ALLIED CAPITAL CORP

Form 4

February 28, 2008

FORM 4

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

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OMB APPROVAL

Check this box if no longer subject to Section 16.

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Expires: January 31, 2005

0.5

Form 4 or Form 5 obligations may continue.

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

response...

See Instruction 1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * HARPER EDWIN	2. Issuer Name and Ticker or Trading Symbol ALLIED CAPITAL CORP [ALD]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)			
(Last) (First) (Middle)	3. Date of Earliest Transaction	(Check air applicable)			
1919 PENNSYLVANIA AVENUE, NW, 3RD FLOOR	(Month/Day/Year) 02/28/2008	XDirector10% Owner Officer (give title below) Other (specify below)			
(Street)	4. If Amendment, Date Original	6. Individual or Joint/Group Filing(Check			
WASHINGTON, DC 20006	Filed(Month/Day/Year)	Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting Person			

(City)	(State)	Zip) Tabl	e I - Non-D	erivative	Secur	ities Acq	uired, Disposed o	f, or Beneficial	ly 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)	, , ,			Securities Form: Direct Beneficially (D) or Owned Indirect (I) Following (Instr. 4) Reported Transaction(s)		7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code V	Amount		Price	(Instr. 3 and 4)		
Common Stock	02/28/2008		P	500	A	\$ 22.76	4,000	I	by Trust
Common Stock	02/28/2008		P	822	A	\$ 22.77	4,822	I	by Trust
Common Stock	02/28/2008		P	178	A	\$ 22.78	5,000	I	by Trust
Common Stock							446	D	
Common Stock							1,000	I	Spouse Trust

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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)

> 9. Nu Deriv Secur Bene Own Follo Repo Trans (Instr

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of	2.	3. Transaction Date	3A. Deemed	4.	5.	6. Date Exerc	cisable and	7. Titl	le and	8. Price of	9
Derivative	Conversion	(Month/Day/Year)	Execution Date, if	Transaction	orNumber	Expiration D	ate	Amou	int of	Derivative	J
Security	or Exercise		any	Code	of	(Month/Day/	Year)	Under	lying	Security	,
(Instr. 3)	Price of		(Month/Day/Year)	(Instr. 8)	Derivative	e		Secur	ities	(Instr. 5)]
	Derivative				Securities			(Instr.	3 and 4)		(
	Security				Acquired]
	•				(A) or]
					Disposed						-
					of (D)						(
					(Instr. 3,						
					4, and 5)						
									Amount		
						Date	Expiration		or		
						Exercisable	Date	Title	Number		
									of		
				Code V	(A) (D)				Shares		

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

HARPER EDWIN 1919 PENNSYLVANIA AVENUE, NW 3RD FLOOR WASHINGTON, DC 20006



Signatures

s/Edwin L. 02/28/2008 Harper

**Signature of Date
Reporting Person

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).

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.

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