EXCLUSIVE NEGOTIATING RIGHTS AGREEMENT

(Fontana – Forge District Residences)

This Exclusive Negotiating Rights Agreement (this "Agreement") is entered into as of this ____ day of June, 2025 (the "Effective Date") by and between the CITY OF FONTANA, a California municipal corporation (the "City"), the FONTANA HOUSING AUTHORITY, a public body corporate and politic (the "Authority"), NATIONAL COMMUNITY RENAISSANCE OF CALIFORNIA, a California nonprofit public benefit corporation ("herein referred as the "Affordable Developer") and PELICAN COMMUNITIES, a California limited liability company (herein as the "Market Rate Developer"). National Community Renaissance of California and Pelican Communities together are referred to as "Developers". The Authority, the City and the Developers are each a "Party" and collectively the "Parties." The Parties have entered into this Agreement on the basis of the following facts:

RECITALS

- A. The City is the owner of approximately ____ acres of vacant land generally located between Nuevo Avenue and Juniper Avenue, and between Arrow Boulevard and the Pacific Electric Trail in the City of Fontana, California as more particularly described on Exhibit A and depicted in Exhibit A-1 attached hereto ("**Property**").
- B. The City is in the process of acquiring a certain parcel generally located along the Pacific Electric Trail in the City of Fontana, California which is more particularly described in Exhibit B and depicted in Exhibit B-1 attached hereto ("Prospective Property"). Both the Property and Prospective Property are referred to herein as the "Site."
- C. The Developers desire to acquire the Site from the City to facilitate the development and operation of the Project (defined below). Developers (or their affiliates) plan to construct and operate an Authority-sponsored housing development including market rate and affordable housing units (the "**Project**").
- D. The purpose of this Agreement is to establish procedures and standards for the negotiation by the Authority, the City, and the Developers of one, and possibly a second, disposition and development agreement(s) ("DDA" or DDAs) pursuant to which, it is presently contemplated: (i) if specified preconditions are satisfied, the Developers will acquire fee title to the Site; and (ii) the Developers will construct and operate the Project on the Site. As more fully set forth in Section 3.1, the Developers acknowledge and agree that this Agreement in itself does not obligate any Party to acquire or convey any interest in the Site, does not grant the Developers the right to develop the Project, does not obligate the Authority to bear any financial responsibility for predevelopment costs or any other costs, and does not obligate the Developers to any activities or costs to develop the Project, except the costs for the preliminary analysis and negotiations contemplated by this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein and for other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties mutually agree as follows:

ARTICLE 1 EXCLUSIVE NEGOTIATIONS RIGHT

Section 1.1 Good Faith Negotiations. During the Negotiating Period described in Section 1.2 below, the Authority, the City, and the Developers shall negotiate diligently and in good faith the terms of at most two DDAs for the sale of the Site and the development of the Project on the Site. During the Negotiating Period, the Parties will use good faith efforts to facilitate the negotiation of at most two mutually satisfactory DDAs. It is presently contemplated that the DDA(s) will include development budgets and other documents as required by the Authority and the City and agreed to by the Developers.

Among the issues to be addressed during the Negotiating Period are: (i) the provisions and conditions for the sale of the Site by the City to the Developers, including, without limitation the terms of the purchase and sale agreement; (ii) the number of units that will be constructed on the Site as part of the Project; (iii) the Authority's financial assistance provided to construct and operate the Project, (iv) conceptual planning activities, including preparation of a schematic design of the Project and preliminary analysis of land use entitlements needed to develop the Project on the Site.

Negotiating Period. The negotiating period (the "Negotiating Period") Section 1.2 under this Agreement shall be two hundred and seventy (270) days, commencing on the Effective Date. The Negotiating Period may be extended on the Authority's and the City's behalf for an additional period of ninety (90) days by the Executive Director (for the Authority) and the City Manager (for the City) if, in the Executive Director's and the City Manager's reasonable judgment, sufficient progress toward a mutually acceptable DDA or mutually acceptable DDAs have been made to merit such extension. Notwithstanding the foregoing, if one or more DDA have been negotiated by the Parties and signed and submitted by the Developers within the Negotiating Period, then this Agreement shall be automatically extended for thirty (30) days from the date of such submittal to enable the City and the Authority to (i) determine whether the City and/or the Authority, as applicable, desires to enter into such DDA or DDAs, (ii) take the actions and conduct such hearings as may be necessary to authorize the City and/or Authority to execute such DDA or DDAs, and (iii) to have an appropriate representative of the City and/or Authority execute and deliver the DDA or DDAs. Then if the City or the Authority has not agreed to, authorize and/or executed and delivered the DDA or DDAs, as applicable, by the end of such 30-day period, this Agreement shall terminate automatically unless the Negotiating Period has been mutually extended in writing by the Parties.

