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

FORM 4

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

**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**

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

1. Name and Address of Reporting Person*

Newman II, Reginald B.

(Last) (First) (Middle)

2440 Sheridan Drive

(Street)

Tonawanda, NY 14150

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

Rand Capital Corp. (RAND)

4. Statement for Month/Day/Year

1/14/03

6. Relationship of Reporting Person(s) to Issuer (Check All Applicable)

Director 10% Owner

Officer *(give title below)*

Other *(specify below)*

3. I.R.S. Identification Number of Reporting Person, if an entity (Voluntary)

5. If Amendment, Date of Original (Month/Day/Year)

7. Individual or Joint/Group Filing (Check Applicable Line)

Form Filed by One Reporting Person

Form Filed by More than One Reporting Person

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

* If the form is filed by more than one reporting person, see instruction 4(b)(v).

Table I — Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security <i>(Instr. 3)</i>	2. Transaction Date <i>(Month/Day/Year)</i>	2A. Deemed Execution Date, if any <i>(Month/Day/Year)</i>	3. Transaction Code <i>(Instr. 8)</i>	4. Securities Acquired (A) or Disposed of (D) <i>(Instr. 3, 4 and 5)</i>	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) <i>(Instr. 3 and 4)</i>	6. Ownership Form: Direct (D) or Indirect (I) <i>(Instr. 4)</i>	7. Nature of Indirect Beneficial Ownership <i>(Instr. 4)</i>
			Code	V	Amount	(A) or (D)	Price
Common Stock	1/14/03		G		110,000	D	733,179

