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

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of report (Date of earliest event reported): November 7, 2019

RAND CAPITAL CORPORATION
(Exact Name of Registrant as Specified in Its Charter)

New York	**814-00235**	**16-0961359**
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification Number)

2200 Rand Building, Buffalo, NY 14203
(Address of Principal Executive Offices)(Zip Code)

(716) 853-0802
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

[ ] Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

[ ] Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

[ ] Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

[ ] Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	**Trading Symbol(s)**	**Name of each exchange on which registered**
Common Stock, $0.10 par value	RAND	Nasdaq Stock Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company [ ]

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. [ ]

Item 1.01 Entry into a Material Definitive Agreement.

Investment Management Agreement

On November 8, 2019 (the "Closing Date"), Rand Capital Corporation (the "Company") entered into an Investment Advisory and Management Agreement (the "Investment Management Agreement") with Rand Capital Management LLC (the "Adviser"), an investment adviser registered under the Investment Advisers Act of 1940, as amended. The Company's Board of Directors (the "Board") unanimously approved the Company's entry into the Investment Management Agreement at an in-person meeting held on January 24, 2019. The Company's shareholders approved the Company's entry into the Investment Management Agreement at a special meeting of shareholders held on May 16, 2019.

Pursuant to the terms of the Investment Management Agreement, the Adviser manages the investment and reinvestment of the Company's assets. Among other things, the Adviser (i) determines the composition of the Company's portfolio, the nature and timing of changes in this portfolio and the manner of implementing these changes; (ii) identifies, evaluates and negotiates the structure of the investments made by the Company; (iii) executes, closes, services and monitors the investments that the Company makes; (iv) determines the securities and other assets that the Company will purchase, retain or sell; (v) performs due diligence on prospective portfolio companies and investments; and (vi) provide the Company with such other investment advisory, research and related services as the Company may, from time to time, reasonably require for the investment of its assets. The Adviser's services under the Investment Management Agreement are not exclusive, and it may furnish similar services to other entities.

Under the Investment Management Agreement, the Company will pay the Adviser, as compensation for the investment advisory and management services, fees consisting of two components: (i) a base management fee (the "Base Management Fee") and (ii) an incentive fee (the "Incentive Fee").

Base Management Fee

The Base Management Fee will be 1.50% of per annum of the Company's total assets (other than cash or cash equivalents but including assets purchased with borrowed funds). For the first calendar quarter of the Company's operations after the Closing Date, the Base Management Fee will be calculated based on the initial value of the Company's total assets (other than cash or cash equivalents but including assets purchased with borrowed funds) after giving effect to the contribution of the existing loans and other securities by East Asset Management, LLC ("East") as part of the consideration for the Stock Purchase (as defined below). For each calendar quarter thereafter, the Base Management Fee will be calculated based on the average value of the Company's total assets (other than cash or cash equivalents but including assets purchased with borrowed funds) at the end of the two most recently completed calendar quarters. Base Management Fees for any partial month or quarter will be appropriately prorated.

Incentive Fee

The Incentive Fee payable under the Investment Management Agreement consists of two parts: (1) a portion based on the Company's pre-incentive fee net investment income (the "Income Based Fee") and (2) a portion based on the net realized capital gains received on the Company's portfolio of securities on a cumulative basis for each calendar year, net of all realized capital losses and all unrealized capital depreciation for that same calendar year (the "Capital Gains Fee").

Income Based Fee

The Income Based Fee will be calculated and payable quarterly in arrears based on the Pre-Incentive Fee Net Investment Income for the immediately preceding calendar quarter and shall be payable promptly following the filing of the Company's financial statements for such quarter. For purposes of the Investment Management Agreement, "Pre-Incentive Fee Net Investment Income" is defined as interest income, dividend income and any other income (including any other fees (other than fees for providing managerial assistance), such as commitment, origination, structuring, diligence and consulting fees or other fees that the Company receives from portfolio companies) accrued by the Company during the relevant calendar quarter, minus the Company's operating expenses for such calendar quarter (including the Base Management Fee, expenses payable under the Administration Agreement (as defined below), and any interest expense and dividends paid on any issued and outstanding preferred stock, but excluding any portion of the Incentive Fee). Pre-Incentive Fee Net Investment Income includes any accretion of original issue discount, market discount, payment-in-kind interest, payment-in-kind dividends or other types of deferred or accrued income, including in connection with zero coupon securities, that the Company and its consolidated subsidiaries have recognized but have not yet received in cash (collectively, "Accrued Unpaid Income"). Pre-Incentive Fee Net Investment Income does not include any realized capital gains, realized and unrealized capital losses or unrealized capital appreciation or depreciation.

Pre-Incentive Fee Net Investment Income, expressed as a rate of return on the value of the Company's net assets (defined as total assets less indebtedness) at the end of the immediately preceding calendar quarter, will be compared to a "hurdle rate", expressed as a rate of return on the value of the Company's net assets at the end of the most recently completed calendar quarter, of 1.75% per quarter (7% annualized). The Company will pay the Adviser an Incentive Fee with respect to the Company's Pre-Incentive Fee Net Investment Income in each calendar quarter as follows:

(i) no Income Based Fee in any quarter in which the Pre-Incentive Fee Net Investment Income for such quarter does not exceed the hurdle rate of 1.75% (7.00% annualized);

(ii) 100% of the Pre-Incentive Fee Net Investment Income for any calendar quarter with respect to that portion of the Pre-Incentive Fee Net Investment Income for such calendar quarter, if any, that exceeds the hurdle rate of 1.75% (7.00% annualized) but is less than 2.1875% (8.75% annualized); and

(iii) 20% of the amount of the Pre-Incentive Fee Net Investment Income for any calendar quarter with respect to that portion of the Pre-Incentive Fee Net Investment Income for such calendar quarter, if any, that exceeds 2.1875% (8.75% annualized).

For each calendar quarter that begins more than two years and three months after the Closing Date, the Income Based Fee paid to the Adviser shall not be in excess of the Incentive Fee Cap. The "Incentive Fee Cap" for any quarter is an amount equal to (1) 20.0% of the Cumulative Net Return (as defined below) during the relevant Income Based Fee Calculation Period (as defined below) minus (2) the aggregate Income Based Fee that was paid in respect of the calendar quarters included in the relevant Income Based Fee Calculation Period.

For purposes of the calculation of the Income Based Fee, "Income Based Fee Calculation Period" is defined as, with reference to a calendar quarter, the period of time consisting of such calendar quarter and the additional quarters that comprise the lesser of (1) the number of quarters immediately preceding such calendar quarter that began more than two years after the Closing Date or (2) the eleven calendar quarters immediately preceding such calendar quarter.

For purposes of the calculation of the Income Based Fee, "Cumulative Net Return" is defined as (1) the aggregate net investment income in respect of the relevant Income Based Fee Calculation Period minus (2) any Net Capital Loss, if any, in respect of the relevant Income Based Fee Calculation Period. If, in any quarter, the Incentive Fee Cap is zero or a negative value, the Company will pay no Income Based Fee to the Adviser for such quarter. If, in any quarter, the Incentive Fee Cap for such quarter is a positive value but is less than the Income Based Fee that is payable to the Adviser for such quarter (before giving effect to the Incentive Fee Cap) calculated as described above, the Company will pay an Income Based Fee to the Adviser equal to the Incentive Fee Cap for such quarter. If, in any quarter, the Incentive Fee Cap for such quarter is equal to or greater than the Income Based Fee that is payable to the Adviser for such quarter (before giving effect to the Incentive Fee Cap) calculated as described above, the Company will pay an Income Based Fee to the Adviser equal to the Income Based Fee calculated as described above for such quarter without regard to the Incentive Fee Cap.

For purposes of the calculation of the Income Based Fee, "Net Capital Loss," in respect of a particular period, means thedifference, if positive, between (1) aggregate capital losses, whether realized or unrealized, in such period and (2) aggregate capital gains, whether realized or unrealized, in such period.

Any Income Based Fee payable under the Investment Management Agreement with respect to Accrued Unpaid Income (such fees being the "Accrued Unpaid Income Based Fees") shall be deferred, on a security by security basis, and shall become payable to the Adviser only if, as, when and to the extent cash is received by the Company or its consolidated subsidiaries in respect of any Accrued Unpaid Income. Any Accrued Unpaid Income that is subsequently reversed by the Company in connection with a write-down, write-off, impairment or similar treatment of the investment giving rise to such Accrued Unpaid Income will, in the applicable period of reversal, (1) reduce Pre-Incentive Fee Net Investment Income and (2) reduce the amount of Accrued Unpaid Income Based Fees. Subsequent payments of Accrued Unpaid Income Based Fees that are deferred shall not reduce the amounts otherwise payable for any quarter as an Income Based Fee.

Capital Gains Fee

The Capital Gains Fee will be determined and payable in arrears as of the end of each calendar year (or upon termination of the Investment Management Agreement), commencing with the calendar year ending on December 31, 2019. Under the terms of the Investment Management Agreement, the Capital Gains Fee is calculated at the end of each applicable year by subtracting (1) the sum of the Company's cumulative aggregate realized capital losses and aggregate unrealized capital depreciation from (2) the Company's cumulative aggregate realized capital gains, in each case calculated from the Closing Date. If this amount is positive at the end of any calendar year, then the Capital Gains Fee for such year is equal to 20.0% of such amount, less the cumulative aggregate amount of Capital Gains Fees paid in all prior years. If such amount is negative, then there is no Capital Gains Fee payable for that calendar year. If the Investment Management Agreement is terminated as of a date that is not a calendar year end, the termination date shall be treated as though it were a calendar year end for purposes of calculating and paying the Capital Gains Fee.

For purposes of the Capital Gains Fee:

The "cumulative aggregate realized capital gains" are calculated as the sum of the differences, if positive, between (a) the net sales price of each investment in the Company's portfolio when sold and (b) the accreted or amortized cost basis of such investment.

The "cumulative aggregate realized capital losses" are calculated as the sum of the amounts by which (a) the net sales price of each investment in the Company's portfolio when sold is less than (b) the accreted or amortized cost basis of such investment.

The "aggregate unrealized capital depreciation" is calculated as the sum of the differences, if negative, between (a) the valuation of each investment in the Company's portfolio as of the applicable Capital Gains Fee calculation date and (b) the accreted or amortized cost basis of such investment.

The accreted or amortized cost basis of an investment shall mean, with respect to an investment owned by the Company as of the Closing Date, the fair value of that investment as set forth in the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2019 and, with respect to an investment acquired by the Company subsequent to the Closing Date, the accreted or amortized cost basis of such investment as reflected in the Company's financial statements.

Payment of Company Expenses

Under the terms of Investment Management Agreement, all investment professionals of the Adviser and its staff, when and to the extent engaged in providing investment advisory services for the Company, and the compensation of such personnel and the general office and facilities and overhead expenses incurred by the Adviser in maintaining its place of business allocable to these services, will be provided and paid for by the Adviser and not by the Company. The Company will bear all other costs and expenses of its operations and transactions, including, without limitation, those items listed in the Investment Management Agreement.

