

has contracted or transacted business. The Trustees shall fix the compensation of all officers and Trustees. The Trustees may be paid reasonable compensation for their general services as Trustees and officers hereunder, and the Trustees may pay themselves or any one or more of themselves such compensation for special services, including legal services, as they in good faith may deem reasonable, and reimbursement for expenses reasonably incurred by themselves or any one or more of themselves on behalf of the Trust.

*2.12 Guaranties.* The Trustees shall have power to endorse or guarantee the payment of any notes or other obligations of any Person; to make contracts of guaranty or suretyship, or otherwise 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.

*2.13 Deposits.* The Trustees shall have power to deposit any moneys or Securities included in the Trust Property with any one or more banks, trust companies or other banking institutions, including the Adviser, or any Affiliate of the Adviser, whether or not such deposits will draw interest. Such deposits are to be subject to withdrawal in such manner as the Trustees may determine, and the Trustees shall have no responsibility for any loss which may occur by reason of the failure of the bank, trust company, savings and loan association or other banking institution with whom the moneys or Securities have been deposited.

*2.14 Allocation.* The Trustees shall have power to determine whether moneys or other assets received by the Trust shall be charged or credited to income or capital or allocated between income and capital, including the power to amortize or fail to amortize any part or all of any premium or discount, to treat any part or all the profit resulting from the maturity or sale of any asset, whether purchased at a premium or at a discount, as income or capital or apportion the same between income and capital, to apportion the sale price of any asset between income and capital, and to determine in what manner any expenses or disbursements are to be borne as between income and capital, whether or not in the absence of the power and authority conferred by this Section 2.14 such asset would be regarded as income or as capital or such expense or disbursement would be charged to income or to capital; to treat any dividend or other distribution on any investment as income or capital or apportion the same between income and capital; to provide or fail to provide reserves for depreciation, amortization or obsolescence in respect of any Trust Property in such amounts and by such methods and for such purposes as they shall determine, and to allocate to the shares of beneficial interest account less than all of the consideration received for Shares (but not less than the par value thereof, if any) and to allocate the balance thereof to paid-in capital, all as the Trustees may reasonably deem proper.

*2.15 Valuation.* The Trustees shall have power to determine conclusively the value of any of the Trust Property and of any services, Securities, assets or other consideration hereafter to be acquired or disposed of by the Trust, and to revalue the Trust Property.

*2.16 Fiscal Year.* The Trustees shall have power to determine the fiscal year of the Trust and the method or form in which its accounts shall be kept and from time to time change the fiscal year or method or form of accounts.

*2.17 Concerning the Trust and Certain Affiliates.*

(a) The Trust shall not, directly or indirectly, lend any of its property to (except in connection with warehousing loans), purchase or otherwise acquire any property from, or sell or otherwise transfer any property to (i) the Adviser, (ii) any Trustee (in his individual capacity), officer, director or employee of the Trust or the Adviser, (iii) any Person holding beneficially, directly or indirectly, 1% or more of the outstanding capital