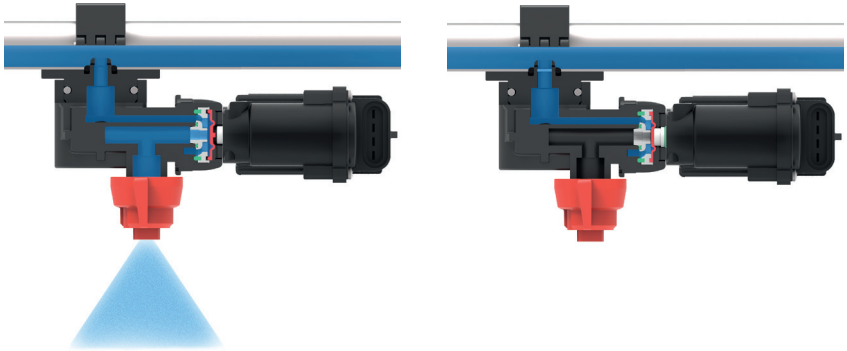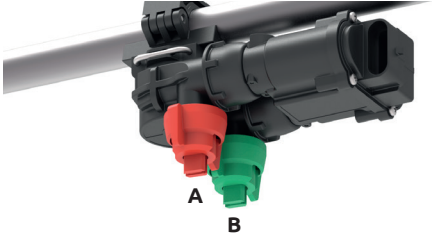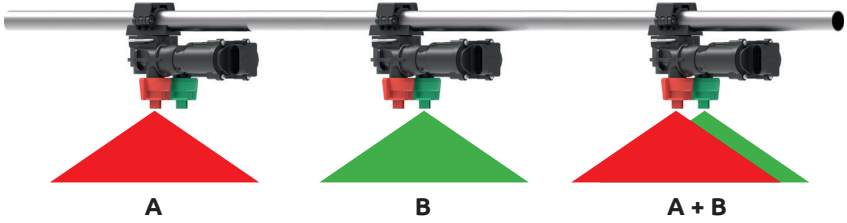OPERATING PRINCIPLE