Duration and Termination of the Investment Management Agreement

The Investment Management Agreement will remain in effect for a period of two years after the Closing Date. Thereafter, the Investment Management Agreement will continue to renew automatically for successive annual periods so long as such continuance is specifically approved at least annually by: (i) the vote of the Board, or by the vote of Company's shareholders holding a majority of the outstanding voting securities of the Company; and (ii) the vote of a majority of the Company's independent directors on the Board, in either case, in accordance with the requirements of the Investment Company Act of 1940, as amended (the "1940 Act"). The Investment Management Agreement may be terminated at any time, without the payment of any penalty, upon 60 days' written notice, by: (i) by vote of a majority of the Board or by vote of a majority of the outstanding voting securities of the Company; or (ii) the Adviser. In addition, the Investment Management Agreement will automatically terminate in the event of its "assignment" (as such term is defined for purposes of Section 15(a)(4) of the 1940 Act).

Administration Agreement

On the Closing Date, the Company entered into an Administration Agreement (the "Administration Agreement") with the Adviser. Under the terms of the Administration Agreement, the Adviser has agreed to perform (or oversee, or arrange for, the performance of) the administrative services necessary for the operation of the Company, including, but not limited to, office facilities, equipment, clerical, bookkeeping, finance, accounting, compliance and record keeping services at such office facilities and such other services as the Adviser, subject to review by the Board, will from time to time determine to be necessary or useful to perform its obligations under the Administration Agreement. The Adviser shall also, on behalf of the Company, arrange for the services of, and oversee, custodians, depositories, transfer agents, dividend disbursing agents, other shareholder servicing agents, accountants, attorneys, underwriters, brokers and dealers, corporate fiduciaries, insurers, banks and such other persons in any such other capacity deemed to be necessary or desirable.

As consideration for the provision of the services by the Adviser under the Administration Agreement, the Company shall reimburse the Adviser for the costs and expenses incurred by the Adviser in administering the Company's business. The Administration Agreement will remain in effect for two years from the Closing Date, and thereafter will continue automatically for successive annual periods so long as such continuance is specifically approved at least annually by the Board, including by a majority of the independent directors. The Administration Agreement may be terminated at any time, without the payment of any penalty, by vote of the Board, or by the Adviser, upon 60 days' written notice to the other party. The Administration Agreement may not be assigned by a party without the consent of the other party.

Shareholder Agreement

On the Closing Date, the Company entered into a Shareholder Agreement (the "Shareholder Agreement") with East. Under the terms of the Shareholder Agreement, until the date on which East ceases to beneficially own more than fifteen percent of the outstanding shares of the Company's common stock, par value $.10 per share (the "Common Stock") (the "East Nomination Period"), East will have the right to designate (i) up to two persons, of which at least one person cannot be an "interested person" (as that term is defined in Section 2(a)(19) of the 1940 Act) of the Company, for nomination for election to the Board if the size of the Board is composed of fewer than seven directors or (ii) up to three persons, of which at least one person cannot be an interested person, for nomination for election to the Board if the size of the Board is composed of seven or more directors (each designated person being a "East Nominee"). For purposes of determining the East Nomination Period, if East's ownership of outstanding Common Stock falls below fifteen percent as a result of a sale or other issuance of Common Stock by the Company, then the fifteen percent threshold will automatically be reduced by a percentage equal to the percentage by which East's ownership of Common Stock was reduced as a result of such sale or issuance by the Company.

In addition, in the event that there is a vacancy on the Board due to the death, resignation or removal of any director of the Company that was an East Nominee, subject to applicable law, the terms of the Company's certificate of incorporation and the Company's by-laws, and the rules of the stock exchange on which the Common Stock is listed, this vacancy may only be filled with a substitute East Nominee.

Under the terms of the Shareholder Agreement, East has agreed that the rights provided to East thereunder are to be the exclusive means for East to designate, nominate, seek to designate or seek to nominate, as applicable, any person for election as a director to the Board, and East shall not, directly or indirectly, make use of, or otherwise seek to avail itself of, any other rights or means to designate, nominate, seek to designate or seek to nominate, as applicable, any person for election as a director to the Board, including pursuant to any rights available to any shareholder of the Company under the Company's certificate of incorporation, the Company's by-laws or applicable law.

The foregoing descriptions of the Investment Management Agreement, the Administration Agreement and the Shareholder Agreement are only summaries of certain of the provisions of such agreements and are qualified in their entirety by reference to the underlying agreements. The Investment Management Agreement, the Administration Agreement and the Shareholder Agreement are attached as Exhibits 10.1, 10.2 and 10.3 this Current Report on Form 8-K, respectively, and are incorporated herein by reference.

Item 3.02 Unregistered Sales of Equity Securities.

Pursuant to the terms of the previously announced Stock Purchase Agreement, dated as of January 24, 2019, by and among the Company, East, and, solely for purposes of being bound by Sections 7.10 and 10.9(a) and (b) thereof, the Adviser, on the Closing Date, the Company issued 8,333,333 shares of the Company's Common Stock, to East at a price of $3.00 per share for an aggregate purchase price of $25.0 million (the "Stock Purchase"). The purchase price for the Stock Purchase was paid partially through the contribution to the Company by East of existing loans and other securities that had a fair value as of the Closing Date of approximately $9.5 million and partially through a cash payment to the Company in the amount of approximately $15.5 million. The Stock Purchase was a private transaction exempt from registration under Section 4(a)(2) of the Securities Act of 1933, as amended and/or Rule 506 of Regulation D promulgated thereunder.

Item 5.01 Changes in Control of Registrant.

On the Closing Date, as a result of the Stock Purchase, East became, together with shares of Common Stock beneficially owned by East prior to the Closing Date, the beneficial owner of approximately 57% of the Company's outstanding Common Stock. The information contained in Item 3.02 of this Current Report on Form 8-K regarding the Stock Purchase is incorporated into this Item 5.01 by reference. East used available cash on hand to fund the cash portion of the consideration paid to the Company in connection with the Stock Purchase.

The information contained in Item 1.01 of this Current Report on Form 8-K under the heading "Shareholder Agreement" is incorporated into this Item 5.01 by reference.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Agreements of Certain Officers.

(d) On the Closing Date, the Board increased the size of the Board from five directors to seven directors and elected Adam Gusky and Benjamin E. Godley to fill the two newly created directorships. Compensatory arrangements for Mr. Gusky and Mr. Godley will be consistent with the Company's previously disclosed standard arrangements for non-employee directors. These arrangements are described in the Company's definitive proxy statement for its 2018 annual meeting of shareholders, filed with the Securities and Exchange Commission on March 8, 2018, under the heading of "Director Compensation", which disclosure is incorporated herein by reference. As of the Closing Date, neither Mr. Gusky nor Mr. Godley are being appointed to any committees of the Board.

Mr. Gusky is the chief investment officer of East and serves on the investment committee for the Adviser. The information contained in Item 3.02 of this Current Report on Form 8-K regarding the Stock Purchase is incorporated into this Item 5.01 by reference. The information contained in Item 1.01 of this Current Report on Form 8-K regarding the Investment Management Agreement and Administration Agreement entered into by the Company with the Adviser and the Shareholder Agreement entered into by the Company with East, each as of the Closing Date, is incorporated into this Item 5.01 by reference.

(e) On the Closing Date, Allen F. Grum, the Company's President and Chief Executive Officer, and Daniel P. Penberthy, the Company's Executive Vice President and Chief Financial Officer, each entered into a cancellation agreement with the Company (the "Cancellation Agreements" and each a "Cancellation Agreement") whereby each agreed to cancel their respective change in control agreements, each dated March 1, 2017, as of the Closing Date and without the payment of any consideration by the Company to either Mr. Grum or Mr. Penberthy. The foregoing descriptions of the Cancellation Agreements are only summaries of such agreements and are qualified in their entirety by reference to the underlying agreements. The Cancellation Agreement with Mr. Grum and the Cancellation Agreement with Mr. Penberthy are attached as Exhibits 10.4 and 10.5 this Current Report on Form 8-K, respectively, and are incorporated herein by reference.

Item 5.03 Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

On November 7, 2019, the Company filed a certificate of amendment to its certificate of incorporation, asamended (the "Certificate of Amendment"), to increase the number of shares of Common Stock that the Company is authorized to issue from 10 million shares of Common Stock to 100 million shares of Common Stock. The foregoing summary of the Certificate of Amendment does not purport to be complete and is qualified in its entirety by reference to the full text of the Certificate of Amendment, a copy of which is attached hereto as Exhibit 3.1 and is incorporated herein by reference.

Item 7.01 Regulation FD Disclosure.

The existing loans and other securities contributed to the Company by East as part of the consideration in the Stock Purchase consist of the following:

Name of Portfolio Company	Industry	Type of Investment	Interest Rate	Maturity Date	Fair Value at the Closing Date
AIKG LLC	Entertainment	Term Note	12.00%	December 28, 2023	$ 4,384,097
Filterworks Acquisition USA, LLC	Equipment Distribution - Automobile Collision Repair Industry	Subordinated Note	12.00%	December 4, 2023	$ 2,302,329
Filterworks Acquisition USA, LLC	Equipment Distribution - Automobile Collision Repair Industry	562.5 Class A Units (representing a 12.5% ownership interest in the Class A Units)	N/A	N/A	$ 562,500
HDI Acquisition LLC	Signage Manufacturing	Term Loan	12.00%	June 20, 2023	$ 1,249,194
Mattison Avenue Holdings LLC	Consumer Retail – Beauty Industry	Promissory Note	12.00%	June 9, 2022	$ 1,036,391

The information furnished under Item 7.01 of this Current Report on Form 8-K shall not be deemed to be "filed" forpurposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any filing made by the Company under the Exchange Act or the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

Item 8.01 Other Events.

On November 11, 2019, the Company issued a press release announcing the closing of the Stock Purchase transaction, the Company's entry into the Investment Management Agreement and Administration Agreement and the election of the two new directors. The full text of the press release is attached hereto as Exhibit 99.1 and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description of Exhibit
3.1	Certificate of Amendment to the Certificate of Incorporation, as amended
10.1	Investment Advisory and Management Agreement, dated as of November 8, 2019, by and between Rand Capital Corporation and Rand Capital Management LLC
10.2	Administration Agreement, dated as of November 8, 2019, by and between Rand Capital Corporation and Rand Capital Management LLC
10.3	Shareholder Agreement, dated as of November 8, 2019, by and between Rand Capital Corporation and East Asset Management, LLC
10.4	Cancellation Agreement, dated as of November 8, 2019, by and between Rand Capital Corporation and Allen F. Grum
10.5	Cancellation Agreement, dated as of November 8, 2019, by and between Rand Capital Corporation and Daniel P. Penberthy
99.1	Press Release, dated November 11, 2019

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

RAND CAPITAL CORPORATION

Date: November 12, 2019

By: */s/ Allen F. Grum*
Name: Allen F. Grum
Title: President and Chief Executive Officer

CERTIFICATE OF AMENDMENT

OF

CERTIFICATE OF INCORPORATION

OF

RAND CAPITAL CORPORATION

Under Section 805 of the
Business Corporation Law

Rand Capital Corporation, a corporation organized and existing under and by virtue of the Business Corporation Law of the State of New York,

DOES HEREBY CERTIFY:

1. The current name of the corporation is Rand Capital Corporation (the "corporation").

2. The Certificate of Incorporation of the corporation was filed by the Department of State of the State of New York on February 24, 1969.

3. The Certificate of Incorporation of the corporation is hereby amended to increase the authorized shares of the corporation from 10,500,000 shares, of which 500,000 shares are preferred shares, par value $10.00 per share, and 10,000,000 shares are common shares, par value $.10 per share, to 100,500,000 shares, of which 500,000 shares shall be preferred shares, par value $10.00 per share, and 100,000,000 shares shall be common shares, par value $.10 per share.