If by the expiration of the Negotiating Period (as the Negotiating Period may be extended by operation of the preceding paragraph), the Authority, the City, and the Developers have not agreed upon a form of DDA or DDAs to be presented to the Authority Board and the City Council for approval, then this Agreement shall terminate, and no Party shall have any further rights or obligations under this Agreement. If one or more DDAs, are executed by the Authority, the City, and the Developers, as applicable, this Agreement shall thereupon terminate, and all rights and obligations of the Parties shall be as set forth in the executed DDA or DDAs.

Section 1.3 <u>Exclusive Negotiations</u>. During the Negotiating Period (as such Negotiating Period may be extended by operation of Section 1.2), the Authority and the City shall

not negotiate with any entity, other than the Developers, regarding either development of the Site or a DDA concerning the Site, or solicit or entertain bids or proposals to do so. Notwithstanding the foregoing, if and to the extent required by law, the City shall comply with the Surplus Lands Act, Government Code section 54222, et seq., during the Negotiating Period or as provided in the DDA, as applicable.

Section 1.4 Predevelopment Costs. There shall be no upfront investment obligation on the part of the City or the Authority. Developers shall fund all predevelopment expenses necessary for due diligence outlined in Section 2.4. The Developers shall bear the financial responsibility for, among other predevelopment expenses, environmental review, remediating any environmental conditions, structural soils analysis, architectural and engineering plans, and all fees and expenses required by the City in connection with obtaining the land use and other entitlements required to develop and operate the Project. Notwithstanding the foregoing, the Developers may be reimbursed for some or all of their predevelopment expenses from one or more constructions loans on the Project. If the Parties do not execute a DDA, the Developers shall deliver all work product (including the Project Materials, as defined below) generated during the predevelopment stage to the Authority, along with an assignment of such work product to the Authority in the form attached as Exhibit C. The work product (including the Project Materials) will be delivered without warranty as to accuracy or completeness subject to all rights of the consultants and professionals preparing the same.

Section 1.5 <u>Identification of the Developer's Representatives</u>. The Developer's representatives to negotiate the DDA or DDAs with the Authority and the City are _____, and the Developer's designated legal representatives.

ARTICLE 2 NEGOTIATION TASKS

- Section 2.1 <u>Overview</u>. To facilitate negotiation of the DDA or DDAs, the Parties will use reasonable good faith efforts to accomplish the tasks set forth in this Section 2 in a timeframe that will support negotiation of one or two mutually acceptable DDAs prior to the expiration of the Negotiating Period.
- Section 2.2 <u>Financing and Costs of Project</u>. During the Negotiating Period, the Developers will prepare estimated development and construction budgets for the entitlement, development, and operation of the affordable and market-rate components of the Project, collectively, these two components constitute the whole of the Project (each a "**Financing Proposal**"). The Financing Proposal shall be refined by the Parties during the Negotiating Period, as appropriate, and will be used to evaluate the financial feasibility of the Project and to assist in the negotiation of financial assistance which may be provided by the Authority to assist in the acquisition, development or construction of the affordable housing component of the Project, as may be provided in a DDA.
- Section 2.3 <u>Conceptual Site Plans</u>. Within one hundred twenty (120) days of the Effective Date of this Agreement, the Developers shall prepare conceptual site plans for the development of the Site, for the Authority's and the City's review, including a preliminary analysis of entitlements required for the Project for the Authority's and the City's review.

