	961
Other assets(2)	117
Total assets acquired	$3,621

Liabilities assumed(3)	(226)
Net assets acquired	$3,395

F-107

(1) Investments acquired were recorded at fair value, which is also the Company's initial cost basis.

(2) Other assets acquired in the American Capital Acquisition consisted of the following:

Receivable for open trades	$45
Escrows receivable	41
Interest receivable	9
Other assets	22
Total	$117

(3) Liabilities assumed in the American Capital Acquisition consisted of the following:

Severance and other payroll related	$95
Lease abandonments	55
Long term incentive plan (see Note 13)	31
Escrows payable	25
Other liabilities	20
Total	$226

During the year ended December 31, 2017, the Company incurred $45 in professional fees and other costs related to the American Capital Acquisition. For the year ended December 31, 2017, these costs included $4 of expenses related to a long term incentive plan liability assumed in the American Capital Acquisition (see Note 13). For the year ended December 31, 2017, these costs also included $18 in one-time investment banking fees incurred in January 2017 upon the closing of the American Capital Acquisition.

17. LITIGATION

The Company is party to certain lawsuits in the normal course of business. In addition, American Capital and Allied Capital were involved in various legal proceedings that the Company assumed in connection with the American Capital Acquisition and the Allied Acquisition, respectively. Furthermore, third parties may try to seek to impose liability on the Company in connection with the Company's activities or the activities of its portfolio companies. While the outcome of any such legal proceedings cannot at this time be predicted with certainty, the Company does not expect that these legal proceedings will materially affect its business, financial condition or results of operations.

On May 20, 2013, the Company was named as one of several defendants in an action filed in the United States District Court for the Eastern District of Pennsylvania by the bankruptcy trustee of DSI Renal Holdings LLC ("DSI Renal") and two affiliate companies. On March 17, 2014, the motion by the Company and the other defendants to transfer the case to the United States District Court for the District of Delaware (the "Delaware Court") was granted. On May 6, 2014, the Delaware Court referred the matter to the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"). The complaint alleges, among other things, that each of the named defendants participated in a purported fraudulent transfer involving the restructuring of a subsidiary of DSI Renal. Among other things, the complaint seeks, jointly and severally from all defendants, (1) damages of approximately $425 million, of which the complaint states the Company's individual share is approximately $117 million, and (2) punitive damages. The defendants filed a motion to dismiss all claims on August 5, 2013. On July 20, 2017, the Bankruptcy Court issued an order granting the motion to dismiss certain claims and denying the motion to dismiss certain other claims, including the purported fraudulent transfer claims. The defendants answered the complaint on August 31, 2017. Under the operative scheduling order, discovery will continue until early 2019 with dispositive motions due on April 30, 2019. No trial date has been set. The Company is currently unable to assess with any certainty whether it may have any exposure in this matter. However, the Company believes the plaintiff's claims are without merit and intends to vigorously defend itself in this matter.

On or about February 10, 2017, shareholders of American Capital filed a second consolidated amended putative shareholder class action complaint allegedly on behalf of holders of the common stock of American Capital against the former members of American Capital's board of directors and certain former American Capital officers (collectively, the "American Capital defendants"), as well as Elliott Management Corporation, Elliott Associates, L.P., Elliott International, L.P. and Elliott International Capital Advisors Inc. (collectively "Elliott") in the Circuit Court for Montgomery County, Maryland challenging the American Capital Acquisition. This action is a consolidation of putative shareholder complaints filed against the directors of American Capital on June 24, 2016, July 12, 2016, July 21, 2016 and July 27, 2016, which were consolidated and in which an amended consolidated putative shareholder class action complaint was filed on August 18, 2016. The action alleges that the directors, officers and Elliott failed to adequately discharge their fiduciary duties to the public shareholders of American Capital by hastily commencing a sales process due to the board's manipulation by Elliott. In the alternative, the complaint alleges Elliott aided and abetted breaches of fiduciary duty by the American Capital directors and officers. The complaint also alleges that the directors and officers failed to obtain for the shareholders the highest value available in the marketplace for their shares in the American Capital Acquisition. The complaint further alleges that the merger was the product of a flawed process due to Elliott's continued manipulation, the use of deal protection devices in the American Capital Acquisition that precluded other bidders from making a higher offer to American Capital and the directors' conflicts of interest due to special benefits, including the full vesting of American Capital stock options and incentive awards or golden parachutes the directors received upon consummation of the proposed merger. Additionally, the complaint alleges that the registration statement, which was filed with the SEC on July 20, 2016 and included a joint proxy statement to American Capital's shareholders, is materially false and misleading because it omits material information concerning the financial and procedural fairness of the American Capital Acquisition. The complaint seeks to recover compensatory damages for all losses resulting from the alleged breaches of fiduciary duty and waste. The American Capital defendants filed their motion to dismiss the second consolidated amended complaint on March 3, 2017. Elliott filed its motion to dismiss the second consolidated amended complaint on April 14, 2017. Briefing on defendants' motions was completed on May 26, 2017. A hearing on the motions to dismiss was scheduled for June 9, 2017 before Judge Ronald Rubin of the Circuit Court for Montgomery County, Maryland (the “Court”); however, that hearing was stayed as to the American Capital defendants in light of the settlement described below.