To effectuate such amendment, Paragraph 4.(a). of the Certificate of Incorporation of the corporation is hereby amended to read in its entirety as follows:

> "4.(a). The aggregate number of shares which the corporation shall have the authority to issue is ONE HUNDRED MILLION FIVE HUNDRED THOUSAND (100,500,000) shares, of which FIVE HUNDRED THOUSAND (500,000) shares shall be Preferred Shares, par value $10.00 per share, and ONE HUNDRED MILLION (100,000,000) shares shall be Common Shares, par value $.10 per share."

4. Except for the increase in the number of the corporation's common shares authorized, the corporation's common shares, par value $.10 per share, and preferred shares, par value $10.00 per share, will not be affected by this certificate of amendment. Immediately prior to the filing of this certificate of amendment, 6,321,988 common shares, par value $.10 per share, were issued and outstanding, 541,046 common shares, par value $.10 per share, were held as treasury shares, 3,136,966 common shares, par value $.10 per share, were authorized for issuance but unissued, and 500,000 preferred shares, par value $10.00 per share, were authorized for issuance but unissued. Immediately after the filing of this certificate of amendment, 6,321,988 common shares, par value $.10 per share, will be issued and outstanding, 541,046 common shares, par value $.10 per share, will be held as treasury shares, 93,136,966 common shares, par value $.10 per share, will be authorized for issuance but unissued, and 500,000 preferred shares, par value $10.00 per share, will be authorized for issuance but unissued.

5. The certificate of amendment was authorized by the vote of the board of directors of the corporation followed by a vote of a majority of all outstanding shares entitled to vote thereon at a meeting of shareholders.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the undersigned has signed this certificate and affirmed it as true under penalties of perjury this 7th day of November, 2019.

RAND CAPITAL CORPORATION

By: */s/ Allen F. Grum*
Name: Allen F. Grum
Title: President and Chief Executive Officer

CERTIFICATE OF AMENDMENT

OF THE

CERTIFICATE OF INCORPORATION

OF

RAND CAPITAL CORPORATION

Under Section 805 of the
Business Corporation Law

Filed by: Deborah E. Kalstek, Paralegal
Hodgson Russ LLP
140 Pearl Street, Suite 100
Buffalo, NY 14202

INVESTMENT ADVISORY AND MANAGEMENT AGREEMENT
BETWEEN
RAND CAPITAL CORPORATION
AND
RAND CAPITAL MANAGEMENT LLC

Agreement made this 8th day of November, 2019 (the "Effective Date"), by and between RAND CAPITAL CORPORATION, a New York corporation (the "Corporation"), and RAND CAPITAL MANAGEMENT LLC, a Delaware limited liability company (the "Adviser").

WHEREAS, the Corporation is a closed-end investment company that has elected to be treated as a business development company under the Investment Company Act of 1940, as amended (the "Investment Company Act");

WHEREAS, the Adviser is an investment adviser that has registered under the Investment Advisers Act of 1940, as amended (the "Advisers Act"); and

WHEREAS, the Adviser will provide investment advisory services to the Corporation.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the parties hereby agree as follows:

1. Duties of the Adviser.

(a) The Corporation hereby employs the Adviser to act as the investment adviser to the Corporation and to manage the investment and reinvestment of the assets of the Corporation during the term of this Agreement, subject to the supervision of the Board of Directors of the Corporation (the "Board"), for the period and upon the terms herein set forth,

(i) in accordance with the investment objectives, policies and restrictions that are determined by the Corporation's Board of Directors from time to time and disclosed to the Adviser, including those as set forth in the reports and registration statements that the Corporation files with the Securities and Exchange Commission (the "SEC"),

(ii) in accordance with any requirements imposed by the provisions of the Investment Company Act and of any rules or regulations in force thereunder, subject to the terms of any exemptive order applicable to the Corporation, and

(iii) in accordance with all other applicable federal and state laws, rules and regulations, and the Corporation's certificate of incorporation and by-laws.

(b) Without limiting the generality of the foregoing, the Adviser shall, during the term and subject to the provisions of this Agreement,

(i) determine the composition of the portfolio of the Corporation, the nature and timing of the changes therein and the manner of implementing such changes,

(ii) identify, evaluate and negotiate the structure of the investments made by the Corporation,

(iii) execute, close, service and monitor the Corporation's investments,

(iv) determine the securities and other assets that the Corporation will purchase, retain, or sell,

(v) perform due diligence on prospective portfolio companies or investments, and

(vi) provide the Corporation with such other investment advisory, research and related services as the Corporation may, from time to time, reasonably require for the investment of its funds.

The Adviser shall have the power and authority on behalf of the Corporation to effectuate its investment decisions for the Corporation, including the execution and delivery of all documents relating to the Corporation's investments and the placing of orders for other purchase or sale transactions on behalf of the Corporation. In the event that the Corporation determines to incur debt financing, the Adviser will arrange for such financing on the Corporation's behalf, subject to the oversight and approval of the Board. If it is necessary for the Adviser to make investments on behalf of the Corporation through a special purpose vehicle, the Adviser shall have authority to create or arrange for the creation of such special purpose vehicle and to make such investments through such special purpose vehicle in accordance with the Investment Company Act.

(c) The Adviser hereby accepts such employment and agrees during the term hereof to render the services described herein for the compensation provided herein.

(d) Subject to the requirements of the Investment Company Act, the Adviser is hereby authorized to enter into one or more sub-advisory agreements with other investment advisers (each, a "Sub-Adviser") pursuant to which the Adviser may obtain the services of the Sub-Adviser(s) to assist the Adviser in providing the investment advisory services required to be provided by the Adviser under Sections 1(a) and 1(b) of this Agreement. Specifically, the Adviser may retain a Sub-Adviser to recommend specific securities or other investments based upon the Corporation's investment objectives and policies, and work, along with the Adviser, in structuring, negotiating, arranging or effecting the acquisition or disposition of such investments and monitoring investments on behalf of the Corporation, subject to the oversight of the Adviser and the Corporation. The Adviser, and not the Corporation, shall be responsible for any compensation payable to any Sub-Adviser. Any sub-advisory agreement entered into by the Adviser shall be in accordance with the requirements of the Investment Company Act and other applicable federal and state law. Nothing in this subsection (d) will obligate the Adviser to pay any expenses that are the expenses of the Corporation under Section 2.

(e) The Adviser, and any Sub-Adviser, shall for all purposes herein provided each be deemed to be an independent contractor and, except as expressly provided or authorized herein, shall have no authority to act for or represent the Corporation in any way or otherwise be deemed an agent of the Corporation.

(f) The Adviser shall keep and preserve for the period required by the Investment Company Act any books and records relevant to the provision of its investment advisory services to the Corporation and shall specifically maintain all books and records with respect to the Corporation's portfolio transactions and shall render to the Board such periodic and special reports as the Board may reasonably request. The Adviser agrees that all records that it maintains for the Corporation are the property of the Corporation and will surrender promptly to the Corporation any such records upon the Corporation's request, provided that the Adviser may retain a copy of such records.

(g) The Adviser shall provide to the Board such periodic and special reports as it may request.

2. Corporation's Responsibilities and Expenses Payable by the Corporation. All investment professionals of the Adviser and its staff, when and to the extent engaged in providing investment advisory services required to be provided by the Adviser under Sections 1(a) and 1(b), and the compensation of such personnel and the general office and facilities and overhead expenses incurred by the Adviser in maintaining its place of business allocable to such services, will be provided and paid for by the Adviser and not by the Corporation. The Corporation will bear all other costs and expenses of its operations and transactions, including those relating to:

(a) organization;

(b) calculating the Corporation's net asset value (including the cost and expenses of any independent valuation firm);

(c) expenses incurred by the Adviser payable to third parties, including agents, consultants or other advisors, in monitoring financial and legal affairs for the Corporation and in monitoring the Corporation's investments and performing due diligence on its prospective portfolio companies;

(d) interest payable on debt, if any, incurred to finance the Corporation's investments;

(e) offerings of the Corporation's common stock and other securities;

(f) investment advisory and management fees payable under this Agreement, which fees shall not include fees (if any) payable to a Sub-Adviser retained by the Adviser pursuant to Section 1(d);

(g) administration fees, if any, payable under the Administration Agreement (the "Administration Agreement") between the Corporation and the Adviser or any successor thereto as the Corporation's administrator;

(h) transfer agent and custodial fees;

(i) federal and state registration fees;

(j) all costs of registration and listing the Corporation's shares on any securities exchange;

(k) federal, state and local taxes;

(l) independent directors' fees and expenses;

(m) costs of preparing and filing reports or other documents required by governmental bodies (including the SEC);

(n) costs of any reports, proxy statements or other notices to stockholders, including printing costs;

(o) the Corporation's allocable portion of the fidelity bond, directors and officers/errors and omissions liability insurance, and any other insurance premiums;

(p) direct costs and expenses of administration, including independent auditors and outside legal costs; and

(q) all other expenses incurred by the Corporation or the Advisor in connection with administering the Corporation's business (including payments under the Administration Agreement based upon the Corporation's allocable portion of the Advisor's overhead in performing its obligations under the Administration Agreement, including rent and the allocable portion of the cost of the Corporation's chief financial officer and chief compliance officer and their respective staffs (including travel expenses)).

3. Compensation of the Adviser. The Corporation agrees to pay, and the Adviser agrees to accept, as compensation for the services provided by the Adviser hereunder, a base management fee ("Base Management Fee") and an incentive fee ("Incentive Fee") as hereinafter set forth. The Corporation shall make any payments due hereunder to the Adviser or to the Adviser's designee as the Adviser may otherwise direct. To the extent permitted by applicable law, the Adviser may elect, or the Corporation may adopt a deferred compensation plan pursuant to which the Adviser may elect, to defer all or a portion of its fees hereunder for a specified period of time.

(a) The Base Management Fee shall be 1.50% per annum of the Corporation's total assets (other than cash or cash equivalents but including assets purchased with borrowed funds), determined according to procedures duly adopted by the Board. For services rendered during the period commencing from the Effective Date, through and including the end of the first calendar quarter of the Corporation's operations after the Effective Date, the Base Management Fee will be payable monthly in arrears. Until the first calendar quarter of the Corporation's operations after the Effective Date, the Base Management Fee will be calculated based on the initial value of the Corporation's total assets (other than cash or cash equivalents but including assets purchased with borrowed funds) after giving effect to the contribution of the loan portfolio as contemplated by the Stock Purchase Agreement, dated as of January 24, 2019 by and among the Corporation, East Asset Management, LLC and, solely for purposes of being bound by Sections 7.10 and 10.9(a) and (b) thereof, the Adviser. Subsequently, the Base Management Fee will be calculated based on the average value of the Corporation's total assets (other than cash or cash equivalents but including assets purchased with borrowed funds) at the end of the two most recently completed calendar quarters. Base Management Fees for any partial month or quarter will be appropriately pro-rated.

