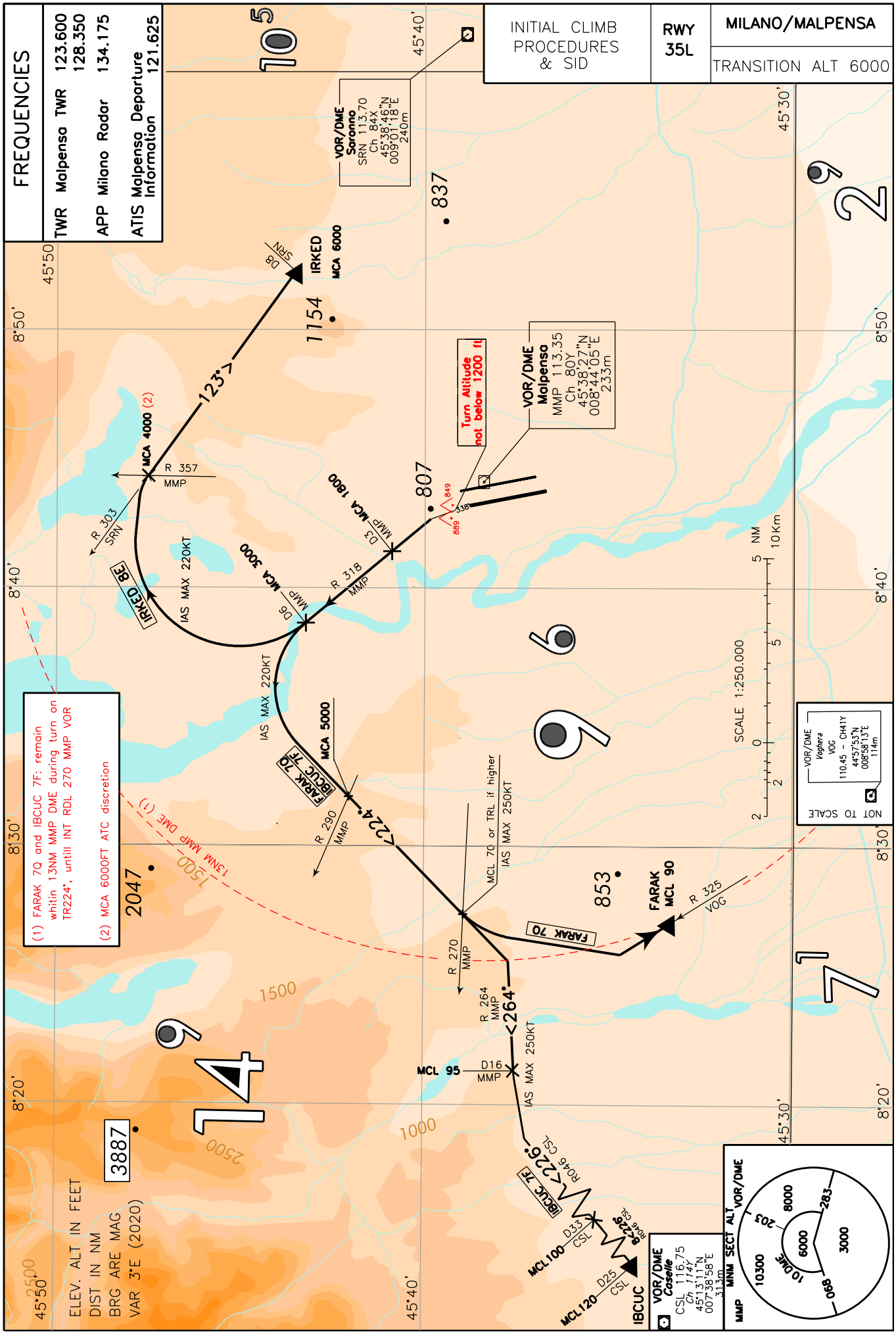CHANGE: NOTE 1 UPDATED.