

ARES DYNAMIC CREDIT ALLOCATION FUND, INC.

Nominating and Governance Committee Charter

(as of December 15, 2016)

I. Purpose

The purpose of the Nominating and Governance Committee (the “Committee”) of the Board of Directors (the “Board”) of Ares Dynamic Credit Allocation Fund, Inc. (the “Fund”) is to: (1) assist the Board by identifying individuals qualified to become Board members (consistent with criteria approved by the Board) and to recommend for selection by the Board the director nominees to stand for election at the next annual meeting of the Fund’s stockholders; (2) recommend to the Board director nominees for each committee of the Board; (3) oversee the evaluation of the Board and management; (4) periodically review the Fund’s Corporate Governance Guidelines and recommend to the Board changes thereto if the Committee deems it appropriate to do so; and (5) recommend to the Board such other matters of corporate governance as the Committee deems appropriate.

II. Membership

The Committee shall consist of all of the Independent Directors. For purposes of this Charter of the Committee (this “Charter”), “Independent Directors” are Fund directors who (i) are not “interested persons” (as defined in the Investment Company Act of 1940, as amended (the “1940 Act”)) of the Fund; (ii) satisfy the independence and other requirements established by the New York Stock Exchange (the “NYSE”) relevant to closed-end funds; and (iii) satisfy any other applicable requirements of the Securities and Exchange Commission and any other applicable laws, rules and regulations with respect to independence, as determined by the Board.

The members of the Committee shall be appointed by the Board to serve in accordance with the Fund’s bylaws and at the discretion of the Board and may be removed or replaced by the Board at any time. The chairperson of the Committee (the “Chair”) shall be elected by the full Board.

III. Meetings; Rules of Procedure

The Committee shall meet at least annually, or more frequently as circumstances dictate. Special meetings may be convened as the Committee deems necessary or appropriate. The Committee may ask members of management or others to attend a meeting of the Committee (or to meet with any member of, or advisors to, the Committee) and provide pertinent information as necessary or desirable. The Committee may adopt such procedures as it deems appropriate and necessary to carry out the duties and responsibilities of the Committee. The Committee shall report regularly to the Board, not less frequently than annually.

Notice of Committee meetings shall be given in the same manner as notice for special meetings of the Board. A majority of the members of the Committee shall constitute a quorum

for the transaction of business at any meeting of the Committee. The act of a majority of the Committee members present at a meeting shall be the act of the Committee.

IV. Responsibilities and Duties

1. In considering possible candidates for election as a member of the Board, the Committee takes into account, in addition to such other factors as it deems relevant, the desirability of selecting directors who:
 - (a) are of high character and integrity;
 - (b) are accomplished in their respective fields, with superior credentials and recognition;
 - (c) have relevant expertise and experience upon which to be able to offer advice and guidance to management;
 - (d) have sufficient time available to devote to the affairs of the Fund;
 - (e) are able to work with the other members of the Board and contribute to the success of the Fund;
 - (f) can represent the long-term interests of the Fund's stockholders as a whole; and
 - (g) are selected such that the Board represents a range of backgrounds and experience.

In addition, the Committee may consider, with respect to an individual being considered for election as a member of the Board or appointment as a member of any committee thereof, whether a potential nominee's professional experience, education, skills, and other individual qualities and attributes, including gender, race or national origin, would provide beneficial diversity of skills, experience or perspective to the Board's membership and collective attributes. Such considerations will vary based on the Board's existing membership and other factors, such as the strength of a potential nominee's overall qualifications relative to diversity considerations.

The Committee shall from time to time review the composition of the Board as a whole and the composition of the Board's committees and review and recommend any changes in such policies to the Board for its approval.

2. The Committee shall identify individuals qualified to become Board members and consider and evaluate candidates to fill positions on the Board (including, but not limited to, persons nominated by the Fund's stockholders) and to fill vacancies on committees of the Board, consistent with the Fund's policies. The Committee

shall conduct the appropriate and necessary inquiries (as determined by the Committee) with respect to the backgrounds and qualifications of candidates.

3. The Committee shall recommend to the Board for its selection candidates to fill positions on the Board and each committee of the Board. The Board shall select from among such recommended candidates the director nominees to stand for election at the next annual meeting of the Fund's stockholders.
4. The Committee shall review the independence and other qualifications of Board members and director nominees, consider questions of possible conflicts of interest between Board members or management and the Fund and its subsidiaries, and monitor all other activities of Board members or management that could interfere with such individuals' duties to the Fund.
5. Except as otherwise required by applicable law, regulation or NYSE rule, the Committee shall oversee the evaluation of the performance of the Board, its committees (including the performance of the Committee) and management. The Committee shall receive comments from directors and report the results of such evaluation annually to the Board. The performance review shall be conducted in such manner as the Committee deems appropriate, and shall satisfy the Fund Governance Standards as defined in Rule 0-1(a)(7)(v) under the 1940 Act.
6. The Committee shall develop and recommend to the Board for its approval a set of corporate governance guidelines (the "Corporate Governance Guidelines") applicable to the Fund. The Committee periodically shall review and reassess the adequacy of the Corporate Governance Guidelines and such other matters of corporate governance as the Committee, in its sole discretion, deems necessary or desirable. The Committee shall recommend any proposed changes to the Corporate Governance Guidelines to the Board for its approval.
7. The Committee shall make recommendations concerning the functions and duties of the committees of the Board.
8. The Committee may form and delegate authority to sub-committees or, to the extent permitted under applicable laws, regulations and NYSE rules, to any other Independent Director or committee comprised entirely of Independent Directors, in each case, to the extent the Committee deems necessary or appropriate. The Committee may consult with or obtain input from management, but, except as expressly provided herein, shall not delegate any of its responsibilities to management.
9. The Committee may designate any member of the Committee to execute documents on its behalf as the Committee deems necessary or appropriate to carry out its responsibilities hereunder.

10. The Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for its approval.
11. The Committee shall review the effectiveness of director compensation in supporting the Fund's ability to attract, retain and motivate qualified directors and, if appropriate, recommend changes to the Board.
12. The Committee shall have the sole authority, to the extent the Committee deems necessary or appropriate to carry out its responsibilities, (a) to retain and terminate any search firm used to identify director candidates, and (b) to obtain advice and assistance from, and to retain and terminate, internal or external legal, accounting or other consultants. The Committee shall have the sole authority to approve the fees and other retention terms of any such search firm or legal, accounting or other consultants.

V. General

The Committee may diverge from the specific activities outlined throughout this Charter, as appropriate, if circumstances or regulatory requirements change. In addition to these activities, the Committee may perform such other functions as necessary or appropriate under applicable laws, regulations, NYSE rules, the Fund's charter and bylaws, and the resolutions and other directives of the Board, each as in effect from time to time. This Charter may be amended from time to time by the Board.

This Charter may be made available on the Fund's website and to any stockholder who otherwise requests a copy.