(b) The Incentive Fee shall consist of two parts, as follows:

(i) One part (the "Income Based Fee") will be calculated and payable quarterly in arrears based on the Pre-Incentive Fee net investment income for the immediately preceding calendar quarter and shall be payable promptly following the filing of the Corporation's financial statements for such quarter. "Pre-Incentive Fee net investment income" means interest income, dividend income and any other income (including any other fees (other than fees for providing managerial assistance), such as commitment, origination, structuring, diligence and consulting fees or other fees that the Corporation receives from portfolio companies) accrued by the Corporation during the relevant calendar quarter, minus the Corporation's operating expenses for such calendar quarter (including the Base Management Fee, expenses payable under the Administration Agreement, and any interest expense and dividends paid on any issued and outstanding preferred stock, but excluding any portion of Incentive Fee).

Pre-Incentive Fee net investment income includes any accretion of original issue discount, market discount, payment-in-kind interest, payment-in-kind dividends or other types of deferred or accrued income, including in connection with zero coupon securities, that the Corporation and its consolidated subsidiaries have recognized in accordance with U.S. Generally Accepted Accounting Principles, but have not yet received in cash (collectively, "Accrued Unpaid Income"). Pre-Incentive Fee net investment income does not include any realized capital gains, realized and unrealized capital losses or unrealized capital appreciation or depreciation.

Pre-Incentive Fee net investment income, expressed as a rate of return on the value of the Corporation's net assets (defined as total assets less indebtedness) at the end of the immediately preceding calendar quarter, will be compared to a "hurdle rate", expressed as a rate of return on the value of the Corporation's net assets at the end of the most recently completed calendar quarter, of 1.75% per quarter (7% annualized). The Corporation will pay the Adviser an Incentive Fee with respect to the Corporation's Pre-Incentive Fee net investment income in each calendar quarter as follows:

(A) no Income Based Fee in any calendar quarter in which the Corporation's Pre-Incentive Fee net investment income does not exceed the hurdle rate;

(B) 100.0% of the Corporation's Pre-Incentive Fee net investment income for any calendar quarter with respect to that portion of such Pre-Incentive Fee net investment income for such calendar quarter, if any, that exceeds the hurdle rate but is less than 2.1875% (8.75% annualized); and

(C) 20.0% of the amount of the Corporation's Pre-Incentive Fee net investment income for any calendar quarter with respect to that portion of such Pre-Incentive Fee Net Investment Income for such calendar quarter, if any, that exceeds 2.1875% (8.75% annualized).

These calculations will be appropriately pro-rated for any period of less than three months.

Notwithstanding the foregoing, the Income Based Fee paid to the Adviser for any calendar quarter that begins more than two years and three months after the Effective Date shall not be in excess of the Incentive Fee Cap. The Incentive Fee Cap for any calendar quarter is an amount equal to (1) 20.0% of the Cumulative Net Return (as defined below) during the Income Based Fee Calculation Period (as defined below) minus (2) if applicable, the aggregate Income Based Fee that was paid in respect of the calendar quarters prior to such quarter included in the relevant Income Based Fee Calculation Period.

"Income Based Fee Calculation Period" means, with reference to a calendar quarter, the period of time consisting of such calendar quarter and the additional quarters that comprise the lesser of (1) the number of quarters immediately preceding such calendar quarter that began more than two years after the Effective Date or (2) the eleven calendar quarters immediately preceding such calendar quarter.

"Cumulative Net Return" means (1) the aggregate net investment income in respect of the relevant Income Based Fee Calculation Period minus (2) any Net Capital Loss, if any, in respect of the relevant Income Based Fee Calculation Period. If, in any quarter, the Incentive Fee Cap is zero or a negative value, the Corporation pays no Income Based Fee to the Adviser for such quarter. If, in any quarter, the Incentive Fee Cap for such quarter is a positive value but is less than the Income Based Fee that is payable to the Adviser for such quarter (before giving effect to the Incentive Fee Cap) calculated as described above, the Corporation pays an Income Based Fee to the Adviser equal to the Incentive Fee Cap for such quarter. If, in any quarter, the Incentive Fee Cap for such quarter is equal to or greater than the Income Based Fee that is payable to the Adviser for such quarter (before giving effect to the Incentive Fee Cap) calculated as described above, the Corporation pays an Income Based Fee to the Adviser equal to the Income Based Fee calculated as described above for such quarter without regard to the Incentive Fee Cap.

"Net Capital Loss" in respect of a particular period means the difference, if positive, between (1) aggregate capital losses, whether realized or unrealized, in such period and (2) aggregate capital gains, whether realized or unrealized, in such period.

Any Income Based Fee otherwise payable under this Section 3(b)(i) with respect to Accrued Unpaid Income (collectively, the "Accrued Unpaid Income Based Fees") shall be deferred, on a security by security basis, and shall become payable only if, as, when and to the extent cash is received by the Corporation or its consolidated subsidiaries in respect thereof. Any Accrued Unpaid Income that is subsequently reversed in connection with a write-down, write-off, impairment or similar treatment of the investment giving rise to such Accrued Unpaid Income will, in the applicable period of reversal, (1) reduce Pre-Incentive Fee net investment income and (2) reduce the amount of Accrued Unpaid Income Incentive Fees deferred under this paragraph. Subsequent payments of Accrued Unpaid Income Incentive Fees deferred pursuant to this paragraph shall not reduce the amounts otherwise payable for any quarter pursuant to this Section 3(b)(i).

(ii) The second part of the Incentive Fee (the "Capital Gains Fee") will be determined and payable in arrears as of the end of each calendar year (or upon termination of this Agreement as set forth below), commencing with the calendar year ending on December 31, 2019, and is calculated at the end of each applicable year by subtracting (1) the sum of the Corporation's cumulative aggregate realized capital losses and aggregate unrealized capital depreciation from (2) the Corporation's cumulative aggregate realized capital gains, in each case calculated from the Effective Date. If such amount is positive at the end of such year, then the Capital Gains Fee for such year is equal to 20.0% of such amount, less the cumulative aggregate amount of Capital Gains Fees paid in all prior years. If such amount is negative, then there is no Capital Gains Fee payable for such year. If this Agreement is terminated as of a date that is not a calendar year end, the termination date shall be treated as though it were a calendar year end for purposes of calculating and paying a Capital Gains Fee.

For purposes of this Section 3(b)(ii):

The cumulative aggregate realized capital gains are calculated as the sum of the differences, if positive, between (a) the net sales price of each investment in the Corporation's portfolio when sold and (b) the accreted or amortized cost basis of such investment.

The cumulative aggregate realized capital losses are calculated as the sum of the amounts by which (a) the net sales price of each investment in the Corporation's portfolio when sold is less than (b) the accreted or amortized cost basis of such investment.

The aggregate unrealized capital depreciation is calculated as the sum of the differences, if negative, between (a) the valuation of each investment in the Corporation's portfolio as of the applicable Capital Gains Fee calculation date and (b) the accreted or amortized cost basis of such investment.

The accreted or amortized cost basis of an investment shall mean, with respect to an investment owned by the Corporation as of the Effective Date, the fair value of such investment as set forth in the Corporation's most recently filed Quarterly Report on Form 10-Q or Annual Report on Form 10-K, as applicable, as filed with the SEC and, with respect to an investment acquired by the Corporation subsequent to the Effective Date, the accreted or amortized cost basis of such investment as reflected in the Corporation's financial statements.

4. Covenants of the Adviser. The Adviser covenants that it will remain registered as an investment adviser under the Advisers Act. The Adviser agrees that its activities will at all times be in compliance in all material respects with all applicable federal and state laws governing its operations and investments.

5. Excess Brokerage Commissions. The Adviser is hereby authorized, to the fullest extent now or hereafter permitted by law, to cause the Corporation to pay a member of a national securities exchange, broker or dealer an amount of commission for effecting a securities transaction in excess of the amount of commission another member of such exchange, broker or dealer would have charged for effecting that transaction, if the Adviser determines in good faith, taking into account such factors as price (including the applicable brokerage commission or dealer spread), size of order, difficulty of execution, and operational facilities of the firm and the firm's risk and skill in positioning blocks of securities, that such amount of commission is reasonable in relation to the value of the brokerage and/or research services provided by such member, broker or dealer, viewed in terms of either that particular transaction or its overall responsibilities with respect to the Corporation's portfolio, and constitutes the best net results for the Corporation.

6. Limitations on the Employment of the Adviser. The services of the Adviser to the Corporation are not exclusive, and the Adviser may engage in any other business or render similar or different services to others including, without limitation, the direct or indirect sponsorship or management of other investment based accounts or commingled pools of capital, however structured, having investment objectives similar to those of the Corporation, so long as its services to the Corporation hereunder are not materially impaired thereby, and nothing in this Agreement shall limit or restrict the right of any member, manager, partner, officer or employee of the Adviser to engage in any other business or to devote his or her time and attention in part to any other business, whether of a similar or dissimilar nature, or to receive any fees or compensation in connection therewith (including fees for serving as a director of, or providing consulting services to, one or more of the Corporation's portfolio companies, subject to applicable law). So long as this Agreement or any extension, renewal or amendment remains in effect, the Adviser shall be the only investment adviser for the Corporation, subject to the Adviser's right to enter into sub-advisory agreements. The Adviser assumes no responsibility under this Agreement other than to render the services called for hereunder. It is understood that directors, officers, employees and stockholders of the Corporation are or may become interested in the Adviser and its affiliates, as directors, officers, employees, partners, stockholders, members, managers or otherwise, and that the Adviser and directors, officers, employees, partners, stockholders, members and managers of the Adviser and its affiliates are or may become similarly interested in the Corporation as stockholders or otherwise.

7. Responsibility of Dual Directors, Officers and/or Employees. If any person who is a member, manager, partner, officer or employee of the Adviser is or becomes a director, officer and/or employee of the Corporation and acts as such in any business of the Corporation, then such member, manager, partner, officer and/or employee of the Adviser shall be deemed to be acting in such capacity solely for the Corporation, and not as a member, manager, partner, officer or employee of the Adviser under the control or direction of the Adviser, even if paid by the Adviser.

8. Limitation of Liability of the Adviser; Indemnification. The Adviser, its members and their respective officers, managers, partners, agents, employees, controlling persons, members and any other person affiliated with any of them (collectively, the "Indemnified Parties"), shall not be liable to the Corporation for any action taken or omitted to be taken by the Adviser in connection with the performance of any of its duties or obligations under this Agreement or otherwise as an investment adviser of the Corporation, except to the extent specified in Section 36(b) of the Investment Company Act concerning loss resulting from a breach of fiduciary duty (as the same is finally determined by judicial proceedings) with respect to the receipt of compensation for services. The Corporation shall indemnify, defend and protect the Indemnified Parties (each of whom shall be deemed a third party beneficiary hereof) and hold them harmless from and against all damages, liabilities, costs and expenses (including reasonable attorneys' fees and amounts reasonably paid in settlement) incurred by the Indemnified Parties in or by reason of any pending, threatened or completed action, suit, investigation or other proceeding (including an action or suit by or in the right of the Corporation or its security holders) arising out of or otherwise based upon the performance of any of the Adviser's duties or obligations under this Agreement or as an investment adviser of the Corporation. Notwithstanding the foregoing provisions of this Section 8 to the contrary, nothing contained herein shall protect or be deemed to protect the Indemnified Parties against or entitle or be deemed to entitle the Indemnified Parties to indemnification in respect of, any liability to the Corporation or its security holders to which the Indemnified Parties would otherwise be subject by reason of willful misfeasance, bad faith or gross negligence in the performance of any Indemnified Party's duties or by reason of the reckless disregard of the Adviser's duties and obligations under this Agreement (as the same shall be determined in accordance with the Investment Company Act and any interpretations or guidance by the SEC or its staff thereunder).