On June 9, 2017, the American Capital defendants reached an agreement in principle with plaintiffs regarding the proposed settlement of claims asserted against them in this action, and the American Capital defendants and plaintiffs subsequently executed a settlement term sheet (the “Term Sheet”) on June 19, 2017. As set forth in the Term Sheet, the American Capital defendants have agreed to the proposed settlement solely to eliminate the burden, expense, distraction and uncertainties inherent in further litigation, and without admitting any liability or wrongdoing. The plaintiffs and American Capital defendants filed a stipulation of settlement and motion for preliminary approval of the settlement with the Court on August 3, 2017. On August 23, 2017, the Court entered an order preliminarily approving the settlement. On August 28, 2017, Elliott filed a cross claim against the American Capital defendants asserting claims for contribution, although the cross claim would not have been expected to result in any additional monetary liability for the American Capital defendants or American Capital.

On October 11, 2017, the plaintiffs and Elliott advised the Court that they reached an agreement in principle to settle the remaining claims in the case, which would also resolve the cross claims against the American Capital defendants. Both the American Capital defendant settlement and Elliott settlement are subject to Court approval. The parties filed a joint stipulation on or about November 17, 2017, notice was sent to stockholders on December 18, 2017, and a final approval hearing to approve the settlements is scheduled for February 16, 2018. If both settlements are approved, then the case will be dismissed in its entirety.

There can be no assurance that the Court will approve the proposed settlements. The proposed settlement by the American Capital defendants is not, and should not be construed as, an admission of wrongdoing or liability by any American Capital defendant.

On August 3, 2017, American Capital and one of its former portfolio companies were awarded a judgment plus prejudgment interest by the United States District Court for the District of Maryland (the “District Court”) following a bench trial in a case first filed by one of American Capital’s insurance companies concerning coverage for bodily injury claims against American Capital and/or its former portfolio company. The District Court found that the carrier breached its duty to defend American Capital and its former portfolio company against more than 1,000 bodily injury claims and awarded damages plus prejudgment interest. American Capital’s carrier filed a notice of appeal to the United States Court of Appeals for the Fourth Circuit; thereafter, American Capital and its former portfolio company filed a notice of cross appeal. The parties are now in the process of filing their respective briefs in appeal, which will be fully briefed by late April 2018. It is currently expected the appeal will be adjudicated in late 2018 at the earliest. American Capital’s recovery will not be known until such time as the appeal is resolved.

18. SUBSEQUENT EVENTS

The Company's management has evaluated subsequent events through the date of issuance of the consolidated financial statements included herein. There have been no subsequent events that occurred during such period that would require disclosure in this Form 10-K or would be required to be recognized in the consolidated financial statements as of and for the year ended December 31, 2017, except as disclosed below.

In January 2018, the Company issued $600 aggregate principal amount of unsecured notes that mature on March 1, 2025 (the “2025 Notes”). The 2025 Notes bear interest at a rate of 4.25% per year, payable semi annually on March 1 and September 1 of each year, commencing on September 1, 2018. The 2025 Notes may be redeemed in whole or in part at the Company’s option at any time at the redemption prices as determined pursuant to the indenture governing the 2025 Notes.

In January 2018, the SDLP’s total available capital was increased from $2.9 billion to $6.4 billion. In connection with this expansion, Varagon and its clients agreed to make capital available to the SDLP of up to approximately $5.0 billion and the Company agreed to make capital available to the SDLP of up to approximately $1.4 billion. The Company will continue to provide capital to the SDLP in the form of SDLP Certificates, and Varagon and its clients will provide capital to the SDLP in the form of senior notes, intermediate funding notes and SDLP Certificates. Investment of any unfunded amount must be approved by the investment committee of the SDLP consisting of representatives of the Company and Varagon (with approval from a representative of each required).

In February 2018, the Company's board of directors authorized an amendment to its $300 stock repurchase program to extend the expiration date of the program from February 28, 2018 to February 28, 2019. Under the stock repurchase program, the Company may repurchase up to $300 in the aggregate of its outstanding common stock in the open market at a price per share that meets certain thresholds below its net asset value per share, in accordance with the guidelines specified in Rule 10b-18 of the Exchange Act. The timing, manner, price and amount of any share repurchases will be determined by the Company, in its discretion, based upon the evaluation of economic and market conditions, stock price, applicable legal and regulatory requirements and other factors.

F-110

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

ARES CAPITAL CORPORATION

By: /s/ R. KIPP DEVEER
R. Kipp deVeer
Chief Executive Officer and Director
Date: February 13, 2018

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ R. KIPP DEVEER
R. Kipp deVeer
Chief Executive Officer (principal executive officer) and Director
Date: February 13, 2018

By: /s/ PENNI F. ROLL
Penni F. Roll
Chief Financial Officer (principal financial officer)
Date: February 13, 2018

By: /s/ SCOTT C. LEM
Scott C. Lem
Chief Accounting Officer (principal accounting officer)
Date: February 13, 2018

By: /s/ MICHAEL J AROUGHETI
Michael J Arougheti
Director
Date: February 13, 2018

By: /s/ STEVE BARTLETT
Steve Bartlett
Director
Date: February 13, 2018

By: /s/ ANN TORRE BATES
Ann Torre Bates
Director
Date: February 13, 2018

By: /s/ STEVEN B. MCKEEVER
Steven B. McKeever
Director
Date: February 13, 2018

By: /s/ DANIEL KELLY, JR.
Daniel Kelly, JR.
Director
Date: February 13, 2018

By: /s/ ROBERT L. ROSEN
Robert L. Rosen
Director
Date: February 13, 2018

By: /s/ BENNETT ROSENTHAL
Bennett Rosenthal
Director
Date: February 13, 2018

By: /s/ ERIC B. SIEGEL
Eric B. Siegel
Director
Date: February 13, 2018