

items, is sufficient in the judgment of the Trustees to cover the interest on such securities), to reacquire such Securities of the Trust, to enter into other contracts on behalf of the Trust and to execute and deliver any Mortgage, pledge or other instrument to secure any such Securities of the Trust or other obligations or contracts. Any such Securities of the Trust, instruments or other obligations of the Trust may, at the discretion of the Trustees and without a vote of the Shareholders, be convertible into Shares at such time or times and on such terms as the Trustees may prescribe.

The Trustees shall have power to issue any type of Securities of the Trust (including Shares), without limit as to number and without vote of or other action by the Shareholders, to such Persons for such cash, property, services or other consideration (including, without limitation, Securities issued or created by, or interests in, any Person and Securities of the Trust convertible into or exchangeable for Shares) at such time or times and in such amounts and in such manner and on such terms as the Trustees may deem advisable, and to list any Securities of the Trust on any securities exchange and to purchase or otherwise acquire, hold, cancel, reissue, sell and transfer any Securities of the Trust. The Trust shall not issue options, warrants or other rights to purchase its Securities to the Adviser or any person affiliated with the Adviser, or to any other persons at exercise prices less than the fair market value of such securities on the date of grant. Such prohibition shall not apply to options, warrants or other rights to purchase Securities of the Trust issued in a public offering or a ratable issue to holders of a class of Securities of the Trust.

SECTION 3.5. Guaranties. The Trustees shall have power to endorse or guarantee the payment of any notes or other obligations of any Person (other than a Trustee in his individual capacity); to make contracts of guaranty or suretyship, or otherwise to assume liability for payment thereof; and to mortgage and pledge the Trust Property or any part thereof to secure any of or all such obligations.

SECTION 3.6. Debts; Expenses. The Trustees shall have power to pay or satisfy out of the funds of the Trust any debts of or claims against the Trust upon such evidence as the Trustees shall think sufficient; to incur and pay any charges or expenses (including those incurred by others prior to the organization of the Trust), which in the opinion of the Trustees are necessary or desirable for carrying out the purposes of this Trust; and to pay appropriate compensation or fees to Persons with whom the Trust has

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