9. Confidentiality. The parties hereto agree that each shall treat confidentially all information provided by each party to the other regarding its business and operations. All confidential information provided by a party hereto, including all "nonpublic personal information," as defined under the Gramm-Leach-Bliley Act of 1999 (Public law 106-102, 113 Stat. 1138), shall be used by the other party hereto solely for the purpose of rendering services pursuant to this Agreement and, except as may be required in carrying out this Agreement, shall not be disclosed to any third party, without the prior consent of such providing party, except that such confidential information may be disclosed to an affiliate or agent of the disclosing party to be used for the sole purpose of providing the services set forth herein. The foregoing shall not be applicable to any information that is publicly available or available to the recipient when provided or thereafter becomes publicly available or available to the recipient other than through a breach of this Agreement, or that is requested by or required to be disclosed to any governmental or regulatory authority, including in connection with any required regulatory filings or examinations, by judicial or administrative process or otherwise by applicable law or regulation. Notwithstanding the foregoing, the Corporation hereby consents and authorizes the Adviser and its affiliates to use and disclose confidential information relating to the Corporation in connection with the preparation of performance information relating to the Corporation.

10. Effectiveness, Duration and Termination of Agreement. This Agreement shall become effective as of the first date above written. This Agreement shall remain in effect for two years after such date, and thereafter shall continue automatically for successive annual periods, provided that such continuance is specifically approved at least annually by

(a) the vote of the Board, or by the vote of stockholders holding a majority of the outstanding voting securities of the Corporation, and

(b) the vote of a majority of the Corporation's Directors who are not parties to this Agreement or "interested persons" (as such term is defined in Section 2(a)(19) of the Investment Company Act) of any party to this Agreement, in accordance with the requirements of the Investment Company Act.

This Agreement may be terminated at any time, without the payment of any penalty, upon 60 days' written notice, by the vote of stockholders holding a majority of the outstanding voting securities of the Corporation, or by the vote of the Corporation's Directors or by the Adviser.

This Agreement will automatically terminate in the event of its "assignment" (as such term is defined for purposes of Section 15(a)(4) of the Investment Company Act). The provisions of Section 8 of this Agreement shall remain in full force and effect, and the Adviser shall remain entitled to the benefits thereof, notwithstanding any termination of this Agreement. Further, notwithstanding the termination or expiration of this Agreement as aforesaid, (i) the Adviser shall be entitled to any amounts owed under Section 3 through the date of termination or expiration, and (ii) the obligations set forth in Sections 8 and 9 shall survive the termination of this Agreement.

11. Amendments of this Agreement. This Agreement may not be amended or modified except by an instrument in writing signed by all parties hereto, but the consent of the Corporation must be obtained in conformity with the requirements of the Investment Company Act.

12. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York, including without limitation Sections 5-1401 and 5-1402 of the New York General Obligations Law and New York Civil Practice Law and Rules, Rule 327(b), and the applicable provisions of the Investment Company Act, if any. To the extent that the applicable laws of the State of New York, or any of the provisions herein, conflict with the applicable provisions of the Investment Company Act, if any, the latter shall control. The parties unconditionally and irrevocably consent to the exclusive jurisdiction of the courts located in the State of New York and waive any objection with respect thereto, for the purpose of any action, suit or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby.

13. No Waiver. The failure of either party to enforce at any time for any period the provisions of or any rights deriving from this Agreement shall not be construed to be a waiver of such provisions or rights or the right of such party thereafter to enforce such provisions, and no waiver shall be binding unless executed in writing by all parties hereto.

14. Severability. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any law or public policy, all other terms and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party.

15. Headings. The descriptive headings contained in this Agreement are for convenience of reference only and shall not affect in any way the meaning or interpretation of this Agreement.

16. Counterparts. This Agreement may be executed in one or more counterparts, each of which when executed shall be deemed to be an original instrument and all of which taken together shall constitute one and the same agreement.

17. Notices. All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given or made (and shall be deemed to have been duly given or made upon receipt) by delivery in person, by overnight courier service (with signature required), by facsimile, or by registered or certified mail (postage prepaid, return receipt requested) to the respective parties at their respective principal executive office addresses.

18. Entire Agreement. This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes all prior agreements and undertakings, both written and oral, between the parties with respect to such subject matter.

19. Certain Matters of Construction.

(a) The words “hereof”, “herein”, “hereunder” and words of similar import shall refer to this Agreement as a whole and not to any particular Section or provision of this Agreement, and reference to a particular Section of this Agreement shall include all subsections thereof.

(b) Definitions shall be equally applicable to both the singular and plural forms of the terms defined, and references to the masculine, feminine or neuter gender shall include each other gender.

(c) The word “including” shall mean including without limitation.

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed on the date above written.

RAND CAPITAL CORPORATION

By: */s/ Allen F. Grum*
Name: Allen F. Grum
Title: President and Chief Executive Officer

RAND CAPITAL MANAGEMENT LLC

By: CB Advisor LLC, its Managing Member

By: */s/ Brian Collins*
Name: Brian Collins
Title: Sole Member

[Signature Page to Investment Management Agreement]

EXECUTION VERSION

ADMINISTRATION AGREEMENT

AGREEMENT (this "**Agreement**") made as of November 8, 2019 (the "**Effective Date**") by and between Rand Capital Corporation, a New York corporation (hereinafter referred to as the "**Corporation**"), and Rand Capital Management LLC, a Delaware limited liability company (hereinafter referred to as the "**Administrator**").

W I T N E S S E T H :

WHEREAS, the Corporation is a closed-end investment company that has elected to be treated as a business development company under the Investment Company Act of 1940, as amended (hereinafter referred to as the "**Investment Company Act**");

WHEREAS, the Corporation desires to retain the Administrator to provide administrative services to the Corporation in the manner and on the terms hereinafter set forth; and

WHEREAS, the Administrator is willing to provide administrative services to the Corporation on the terms and conditions hereafter set forth.

NOW, THEREFORE, in consideration of the premises and the covenants hereinafter contained and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the Corporation and the Administrator hereby agree as follows:

1. Duties of the Administrator.

(a) Employment of Administrator. The Corporation hereby employs the Administrator to act as administrator of the Corporation, and to furnish, or arrange for others to furnish, the administrative services, personnel and facilities described below, subject to review by and the overall control of the Board of Directors of the Corporation, for the period and on the terms and conditions set forth in this Agreement. The Administrator hereby accepts such employment and agrees during such period to render, or arrange for the rendering of, such services and to assume the obligations herein set forth subject to the reimbursement of costs and expenses as provided for below. The Administrator and any such other persons providing services arranged for by the Administrator shall for all purposes herein be deemed to be independent contractors and shall, unless otherwise expressly provided or authorized herein, have no authority to act for or represent the Corporation in any way or otherwise be deemed agents of the Corporation.

(b) Services. The Administrator shall perform (or oversee, or arrange for, the performance of) the administrative services necessary for the operation of the Corporation. Without limiting the generality of the foregoing, the Administrator shall provide the Corporation with office facilities, equipment, clerical, bookkeeping, finance, accounting, compliance and record keeping services at such office facilities and such other services as the Administrator, subject to review by the Board of Directors of the Corporation, shall from time to time determine to be necessary or useful to perform its obligations under this Agreement. The Administrator shall also, on behalf of the Corporation, arrange for the services of, and oversee, custodians, depositories, transfer agents, dividend disbursing agents, other stockholder servicing agents, accountants, attorneys, underwriters, brokers and dealers, corporate fiduciaries, insurers, banks and such other persons in any such other capacity deemed to be necessary or desirable. The Administrator shall make reports to the Corporation's Board of Directors of its performance of its obligations hereunder and furnish advice and recommendations with respect to such other aspects of the business and affairs of the Corporation as it shall determine to be desirable; provided that nothing herein shall be construed to require the Administrator to, and the Administrator shall not, in its capacity as Administrator, provide any advice or recommendation relating to the securities and other assets that the Corporation should purchase, retain or sell or any other investment advisory services to the Corporation. The Administrator shall be responsible for the financial and other records that the Corporation is required to maintain and shall prepare all reports and other materials required to be filed with the Securities and Exchange Commission (the "**SEC**") or any other regulatory authority, including reports to stockholders. The Administrator will provide on the Corporation's behalf significant managerial assistance to those portfolio companies to which the Corporation is required to provide such assistance. In addition, the Administrator will assist the Corporation in determining and publishing the Corporation's net asset value, overseeing the preparation and filing of the Corporation's tax returns, and the printing and dissemination of reports to stockholders of the Corporation, and generally overseeing the payment of the Corporation's expenses and the performance of administrative and professional services rendered to the Corporation by others.

2. Records. The Administrator agrees to maintain and keep all books, accounts and other records of the Corporation that relate to activities performed by the Administrator hereunder and, if required by the Investment Company Act, will maintain and keep such books, accounts and records in accordance with that act. In compliance with the requirements of Rule 31a-3 under the Investment Company Act, the Administrator agrees that all records that it maintains for the Corporation shall at all times remain the property of the Corporation, shall be readily accessible during normal business hours, and shall be promptly surrendered upon the termination of this Agreement or otherwise on written request. The Administrator further agrees that all records which it maintains for the Corporation pursuant to Rule 31a-1 under the Investment Company Act will be preserved for the periods prescribed by Rule 31a-2 under the Investment Company Act unless any such records are earlier surrendered as provided above. Records shall be surrendered in usable machine-readable form. The Administrator shall have the right to retain copies of such records subject to observance of its confidentiality obligations under this Agreement.

3. Confidentiality. The parties hereto agree that each shall treat confidentially all information provided by each party to the other regarding its business and operations. All confidential information provided by a party hereto, including nonpublic personal information pursuant to Regulation S-P of the SEC, shall be used by any other party hereto solely for the purpose of rendering services pursuant to this Agreement and, except as may be required in carrying out this Agreement, shall not be disclosed to any third party, without the prior consent of such providing party. The foregoing shall not be applicable to any information that is publicly available when provided or thereafter becomes publicly available other than through a breach of this Agreement, or that is required to be disclosed by any regulatory authority, any authority or legal counsel of the parties hereto, or by judicial or administrative process or otherwise by applicable law or regulation.

4. Compensation; Allocation of Costs and Expenses.

(a) In full consideration of the provision of the services of the Administrator, the Corporation shall reimburse the Administrator for the costs and expenses incurred by the Administrator in performing its obligations and providing personnel and facilities hereunder.

(b) The Corporation will bear all costs and expenses that are incurred in its operation and transactions and not specifically assumed by the Administrator, in its capacity as the Corporation's investment adviser, pursuant to the Investment Advisory and Management Agreement, dated as of November 8, 2019, between the Corporation and the Administrator (the "**Advisory Agreement**"). Costs and expenses to be borne by the Corporation include, but are not limited to, those relating to: organization; calculating the Corporation's net asset value (including the cost and expenses of any independent valuation firm); expenses incurred by the Administrator payable to third parties, including agents, consultants or other advisors, in monitoring financial and legal affairs for the Corporation and in monitoring the Corporation's investments and performing due diligence on its prospective portfolio companies; interest payable on debt, if any, incurred to finance the Corporation's investments; offerings of the Corporation's common stock and other securities; investment advisory and management fees (other than fees (if any) payable to a sub-advisor retained by the Administrator under the Advisory Agreement); administration fees, if any, payable under this Agreement; transfer agent and custodial fees; federal and state registration fees; all costs of registration and listing the Corporation's shares on any securities exchange; federal, state, local and other taxes; independent directors' fees and expenses; costs of preparing and filing reports or other documents required by governmental bodies (including the SEC); costs of any reports, proxy statements or other notices to stockholders, including printing costs; the Corporation's allocable portion of the fidelity bond, directors and officers/errors and omissions liability insurance, and any other insurance premiums; direct costs and expenses of administration, including independent auditors and outside legal costs; and all other expenses incurred by the Corporation or the Administrator in connection with administering the Corporation's business, including payments under this Agreement based upon the Corporation's allocable portion of the Administrator's overhead in performing its obligations under this Agreement, including rent (if office space is provided by the Administrator) and the allocable portion of the cost of the Corporation's chief financial officer and chief compliance officer and their respective staffs (including travel expenses).

