

**RAND CAPITAL CORPORATION
GOVERNANCE AND NOMINATING COMMITTEE OF THE BOARD OF DIRECTORS
CHARTER**

(Adopted on July 28, 2022)

Purpose of the Committee

The Governance and Nominating Committee (the “Committee”) will carry out the responsibilities delegated by the Board of Directors (the “Board”) of Rand Capital Corporation (the “Corporation”) relating to providing guidance to the Board in the development and maintenance of an effective corporate governance structure and process. The Committee will also have responsibility for the director nomination process and any related matters under federal securities laws.

Composition; Delegation

The Board shall, as appropriate, appoint and rotate the membership of this Committee, who shall serve for such term or terms as the Board shall determine. The Board may remove any member of the Committee at any time with or without cause. In appointing the members of the Committee, the Board shall comply with all laws, regulations and rules applicable with respect to the number and qualifications of such members; as such laws, regulations and rules may from time to time be modified or supplemented; provided, however, the number of members on the Committee shall not be less than three (3). Each member shall, as determined by the Board, be an independent director (as defined by Nasdaq Listing Rule 5605(a)) and free of any relationship that would interfere with his/her exercise of independent judgment as a member of the Committee. One member of the Committee shall be appointed as the Chair by the Board.

To the extent permitted by applicable laws, regulations and rules, the Committee may delegate any of its responsibilities to a subcommittee.

Meetings

The Committee shall meet at least two (2) times each year at such places and times as it deems necessary to fulfill its responsibilities. Meetings of the Committee may be called by the Chair of the Board, the Chair of the Committee or a majority of the members of the Committee.

A majority of the members of the Committee may determine its action and fix the time and place of its meetings unless the Board shall otherwise provide.

The Committee may invite other Directors and guests to attend meetings, as appropriate. The Committee shall report to the Board on the proceedings of Committee meetings and make recommendations to the Board when appropriate.

Goals, Responsibilities and Authority

In carrying out its mission, the Committee shall have direct responsibility and authority to perform the following duties:

1. Annually review and assess the adequacy of the Charter of the Committee and

submit any proposed changes to the Board for consideration and approval.

2. Monitor and develop recommendations to the Board on matters of the Corporation's policies and practices relating to corporate governance, including identifying best practices and reviewing and recommending to the Board for approval any changes to the documents, policies and procedures in the Company's corporate governance framework.
3. At least annually, the Chair of the Committee should coordinate a discussion with the Board members during one of its executive sessions regarding the Board's performance. The Chair of the Committee will also request each other Committee of the Board (currently just the Audit Committee) to review that committee's performance, with the Chair of that other committee reporting on these discussions directly to the Chair of the Governance and Nominating Committee.
4. The Committee is responsible for considering and making recommendations to the Board concerning the appropriate size, function, and membership of the Board including:
 - establishing criteria for Board membership, with criteria to cover, among other things, experience; skill set; diversity; possessing high standards of character and integrity; being free from conflicts of interest that would violate applicable law or regulation or interfere with the proper performance of the responsibilities of a director; be willing and able to devote sufficient time to the affairs of the Corporation and be diligent in fulfilling the responsibilities of a director; and have the capacity and desire to represent the balanced, best interests of the shareholders as a whole;
 - evaluating periodically the desirability of, and recommending to the Board regarding, changes in the size and composition of the Board;
 - identifying and evaluating potential Board candidates, whether proposed by any director or executive officer of the Corporation or by any shareholder so long as any shareholder proposed candidate is submitted in accordance with the Corporation's certificate of incorporation, by-laws, and applicable laws and regulations;
 - conducting the appropriate inquiries into the backgrounds and qualifications of possible candidates for Board positions;
 - selecting and recommending for approval by the Board the slate of director nominees for the Board to be submitted to a shareholder vote at the annual meeting of shareholders;
 - recommending any director nominees for the Board to be elected by the Board to fill interim vacancies; and
 - monitoring that a majority of the Board is composed of independent directors to comply with the Nasdaq Listing Rules and the requirements of the Investment Company Act of 1940, as amended.

5. Review and make recommendations to the Board regarding the amount and type of compensation that shall be paid to the Corporation's non-employee directors, including for service on Board committees, taking into account compensation of directors at comparable companies and such other factors as the Committee deems relevant.
6. Review, at least annually, membership of the Board committees and recommend to the Board which directors should be appointed to such committees, and their respective chairs.
7. Seek to assure that independent directors of the Board meet at regularly scheduled executive sessions without management present and at least twice per year.
8. The Committee should discuss its own performance on an annual basis.
9. **Outside Advisors** - The Committee shall have the authority, in its sole discretion, to select, retain and obtain the advice of a director search firm as necessary to assist with the execution of its duties and responsibilities as set forth in this charter. The Committee shall set the compensation and oversee the work of the director search firm. The Committee shall have the authority, in its sole discretion, to retain and obtain the advice and assistance of outside counsel, an executive search firm, a compensation consultant and such other advisors as it deems necessary to fulfill its duties and responsibilities under this charter. The Committee shall set the compensation and oversee the work of its outside counsel, the executive search firm, the compensation consultant and any other advisors. The Committee shall receive appropriate funding from the Corporation, as determined by the Committee in its capacity as a committee of the Board, for the payment of compensation to its search consultants, outside counsel, compensation consultant and any other advisors.
10. Oversee the review of executive officer performance and executive officer succession plans, discuss the same with the President of the Corporation and make recommendations to the Board with respect to the selection of persons to hold those positions and the Corporation's succession plans.
11. The Chair of the Committee should interact with the other committee Chairs to discuss governance issues affecting the Corporation.
12. Annually review the Corporation's SOX Code of Conduct as required by Item 406 of Regulation S-K and Corporation's Board of Directors (Non-Interested) Business Ethics Policy Statement, and, if appropriate, recommend changes to the code or statement, as applicable.
13. Annually review the Corporation's Insider Trading Policy and, if appropriate, recommend changes to the policy.
14. Nothing in this charter is intended to preclude or impair the protection provided in Section 717 of the New York Business Corporation Law for good faith reliance by members of the Committee on reports or other information provided by others.