

MEMORANDUM

To: All Option Members, Member Organizations and ROTs

From: Listings Administratio

Date: March 24, 2008

Re: Ares Capital Corporation (AQU/ARCC) - Rights Distribution

Ares Capital Corporation (ARCC) is offering to its holders the right to subscribe to additional shares of Ares Capital Corporation. **Each shareholder of record as of March 24, 2008, will receive one (1) transferable right for every three (3) Ares Capital shares held. Each right will entitle the holder to purchase one (1) share of ARCC stock at a subscription price of approximately \$12.17 per share. Ares Capital option holders wishing to obtain rights must exercise prior to Monday, April 21, 2008, 5:00 p.m., New York City time, unless extended.** Rights may be exercised without the deposit of Rights if : properly executed "Notice of Guaranteed Delivery" is received by the Subscription Agent prior to the expiration date. The guarantee period is three (3) NASDAQ trading days. **There will be an oversubscription privilege available**

Accordingly, pursuant to OCC By-Laws, all AQU options on the ex-distribution date must be adjusted as follows:

Adjustment Date: **Effective Tuesday, March 25, 2008.**
 Symbol(s): **AQU becomes AHF**
 Strike Price: Unchanged
 Multiplier: 100 (e.g., Premium of 1.00 = \$100)
 New Deliverable: **1) 100 Shares of Ares Capital Corporation (ARCC)**
2) 33 Rights (ARCCR) to purchase 33 shares of Ares Capital Corporation

GOOD-TILL-CANCELLED (GTC) ORDERS:

Customers should be advised that all Good-til-Cancelled (GTC) orders not on AUTOM must be cancelled and re-entered prior to the ex-distribution or effective date. GTC AUTOM orders will be deleted by PHLX Service Desk/AUTOM personnel.

Ares Capital Corporation (ARCC/AQU)					Ares Capital Corporation (ARCC/AHF)				
(Before 3/25/2008)					(Beginning 3/25/2008)				
(100 shrs ARCC)					(See new deliverable above)				
			Calls	Puts				Calls	Puts
AQU	APR	10	DB	PB	AHF	APR	10	DB	PB
AQU	APR	12 1/2	DV	PV	AHF	APR	12 1/2	DV	PV
AQU	APR	15	DC	PC	AHF	APR	15	DC	PC
AQU	MAY	10	EB	QB	AHF	MAY	10	EB	QB
AQU	MAY	12 1/2	EV	QV	AHF	MAY	12 1/2	EV	QV
AQU	MAY	15	EC	QC	AHF	MAY	15	EC	QC
AQU	MAY	17 1/2	EW	QW	AHF	MAY	17 1/2	EW	QW
AQU	MAY	20	ED	QD	AHF	MAY	20	ED	QD
AQU	AUG	10	HB	TB	AHF	AUG	10	HB	TB
AQU	AUG	12 1/2	HV	TV	AHF	AUG	12 1/2	HV	TV
AQU	AUG	15	HC	TC	AHF	AUG	15	HC	TC
AQU	AUG	17 1/2	HW	TW	AHF	AUG	17 1/2	HW	TW
AQU	NOV	10	KB	WB	AHF	NOV	10	KB	WB
AQU	NOV	12 1/2	KV	WV	AHF	NOV	12 1/2	KV	WV
AQU	NOV	15	KC	WC	AHF	NOV	15	KC	WC

The new AQU option contracts representing 100 shares of ARCC, will be admitted to trading on Wednesday, March 26, 2008. Strike prices and expiration months will be announced on a separate release prior to that date.

Questions regarding this release may be directed to Listings Administration at 1-800-THE-PHLX, choice #2 or (215) 496-5380.