5. Limitation of Liability of the Administrator; Indemnification. The Administrator, its members and their respective officers, managers, partners, agents, employees, controlling persons, members, and any other person or entity affiliated with any of them (collectively, the "**Indemnified Parties**"), shall not be liable to the Corporation for any action taken or omitted to be taken by the Administrator in connection with the performance of any of its duties or obligations under this Agreement or otherwise as administrator for the Corporation, and the Corporation shall indemnify, defend and protect the Indemnified Parties (each of whom shall be deemed a third party beneficiary hereof) and hold them harmless from and against all damages, liabilities, costs and expenses (including reasonable attorneys' fees and amounts reasonably paid in settlement) incurred by the Indemnified Parties in or by reason of any pending, threatened or completed action, suit, investigation or other proceeding (including an action or suit by or in the right of the Corporation or its security holders) arising out of or otherwise based upon the performance of any of the Administrator's duties or obligations under this Agreement or otherwise as administrator for the Corporation. Notwithstanding the preceding sentence of this Paragraph 5 to the contrary, nothing contained herein shall protect or be deemed to protect the Indemnified Parties against or entitle or be deemed to entitle the Indemnified Parties to indemnification in respect of, any liability to the Corporation or its security holders to which the Indemnified Parties would otherwise be subject by reason of willful misfeasance, bad faith or negligence in the performance of any Indemnified Party's duties or by reason of the reckless disregard of the Administrator's duties and obligations under this Agreement (to the extent applicable, as the same shall be determined in accordance with the Investment Company Act and any interpretations or guidance by the SEC or its staff thereunder).

6. Activities of the Administrator. The services of the Administrator to the Corporation are not exclusive, and the Administrator and each other person providing services as arranged by the Administrator is free to render services to others. It is understood that directors, officers, employees and stockholders of the Corporation are or may become interested in the Administrator and its affiliates, as directors, officers, members, managers, employees, partners, stockholders or otherwise, and that the Administrator and directors, officers, members, managers, employees, partners and stockholders of the Administrator and its affiliates are or may become similarly interested in the Corporation as stockholders or otherwise.

7. Duration and Termination of this Agreement.

(a) This Agreement shall become effective as of the Effective Date, and shall remain in force with respect to the Corporation for two years from the Effective Date and thereafter continue from year to year, but only so long as such continuance is specifically approved at least annually by (i) the Board of Directors of the Corporation and (ii) a majority of those members of the Corporation's Board of Directors who are not parties to this Agreement or "interested persons" (as defined in the Investment Company Act) of any such party.

(b) This Agreement may be terminated at any time, without the payment of any penalty, by vote of the Corporation's Board of Directors, or by the Administrator, upon 60 days' advance written notice to the other party. This Agreement may not be assigned by a party without the consent of the other party.

8. Amendments of this Agreement. This Agreement may not be amended or modified except by an instrument in writing signed by all parties hereto.

9. Assignment. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. Neither party may assign, delegate or otherwise transfer this Agreement or any of its rights or obligations hereunder without the prior written consent of the other party. No assignment by either party permitted hereunder shall relieve the applicable party of its obligations under this Agreement. Any assignment by either party in accordance with the terms of this Agreement shall be pursuant to a written assignment agreement in which the assignee expressly assumes the assigning party's rights and obligations hereunder.

10. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York, including without limitation Sections 5-1401 and 5-1402 of the New York General Obligations Law and New York Civil Practice Law and Rules, Rule 327(b), and the applicable provisions of the Investment Company Act, if any. To the extent that the applicable laws of the State of New York, or any of the provisions herein, conflict with the applicable provisions of the Investment Company Act, if any, the latter shall control. The parties unconditionally and irrevocably consent to the exclusive jurisdiction of the courts located in the State of New York and waive any objection with respect thereto, for the purpose of any action, suit or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby.

11. No Waiver. The failure of either party to enforce at any time for any period the provisions of or any rights deriving from this Agreement shall not be construed to be a waiver of such provisions or rights or the right of such party thereafter to enforce such provisions or rights, and no waiver shall be binding unless executed in writing by all parties hereto.

12. Severability. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any law or public policy, all other terms and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby are consummated as originally contemplated to the greatest extent possible.

13. Headings. The descriptive headings contained in this Agreement are for convenience of reference only and shall not affect in any way the meaning or interpretation of this Agreement.

14. Counterparts. This Agreement may be executed in one or more counterparts (including by facsimile or pdf transmission), each of which when executed shall be deemed to be an original instrument and all of which taken together shall constitute one and the same agreement.

15. Notices. All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given or made (and shall be deemed to have been duly given or made upon receipt) by delivery in person, by overnight courier service (with signature required), by facsimile, or by registered or certified mail (postage prepaid, return receipt requested) to the respective parties at their respective principal executive office addresses.

16. Entire Agreement. This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements and undertakings, both written and oral, between the parties with respect to such subject matter.

17. Certain Matters of Construction.

(a) The words “hereof”, “herein”, “hereunder” and words of similar import shall refer to this Agreement as a whole and not to any particular Section or provision of this Agreement, and reference to a particular Section of this Agreement shall include all subsections thereof.

(b) Definitions shall be equally applicable to both the singular and plural forms of the terms defined, and references to the masculine, feminine or neuter gender shall include each other gender.

(c) The word “including” shall mean including without limitation.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement as of the date first above written.

CORPORATION:

RAND CAPITAL CORPORATION

By: */s/ Allen F. Grum*
Name: Allen F. Grum
Title: President and Chief Executive Officer

ADMINISTRATOR:

RAND CAPITAL MANAGEMENT LLC

By: CB Advisor LLC, its Managing Member

By: */s/ Brian Collins*
Name: Brian Collins
Title: Sole Member

[Signature Page to Administration Agreement]

SHAREHOLDER AGREEMENT

THIS SHAREHOLDER AGREEMENT is entered into as of November 8, 2019 (this "Agreement"), by and between Rand Capital Corporation, a New York corporation (the "Company"), and East Asset Management, LLC, a Delaware limited liability company ("East") and is effective as of the closing of the transactions contemplated in the Stock Purchase Agreement (as defined below) (the "Contemplated Transactions").

WHEREAS, the Company has entered into a stock purchase agreement with East and, solely for purposes of being bound by Sections 7.10 and 10.9(a) and (b) thereof, Rand Capital Management LLC, dated January 24, 2019 (the "Stock Purchase Agreement") whereby East will contribute cash and assets to the Company in exchange for shares of common stock, par value $0.10 per share, of the Company (the "Common Stock");

WHEREAS, in connection with the Stock Purchase Agreement, the Company and East desire to enter into this Agreement setting forth certain rights and obligations with respect to the nomination of directors to the Board of Directors of the Company (the "Board") from and after the closing of the Contemplated Transactions.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

Section 1. Definitions. As used in this Agreement, the following terms shall have the meanings ascribed to them below:

"Bylaws" means the By-laws of the Company, as may be amended from time to time.

"Certificate of Incorporation" means the Certificate of Incorporation of the Company, as may be amended from time to time.

"Interested Person" has the meaning set forth in Section 2(a)(19) of the Investment Company Act.

"Investment Company Act" means the Investment Company Act of 1940, as amended.

"Person" means any individual, corporation, firm, partnership, joint venture, limited liability company, estate, trust, business association, organization, governmental entity or other entity.

"Shareholders" means holders of shares of Common Stock.

Section 2. Board Nomination Rights.

(a) Upon completion of the Contemplated Transactions, in connection with any annual or special meeting of Shareholders at which directors shall be elected, until the date on which East ceases to beneficially own more than fifteen percent (15%) of the outstanding Common Stock, East shall have the right to designate (i) up to two (2) persons, of which at least one (1) of such person is not an Interested Person of the Company, for nomination by the Board for election to the Board if the Board is composed of fewer than seven (7) directors or (ii) up to three (3) persons, of which at least one (1) of such person is not an Interested Person of the Company, for nomination by the Board for election to the Board if the Board is composed of seven (7) or more directors (each person so designated an "East Nominee", and such period during which East is permitted to designate an East Nominee pursuant to this Section 2(a) being the "East Nomination Period"). East shall not designate any person to be an East Nominee who it reasonably believes does not meet the requirements for director nominees as set forth in any applicable policies of the Company relating to director qualification from time to time.

(b) The Board or, if then constituted, the nominating committee of the Board or any committee performing similar functions (the "Nominating Committee"), as applicable, shall promptly and in good faith consider each East Nominee designated pursuant to Section 2(a), applying the same standards as shall be applied for the consideration of other proposed nominees of the Board. If the Board or the Nominating Committee, as applicable, reasonably determines in writing (which determination shall set forth the reasonable grounds for such determination) that any East Nominee would not be qualified under any applicable law, rule or regulation to serve as a director of the Company and fails to approve the nomination of such East Nominee, then East shall be entitled to designate another person as an East Nominee and the provisions of Section 2 shall apply to such alternate person.

(c) Subject to the requirements of the Certificate of Incorporation, Bylaws, rules of the stock exchange on which the Common Stock is then listed or applicable law, vacancies arising through the death, resignation or removal of any East Nominee who was elected or appointed to the Board pursuant to this Section 2, may be filled by the Board only with a substitute East Nominee designated by East (which East Nominee shall be subject to review by the Board or Nominating Committee, as applicable, under the standards set forth in Section 2(b)), and the director so chosen shall hold office until the next election or until his or her successor is duly elected and qualified, or until his or her earlier death, resignation or removal.

(d) During the East Nomination Period, the Company shall, at least 45 days prior to the expected mailing date, (i) notify East in writing of the date on which the proxy statement in connection with an election of directors at an annual or special meeting of Shareholders is expected to be first mailed by the Company and (ii) provide a form of prospective director questionnaire eliciting information of a type customarily provided by directors or prospective directors in connection with the director nomination process (each a "D&O Questionnaire") to be completed by each East Nominee. Following receipt of such Company notice, East shall, within 15 days after the date of the Company's notice, (i) deliver a written notice to the Company setting forth the name and address of each East Nominee and (ii) provide a completed and signed D&O Questionnaire from each East Nominee. The Company shall provide each East Nominee with a reasonable opportunity to review and provide comments on any portion of the proxy materials relating to such East Nominee. The Company shall incorporate reasonable comments from each such East Nominee in the proxy materials relating to such matters.

