

---

---

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

---

**FORM N-17f-2**

---

**CERTIFICATE OF ACCOUNTING OF SECURITIES AND SIMILAR  
INVESTMENTS IN THE CUSTODY OF  
MANAGEMENT INVESTMENT COMPANIES**

**Pursuant to Rule 17f-2 [17 CFR 270.17f-2]**

1. Investment Company Act File Number: 814-00235				Date examination completed: October 8, 2018	
2. State Identification Number:					
AL	AK	AZ	AR	CA	CO
CT	DE	DC	FL	GA	HI
ID	IL	IN	IA	KS	KY
LA	ME	MD	MA	MI	MN
MS	MO	MT	NE	NV	NH
NJ	NM	NY	NC	ND	OH
OK	OR	PA	RI	SC	SD
TN	TX	UT	VT	VA	WA
WV	WI	WY	PUERTO RICO		
Other (specify):					
3. Exact name of investment company as specified in registration statement: Rand Capital Corporation					
4. Address of principal executive office (number, street, city, state, zip code): 2200 Rand Building, Buffalo, NY 14203					

**INSTRUCTIONS**

This Form must be completed by the investment companies that have custody of securities or similar investments.

**Investment Company**

1. All items must be completed by the investment company.
2. Give this Form to the independent public accountant who, in compliance with Rule 17f-2 under the Act and applicable state law, examines securities and similar investments in the custody of the investment company.

**Accountant**

3. Submit this Form to the Securities and Exchange Commission and appropriate state securities administrators when filing the certificate of accounting required by Rule 17f-2 under the Act and applicable state law. File the original and one copy with the Securities and Exchange Commission's principal office in Washington, D.C., one copy with the regional office for the region in which the investment company's principal business operations are conducted, and one copy with the appropriate state administrator(s), if applicable.

**THIS FORM MUST BE GIVEN TO YOUR INDEPENDENT PUBLIC ACCOUNTANT**

---

---

---

**Management Statement Regarding Compliance With Certain Provisions of the Investment Company Act of 1940**

November 8, 2018

Freed Maxick CPAs, P.C.  
424 Main Street, Suite 800  
Buffalo, NY 14202

To Whom It May Concern:

We, as members of management of Rand Capital Corporation (the "Corporation"), are responsible for complying with the requirements of subsections (b) and (c) of Rule 17f-2, "Custody of Investments by Registered Management Investment Companies," of the Investment Company Act of 1940 (the "Act"). We are also responsible for establishing and maintaining effective internal controls over compliance with those requirements. We have performed an evaluation of the Corporation's compliance with the requirements of subsections (b) and (c) of Rule 17f-2 as of October 8, 2018 and from July 3, 2018 (the date of our last examination) through October 8, 2018.

Based on this evaluation, we assert that the Corporation was in compliance with the requirements of subsections (b) and (c) of Rule 17f-2 of the Investment Company Act of 1940 as of October 8, 2018 and from July 3, 2018 through October 8, 2018, with respect to securities reflected in the investment account of the Corporation.

Rand Capital Corporation

By:

/s/ Allen F. Grum

Allen F. Grum  
President and Chief Executive Officer

/s/ Daniel P. Penberthy

Daniel P. Penberthy  
Executive Vice President and  
Chief Financial Officer

**Report of Independent Registered Public Accounting Firm**

To the Board of Directors of  
Rand Capital Corporation

We have examined management's assertion, included in the accompanying Management Statement Regarding Compliance With Certain Provisions of the Investment Company Act of 1940, that Rand Capital Corporation (the "Corporation") complied with the requirements of subsections (b) and (c) of Rule 17f-2 under the Investment Company Act of 1940 (the "Act") as of October 8, 2018. Management is responsible for the Corporation's compliance with those requirements. Our responsibility is to express an opinion on management's assertion about the Corporation's compliance based on our examination.

Our examination was conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States) and, accordingly, included examining, on a test basis, evidence about the Corporation's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. Included among our procedures were the following tests performed as of October 8, 2018, and with respect to agreement of security purchases and sales, for the period from July 3, 2018 (the date of our last examination), through October 8, 2018:

- Count and inspection of all securities located in the vault of the Corporation in Buffalo, New York without prior notice to management;
- Reconciliation of all such securities to the books and records of the Corporation;
- Agreement of additional investment in two existing portfolio companies from the books and records of the Corporation to the related supporting documentation and/or agreements;

We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Corporation's compliance with specified requirements.

In our opinion, management's assertion that the Corporation complied with the requirements of subsections (b) and (c) of Rule 17f-2 of the Investment Company Act of 1940 as of October 8, 2018 with respect to securities reflected in the investment account of the Corporation is fairly stated, in all material respects.

This report is intended solely for the information and use of management and the Board of Directors of the Corporation and the Securities and Exchange Commission and is not intended to be and should not be used by anyone other than these specified parties.

*Freed Maxick CPAs, P.C.*

Buffalo, New York  
November 8, 2018