

Ares Dynamic Credit Allocation Fund, Inc.
 Form 4
 October 23, 2013

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549**

OMB APPROVAL

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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

(Print or Type Responses)

1. Name and Address of Reporting Person *
ARES CAPITAL MANAGEMENT II LLC

2. Issuer Name and Ticker or Trading Symbol
Ares Dynamic Credit Allocation Fund, Inc. [ARDC]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 2000 AVENUE OF THE STARS,
 12TH FLOOR,
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 10/21/2013

____ Director
 ____ Officer (give title below) 10% Owner
 ____ Other (specify below)
 Adviser of the Fund

LOS ANGELES, CA 90067

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 ____ Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|
| | | | Code | V | Amount | Price | |
| Common Stock | 10/21/2013 | | P | | 6,900 | \$ 18.1686 | A 99,485.602 D <u>(1)</u> <u>(2)</u> <u>(3)</u> |
| Common Stock | 10/22/2013 | | P | | 5,800 | \$ 18.0571 | A 105,285.602 D <u>(1)</u> <u>(2)</u> <u>(3)</u> |
| Common Stock | 10/23/2013 | | P | | 7,900 | \$ 18.124 | A 113,185.602 D <u>(1)</u> <u>(2)</u> <u>(3)</u> |

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

SEC 1474 (9-02)

displays a currently valid OMB control number.

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 Securities (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Owned Beneficially (Instr. 5) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|--------------------------------|
| | Director | 10% Owner | Officer | Other |
| ARES CAPITAL MANAGEMENT II LLC 2000 AVENUE OF THE STARS, 12TH FLOOR LOS ANGELES, CA 90067 | | | | Adviser of the Fund |
| ARES PARTNERS MANAGEMENT CO LLC 1999 AVE OF THE STARS STE 1900 LOS ANGELES, CA 90067 | | | | Parent of Adviser |
| ARES INVESTMENTS HOLDINGS LLC 2000 AVENUE OF THE STARS, 12TH FLOOR LOS ANGELES, CA 90067 | | | | Affiliate of Parent of Adviser |
| ARES INVESTMENTS LLC 2000 AVENUE OF THE STARS, 12TH FLOOR LOS ANGELES, CA 90067 | | | | Affiliate of Parent of Adviser |

Signatures

/s/ Michael D. Weiner, Authorized Signatory, for ARES CAPITAL MANAGEMENT II LLC 10/23/2013
 **Signature of Reporting Person Date

/s/ Michael D. Weiner, Authorized Signatory, for ARES PARTNERS MANAGEMENT COMPANY LLC 10/23/2013
 **Signature of Reporting Person Date

/s/ Michael D. Weiner, Authorized Signatory, for ARES INVESTMENTS HOLDINGS LLC 10/23/2013

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__Signature of Reporting Person

Date

/s/ Michael D. Weiner, Authorized Signatory, for ARES INVESTMENTS LLC

10/23/2013

__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) This Form 4 is being filed jointly by (i) Ares Capital Management II LLC ("ACM"), (ii) Ares Partners Management Company LLC ("APMC"), (iii) Ares Investments Holdings LLC ("AIH") and (iv) Ares Investments LLC ("AI") (collectively, the "Ares Entities" or the "Reporting Persons"), in respect of 113,185.602 shares of common stock ("Common Stock") of Ares Dynamic Credit Allocation Fund, Inc. (the "Issuer") held directly by AIH.

(2) APMC is the ultimate parent company of ACM, which is the Issuer's investment adviser. AIH is controlled by AI, which, in turn, is controlled by APMC. APMC is managed by an executive committee comprised of Michael Arougheti, David Kaplan, Gregory Margolies, Antony Ressler and Bennett Rosenthal. Because the executive committee acts by consensus/majority approval, none of the members of the executive committee has sole voting or dispositive power with respect to any shares of Common Stock.

(3) Each of the members of the executive committee of APMC, the Ares Entities (other than AIH, with respect to the shares it holds directly) and the directors, officers, partners, stockholders, members and managers of the Ares Entities expressly disclaims beneficial ownership of any shares of Common Stock, except to the extent of any pecuniary interest therein, and this Form 4 shall not be deemed an admission that any such person or entity is the beneficial owner of such securities for purposes of Section 16 of the Securities Exchange Act of 1934, as amended, or for any other purposes.

Remarks:

Ares Partners Management Company LLC also files on behalf of its subsidiaries.

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.