(e) In the event the Shareholders fail to elect an East Nominee to the Board at any annual or special meeting of Shareholders at which directors are elected, (i) East shall designate another person as an East Nominee and the provisions of Section 2 shall apply to such alternate person and (ii) subject to the requirements of Certificate of Incorporation, Bylaws, rules of the stock exchange on which the Common Stock is then listed or applicable law, the Board shall reasonably promptly elect such alternate East Nominee to any such vacancy on the Board resulting from the Shareholders failure to elect an East Nominee to the Board at any annual or special meeting of Shareholders at which directors shall be elected. For the avoidance of doubt, in no event shall the Board be required to appoint or elect an East Nominee to the Board if the Shareholders fail to elect to such East Nominee to the Board at such annual or special meeting of Shareholders at which directors are elected.

(f) The Company agrees that at all times during the East Nomination Period (i) subject to rules of the stock exchange on which the Common Stock is then listed or applicable law, the Bylaws and the Certificate of Incorporation shall accommodate, be subject to, and shall not in any way conflict with, East's rights and obligations set forth herein and (ii) the Company shall not enter into any other agreements or understandings that in any way conflict with East's rights and obligations set forth herein. The Company further agrees that it shall not enter into any agreements or understandings with any Shareholder (other than any agreement equally applicable to all Shareholders) without prior notice to East; provided, that the Company shall provide to East (x) a substantially final copy of any such agreements or understandings no later than five (5) business days prior to the signing of such agreements or understandings and (y) a fully executed copy of such agreement promptly following its execution (unless such executed agreement is available on the Securities and Exchange Commission's EDGAR filing system).

(g) During the East Nomination Period, in the event that (i) the Board has increased the size of the Board to seven (7) or more directors from the current size of six (6) directors and (ii) East subsequently provides a written notice to the Company setting forth the name and address of an East Nominee and a completed and signed D&O Questionnaire from such East Nominee, not later than the 90th day after the date of the Company's receipt of such written notice, the Board shall, subject to (i) the requirements of Certificate of Incorporation, Bylaws, rules of the stock exchange on which the Common Stock is then listed or applicable law and (ii) review by the Board or Nominating Committee, as applicable, of such East Nominee under the standards set forth in Section 2(b), elect such East Nominee to the Board to fill the vacancy created by the increased Board size such that there will be three (3) East Nominees on the Board.

(h) During the East Nomination Period, East hereby agrees that (i) the method set forth in this Section 2 shall be the exclusive means for East to designate, nominate, seek to designate or seek to nominate, as applicable, any person for election as a director to the Board and (ii) it shall not, directly or indirectly, make use of, or otherwise seek to avail itself of, any other rights or means to designate, nominate, seek to designate or seek to nominate, as applicable, any person for election as a director to the Board, including pursuant to any rights available to any Shareholder under the Certificate of Incorporation, Bylaws or applicable law.

(i) The East Nomination Period shall be adjusted to the extent East's ownership of the outstanding Common Stock falls below 15% solely as a result of a sale or other issuance of Common Stock by the Company. In the event of any sale or issuance by the Company that would have the effect of causing East's beneficial ownership of the outstanding Common Stock to fall below 15%, the 15% threshold set forth in Section 2(a) above shall be reduced by a percentage equal to the percentage by which East's ownership of the Common Stock was reduced as a result of such sale or issuance by the Company.

Section 3. Miscellaneous.

(a) Effective Date. This Agreement shall become effective upon the closing date of the Contemplated Transactions.

(b) Applicable Law. This Agreement shall be construed in accordance with and governed by the laws of the State of New York without regard to principles of conflict of laws.

(c) Certain Adjustments. The provisions of this Agreement shall apply to the full extent set forth herein with respect to any and all shares of capital stock of the Company or any successor or assign of the Company (whether by merger, consolidation, sale of assets or otherwise) which may be issued in respect of, in exchange for, or in substitution for the shares of Common Stock, by combination, recapitalization, reclassification, merger, consolidation or otherwise and the term "Common Stock" shall include all such other securities.

(d) Enforcement. Each of the parties hereto acknowledges and agrees that irreparable injury to the other party hereto would occur in the event any of the provisions of this Agreement were not performed in accordance with its specific terms or were otherwise breached, and that such injury would not be adequately compensable in damages. It is accordingly agreed that East, on the one hand, and the Company, on the other hand, shall each be entitled to specific enforcement of, and injunctive relief to prevent any violation of, the terms hereof and the other party hereto will not take any action, directly or indirectly, in opposition to the party seeking relief on the grounds that any other remedy is available at law or in equity, and each party further agrees to waive any requirement for the security or posting of any bond in connection with such remedy. Such remedies, shall be cumulative and not exclusive, and shall be in addition to any other remedy which any party hereto may have.

(e) Successors and Assigns. This Agreement may not be assigned, whether outright or by operation of law, by any party hereto without the prior written consent of the non-assigning party. Subject to the foregoing, this Agreement shall be binding upon the parties hereto, their heirs, executors, personal representatives, successors, and assigns.

(f) Entire Agreement; Termination. This Agreement contains the entire understanding among the parties hereto and supersedes all prior written or oral agreements among them respecting the within subject matter, unless otherwise provided herein. There are no representations, agreements, arrangements or understandings, oral or written, among the parties hereto relating to the subject matter of this Agreement that are not fully expressed herein. This Agreement may be terminated at any time by written consent of all of the parties hereto.

(g) Dispute Resolution. Any dispute, controversy or claim arising out of, or in connection with, this Agreement, or the breach thereof, shall be settled by binding arbitration administered by the American Arbitration Association in accordance with its commercial arbitration rules then in effect. Claims shall be heard by a single arbitrator selected by the American Arbitration Association. The arbitration shall be conducted on an expedited basis and the place of arbitration shall be Buffalo, New York. The arbitration shall be subject to, and the arbitrator shall have the powers and rights afforded by, the rules of the American Arbitration Association. The arbitration shall be governed by the laws of the State of New York. The decision of such arbitrator, including any award of attorneys' fees and costs, if any, may be entered in any court having thereof.

(h) Notices. All notices and demands under this Agreement and other communications required to be delivered pursuant to this Agreement, shall be in writing or by facsimile, with a copy via email (which shall not constitute notice hereunder), and shall be deemed to have been duly given if delivered personally or by overnight courier or if mailed by certified mail, return receipt requested, postage prepaid, or sent by facsimile, to the following addresses (or to such other address as the party entitled to notice shall hereafter designate in accordance with the terms hereof):

If to the Company:

Rand Capital Corporation
2200 Rand Building
Buffalo, New York 14203
Attn: Allen F. Grum, Chief Executive Officer
e-mail: pgrum@randcapital.com

with a copy (which shall not constitute notice) to:

Hodgson Russ LLP
The Guaranty Building
140 Pearl Street, Suite 100
Buffalo, New York 14202
Attention: John J. Zak. Esq.
e-mail: jzak@hodgsonruss.com

If to East:

East Asset Management, LLC
7777 NW Beacon Square Blvd.
Boca Raton, FL 33487
Attention: Adam Gusky
e-mail: agusky@emslp.com

with a copy (which shall not constitute notice) to:

Eversheds Sutherland (US) LLP
700 Sixth St., NW, Suite 700
Washington, DC 20001
Attention: Cynthia M. Krus, Esq.
e-mail: cynthiakrus@eversheds-sutherland.com

All such notices shall be effective: (i) if delivered personally, when received (with written confirmation of receipt), (ii) if sent by overnight courier, when receipted for, (iii) if mailed by registered or certified mail (return receipt requested), three (3) days after being mailed as described above, (iv) upon transmission by facsimile if a customary confirmation of delivery is received during normal business hours and, if not, the next business day after confirmation of delivery is received and (v) if sent by electronic mail transmission, at the time of confirmation of transmission if received during normal business hours and, if not, the next business day after confirmation of transmission.

(i) Waiver. No consent or waiver, express or implied, by any party to, or of any breach or default by another party in the performance of, this Agreement shall be construed as a consent to or waiver of any subsequent breach or default in the performance by such other party of the same or any other obligations hereunder.

(j) Counterparts. This Agreement may be executed in several counterparts, which shall be treated as originals for all purposes, and all counterparts so executed shall constitute one agreement, binding on all the parties hereto, notwithstanding that not all the parties are signatory to the original or the same counterpart. Any such counterpart shall be admissible into evidence as an original hereof against the Person who executed it. Facsimile and electronic signatures (i.e., PDF) to this Agreement shall be valid and will be deemed to have the same legal effect as an original signed counterpart of this Agreement.

(k) Headings. The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning of terms contained herein.

(l) Invalidity of Provision. The invalidity or unenforceability of any provision of this Agreement in any jurisdiction shall not affect the validity or enforceability of the remainder of this Agreement in that jurisdiction or the validity or enforceability of this Agreement, including that provision, in any other jurisdiction.

(m) Amendments and Waivers. The provisions of this Agreement may be modified or amended at any time and from time to time, and particular provisions of this Agreement may be waived or modified, with and only with an agreement or consent in writing signed by each of the parties hereto.

(n) Further Assistance. The parties hereto shall execute and deliver all documents, provide all information and take or refrain from all such action as may be necessary or appropriate to achieve the purposes of this Agreement.

(o) No Third-Party Beneficiaries. This Agreement is not intended to, and does not, confer upon any Person other than the parties hereto any rights or remedies.

[*Remainder of Page Intentionally Left Blank*]

IN WITNESS WHEREOF this Agreement has been signed by each of the parties hereto, and shall be effective as of the date first above written.

RAND CAPITAL CORPORATION

By: */s/ Allen F. Grum*
Name: Allen F. Grum
Title: President and Chief Executive Officer

EAST ASSET MANAGEMENT, LLC

By: */s/ Adam Gusky*
Name: Adam Gusky
Title: Chief Investment Officer

[*Signature Page - Shareholder Agreement*]

CANCELLATION AGREEMENT

This Cancellation Agreement (this "**Agreement**") is made and entered into as of November 8, 2019 by and between Rand Capital Corporation, a New York corporation (the "**Company**"), and Allen F. Grum (the "**Executive**").

W I T N E S S E T H:

WHEREAS, the Company is a party to a Stock Purchase Agreement (the "**Purchase Agreement**") by and among the Company, Rand Capital Management, LLC, and East Asset Management, LLC ("**East**"), dated as of January 24, 2019, whereby East has agreed to purchase from the Company, and the Company has agreed to issue to East, the "Purchased Shares" (as defined in the Purchase Agreement) on the terms and conditions set forth in the Purchase Agreement (the "**Transaction**");

WHEREAS, the Company and the Executive are parties to a Change in Control Agreement, dated March 1, 2017 (the "**CIC Agreement**");

WHEREAS, subject to and effective upon the consummation of the Transaction, the Executive and the Company wish to cancel the CIC Agreement without any payment of consideration to the Executive; and

WHEREAS, the Executive is knowingly and voluntarily entering into this Agreement;

NOW, THEREFORE, in view of the foregoing premises, the parties hereto agree as follows:

1. Cancellation. Subject to and effective upon the consummation of the Transaction, the CIC Agreement will be terminated in all respects. The Company will not pay the Executive any consideration in exchange for the cancellation of the CIC Agreement. If the Transaction is not consummated for any reason, this Agreement will be considered null and void and the CIC Agreement will remain in full force and effect.

2. Legal Advice. The Executive acknowledges and represents that the Executive has had the opportunity to consult with a legal advisor in connection with this Agreement, the Executive is not relying upon the Company or any attorney to the Company for any legal advice in connection with this Agreement, and the Executive is knowingly and voluntarily entering into this Agreement.

3 . Amendments. This Agreement constitutes the entire agreement between the parties pertaining to its subject matter and supersedes all prior and contemporaneous agreements, representations, and understandings of the parties. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by each party.

4. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

5. Assignment. None of the parties hereto may assign this Agreement without the prior written consent of the other party hereto.

6. Governing Law. This Agreement shall be construed in accordance with, and governed by the laws of the State of New York, without regard to its conflicts of laws provisions.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties to this Agreement have duly executed it as of the date set forth above.

RAND CAPITAL CORPORATION

By: */s/ Erland E. Kailbourne*
Name: Erland E. Kailbourne
Title: Chairman of the Board

EXECUTIVE

/s/ Allen F. Grum
Name: Allen F. Grum

[Signature Page to Grum Cancellation Agreement]

CANCELLATION AGREEMENT

This Cancellation Agreement (this "**Agreement**") is made and entered into as of November 8, 2019 by and among Rand Capital Corporation, a New York corporation (the "**Company**"), and Daniel P. Penberthy (the "**Executive**").

W I T N E S S E T H:

WHEREAS, the Company is a party to a Stock Purchase Agreement (the "**Purchase Agreement**") by and among the Company, Rand Capital Management, LLC, and East Asset Management, LLC ("**East**"), dated as of January 24, 2019, whereby East has agreed to purchase from the Company, and the Company has agreed to issue to East, the "Purchased Shares" (as defined in the Purchase Agreement) on the terms and conditions set forth in the Purchase Agreement (the "**Transaction**");

WHEREAS, the Company and the Executive are parties to a Change in Control Agreement, dated March 1, 2017 (the "**CIC Agreement**");

WHEREAS, subject to and effective upon the consummation of the Transaction, the Executive and the Company wish to cancel the CIC Agreement without any payment of consideration to the Executive; and

WHEREAS, the Executive is knowingly and voluntarily entering into this Agreement;

NOW, THEREFORE, in view of the foregoing premises, the parties hereto agree as follows:

1. Cancellation. Subject to and effective upon the consummation of the Transaction, the CIC Agreement will be terminated in all respects. The Company will not pay the Executive any consideration in exchange for the cancellation of the CIC Agreement. If the Transaction is not consummated for any reason, this Agreement will be considered null and void and the CIC Agreement will remain in full force and effect.

2. Legal Advice. The Executive acknowledges and represents that the Executive has had the opportunity to consult with a legal advisor in connection with this Agreement, the Executive is not relying upon the Company or any attorney to the Company for any legal advice in connection with this Agreement, and the Executive is knowingly and voluntarily entering into this Agreement.

3 . Amendments. This Agreement constitutes the entire agreement between the parties pertaining to its subject matter and supersedes all prior and contemporaneous agreements, representations, and understandings of the parties. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by each party.

4. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

5. Assignment. None of the parties hereto may assign this Agreement without the prior written consent of the other party hereto.

6. Governing Law. This Agreement shall be construed in accordance with, and governed by the laws of the State of New York, without regard to its conflicts of laws provisions.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties to this Agreement have duly executed it as of the date set forth above.

RAND CAPITAL CORPORATION

By: */s/ Erland E. Kailbourne*
Name: Erland E. Kailbourne
Title: Chairman of the Board

EXECUTIVE

/s/ Daniel P. Penberthy
Name: Daniel P. Penberthy

NEWS RELEASE

Rand Capital Corporation ● 2200 Rand Building ● Buffalo, New York 14203

FOR IMMEDIATE RELEASE

Rand Capital Announces Closing of Stock Purchase Transaction for $25 Million Strategic Investment by East Asset Management

Adam Gusky, Chief Investment Officer of East Asset Management and Ben Godley, Chief Executive Officer of CDP, join Rand's Board of Directors

BUFFALO, NY, November 11, 2019 – Rand Capital Corporation (Nasdaq: RAND) ("Rand" or "Rand Capital" or the "Company"), a business development company, announced that it closed on the previously announced transaction with East Asset Management ("EAM"). The transaction included a $25 million strategic investment in Rand by EAM, in exchange for approximately 8.3 million shares of Rand common stock. The investment was comprised of approximately $15.5 million of cash and $9.5 million of portfolio assets. Concurrent with the closing of the transaction, Rand's management and staff became employees of Rand Capital Management, LLC ("RCM"), a registered investment adviser that has been retained by Rand as its external investment adviser.

In conjunction with the closing, the Board welcomed two new directors proposed by EAM. The new directors are Adam Gusky, Chief Investment Officer of EAM, and Ben Godley, Chief Executive Officer of Contributor Development Partnership ("CDP").

Erland ("Erkie") Kailbourne, Chairman of the Board of Rand Capital, commented, "This is a very exciting day for Rand and all of its stakeholders. The closing of this strategic and transformational transaction marks the beginning of a new chapter for Rand, one which we anticipate will be marked by growth and strengthening shareholder value. We welcome Adam and Ben to our Board and look forward to drawing on their vast business expertise and experiences, as we focus on expanding Rand's investment activities in the future."

Adam Gusky is the Chief Investment Officer of EAM. EAM, formed in 2010, is dedicated to investing in private and public market securities and has formed multiple investment vehicles that provide capital to a variety of industries including energy, media, real estate, hospitality, sports and entertainment. EAM has developed a unique and proprietary network for sourcing investment opportunities, including opportunities in the private credit/current yield space, leveraging both its in-house and affiliated investment talent and capabilities. EAM is an entity owned by Terry and Kim Pegula, owners of Pegula Sports & Entertainment, the company streamlining key business areas across all Pegula family-owned sports and entertainment properties including the Buffalo Bills, Buffalo Sabres, Buffalo Bandits, Rochester Americans, Rochester Knighthawks, LECOM Harborcenter, Black River Entertainment, ADPRO Sports, PicSix Creative agency and numerous hospitality properties. Mr. Gusky has been with EAM since 2010. He is a graduate of Duke University (Class of 1997), where he was a scholarship tennis player and part of three ACC Championship teams. Mr. Gusky started his career at CNN/Sports Illustrated then moved to a small public wireless tower construction company (o2 Wireless). He then returned to Duke to coach the women's tennis team while getting his MBA at Fuqua School of Business (Class of 2006). Adam lives with his wife, Ansley, and son in Delray Beach, FL.

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Ben Godley founded CDP and became its CEO in 2018. CDP is a public benefit corporation focused on improving the operational efficiency and revenue generation capacity of the public media system. This company provides outsourced marketing, data analytics, fundraising and technology services to more than 230 NPR and PBS stations nationwide. Prior to that, Mr. Godley was the Chief Operating Officer of WGBH, a public media organization and Boston's local NPR station, and President of WGBH Business Services, where he was responsible for business strategy, financial, and day-to-day operational management of the $240 million, 950 employee educational non-profit. Prior to joining WGBH, he was Senior Advisor/Deputy National Finance Director on Mitt Romney's 2008 presidential campaign, and a member of the Governor's senior staff as Director of Governmental Affairs for the Commonwealth. Earlier in his career, Mr. Godley co-founded and was President and CEO of CGN Marketing & Creative Services and also held marketing and management roles at Hill & Knowlton and IBM.

Allen F. ("Pete") Grum, President and Chief Executive Officer of Rand Capital, commented, "Over the past nearly two years, we have worked to consummate this transaction. We are thankful to all of our stakeholders for their support as we pursued this exciting strategic transformation. We look forward to effectively deploying the capital entrusted to us. We are confident that our new structure, with RCM as the external investment adviser to Rand, will reduce our asset-to-expense ratio going forward, enhancing our financial profile. I believe RCM and EAM are perfect partners for Rand."

Adam Gusky added, "This transaction demonstrates our confidence in the potential of Rand, as well as our continued dedication to Buffalo and the Western New York region. With additional resources and an enhanced investment team, we are excited about Rand's potential to deliver consistent shareholder value over time."

The Company and its Board now intend to proceed with the steps necessary to transform Rand into a regulated investment company ("RIC"), which eliminates corporate-level U.S. federal income tax on annual earnings timely distributed to shareholders. To accomplish that, the Company intends to declare a special dividend that is equivalent to its accumulated earnings and profits, which is currently estimated to be approximately $17 million. The special dividend is expected to be in the form of Rand stock and cash, anticipated to occur in the first quarter of 2020. Going forward, Rand intends to adopt an ongoing regular cash dividend policy.

While it is currently the intention of the Company to declare and pay the special dividend to shareholders, any such dividend declaration and payment will require action of the Board based on relevant factors and considerations affecting the Company when under consideration. Rand cannot make assurances that the special dividend, or any other dividend or distribution, will be paid to shareholders, or that the Company will ever adopt a new dividend policy that includes regular cash dividends to shareholders.

ABOUT RAND CAPITAL

Rand Capital (Nasdaq: RAND) is a Business Development Company (BDC) with a wholly-owned subsidiary licensed by the U.S. Small Business Administration (SBA) as a Small Business Investment Company (SBIC). Additional information can be found at the Company's website where it regularly posts information: https://www.randcapital.com/.

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Safe Harbor Statement

This press release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than historical facts, including but not limited to statements regarding the intention of Rand Capital and Rand Capital SBIC, Inc. ("Rand SBIC") to elect to be taxed as a RIC for U.S. federal tax purposes; the intention to declare and pay a special cash and stock dividend; the expected timing for the payment of the special dividend; the estimated amount of the Company's accumulated earnings and profits; the intention to adopt a new dividend policy that includes regular cash dividends to shareholders; the expected benefits of the transaction such as a lower expense-to-asset ratio for Rand Capital, availability of additional resources and an enhanced investment team; the competitive ability and position of Rand Capital; and any assumptions underlying any of the foregoing, are forward-looking statements. Forward-looking statements concern future circumstances and results and other statements that are not historical facts and are sometimes identified by the words "may," "will," "should," "potential," "intend," "expect," "endeavor," "seek," "anticipate," "estimate," "overestimate," "underestimate," "believe," "could," "project," "predict," "continue," "target" or other similar words or expressions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove to be incorrect, actual results may vary materially from those indicated or anticipated by such forward-looking statements. The inclusion of such statements should not be regarded as a representation that such plans, estimates or expectations will be achieved. Important factors that could cause actual results to differ materially from such plans, estimates or expectations include, among others, (1) the risk that Rand Capital and/or Rand SBIC may be unable to fulfill the conditions required in order to elect to be treated as a RIC for U.S. tax purposes; (2) uncertainty of the expected financial performance of Rand Capital following completion of the transaction; (3) failure to realize the anticipated benefits of the transaction; (4) the risk that the board of directors of Rand Capital is unable or unwilling to declare and pay the special cash and stock dividend or adopt a new dividend policy that includes the payment of regular cash dividends on a going forward basis; (5) evolving legal, regulatory and tax regimes; (6) changes in general economic and/or industry specific conditions; and (7) other risk factors as detailed from time to time in Rand Capital's reports filed with the Securities and Exchange Commission ("SEC"), including Rand Capital's annual report on Form 10-K for the year ended December 31, 2018, later filed quarterly reports on Form 10-Q, the definitive proxy statement for the transactions and other documents filed with the SEC. Consequently, such forward-looking statements should be regarded as Rand Capital's current plans, estimates and beliefs. Except as required by applicable law, Rand Capital assumes no obligation to update the forward-looking information contained in this release.

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