- Section 2.4 <u>Physical Due Diligence</u>. During the Negotiating Period the Developers shall conduct physical due diligence of the Site to determine its suitability for the Project ("**Due Diligence Investigations**").
- (a) The City licenses the Developers to enter the Site for the sole purpose of conducting the Due Diligence Investigations, subject to all of the terms and conditions of this Agreement. The license given in this Section 2.4 shall terminate with the termination of this Agreement but extension of such access rights may be a provision in a DDA. Any Due Diligence Investigations by the Developers shall not unreasonably disrupt any then-existing use or occupancy of the Site. The Developers shall provide the City with at least forty-eight (48) hours advance written notice of the Developers' intent to enter the Site.
- (b) The Developers shall not conduct any intrusive or destructive testing on any portion of the Site, other than low volume soil samples or other testing required to prepare necessary environmental and entitlement documents for the development of the Project, without the City's prior written consent, which shall not be unreasonably withheld or delayed. Subject to reimbursement as provided in Section 1.4, the Developers shall pay all of the Developer's vendors, inspectors, surveyors, consultants or agents engaged in any inspection or testing of the Site, such that no mechanics liens or similar liens for work performed are imposed upon the Site by any third party employed or contracted by the Developers (individually, a "Developer Party," and collectively, "Developer Parties"). In no event shall the timing of any reimbursement under Section 1.4 cause or contribute to an such lien being placed on the Site.
- (c) Prior to any entry on the Site by the Affordable Developer or Market Rate Developer, each such Party shall secure and maintain (i) Liability Insurance (defined below) that will cover the activities of the Developers and the Developer Parties on the Site and shall name the Authority and the City as additional insureds thereunder, and (ii) workers' compensation insurance. Not less than twenty-four (24) hours prior to entering the Site, the Developers shall provide a certificate of insurance to the City evidencing the insurance required herein.
- (1) "Liability Insurance" means commercial general liability insurance against claims for bodily injury, personal injury, death, or property damage occurring upon, in, or about the Site, the Project or adjoining streets or passageways, with a minimum liability limit of Two Million Dollars (\$2,000,000) for any one occurrence and which may be provided through a combination of primary insurance in the amount of One Million Dollars (\$1,000,000), and excess or self-insurance for the balance.
- (d) The Developers shall indemnify, defend, and hold harmless the Authority and the City against any claim to the extent such claim arises from: (i) any wrongful intentional act or negligence of the Developers and Developer Parties relating to the Project; (ii) any claims relating to Due Diligence Investigations except for the mere discovery of existing hazardous materials; (iii) any agreements that the Developers (or anyone claiming by or through the Developers) make with a Developer Party regarding the Site, the Due Diligence Investigations, or the Project; (iv) any worker's compensation claim or determination relating to any employee of the Developers or the Developer Parties; or (v) any prevailing wage action pertaining to this Agreement, Due Diligence Investigations, or the Project. The foregoing indemnity obligations do not apply to (A) any loss, liability, cost, claim, damage, injury or expense to the extent arising

from or related to the acts or omissions of the Authority or the City, (B) any diminution in value in the Site arising from or relating to matters discovered by the Developers during its investigation of the Site, and (C) any latent defects in the Site discovered by the Developers. Such obligation to indemnify shall include all reasonable legal fees and costs, monetary awards, sanctions, attorney fee awards, expert witness and consulting fees, and the expenses of any and all financial or performance obligations resulting from the disposition of the legal action.

- Section 2.5 <u>Independent of Insurance Obligations</u>. Indemnification obligations of Developers under this Agreement shall not be construed or interpreted as in any way restricting, limiting, or modifying the Developers insurance or other obligations under this Agreement.
- Section 2.6 <u>Survival of Indemnification and Defense Obligations</u>. The indemnity and defense obligations of the Parties under this Agreement shall survive the expiration or earlier termination of this Agreement, until any and all actual or prospective claims regarding any matter subject to an indemnity obligation under this Agreement are fully, finally, absolutely and completely barred by applicable statutes of limitations.
- Section 2.7 <u>Environmental Review</u>. During the Negotiating Period or as otherwise provided in a DDA, the Developers shall prepare and submit to the City such plans, specifications, drawings, and other information, as specified by the City, that are reasonably required for the performance of the environmental review process required by CEQA for the Project (the "**Project Materials**").
- Section 2.8 <u>Compliance with Regulatory Requirements</u>. During the Negotiating Period, the Parties shall confer on regulatory requirements applicable to the disposition and development of the Site. This shall include, but is not limited to, all CEQA review and compliance with the Surplus Land Act (Gov. Code § 54220 et seq.). Developers agree and acknowledge that this ENA is not an approval, and shall not be construed as a representation or warranty, that any regulatory requirements have been or will be satisfied with respect to the disposition of the Site, all of which shall be a subject during the Negotiating Period.

ARTICLE 3 GENERAL PROVISIONS

Section 3.1 <u>Limitation on Effect of Agreement</u>. This Agreement shall not obligate the Authority, the City, or the Developers to enter into a DDA for the Project. This Agreement is merely an agreement to conduct a period of exclusive negotiations in accordance with the terms hereof, reserving for subsequent Authority Board and City Council action the final determination, in the Authority Board's and City Council's sole and absolute discretion, regarding the execution of any DDA and all proceedings and decisions in connection therewith. Any DDA resulting from negotiations pursuant to this Agreement shall become effective only if and after such DDA has been considered and approved by the Authority Board and the City Council, in the Authority Board's and City Council's sole and absolute discretion, following conduct of all legally required procedures, and executed by duly authorized representatives of the Authority, the City, and the Developers. Until and unless a DDA is signed by the Developers, approved by the Authority Board and the City Council, and executed by the Authority and the City, no agreement drafts, actions, deliverables or communications arising from the performance of this Agreement shall

impose any legally binding obligation on any Party to enter into or support entering into a DDA or be used as evidence of any oral or implied agreement by any Party to enter into any other legally binding document.

Section 3.2 <u>Notices</u>. Formal notices, demands and communications between the Authority, the City, and the Developers shall be sufficiently given if, and shall not be deemed given unless, dispatched by certified mail, postage prepaid, return receipt requested, or sent by express delivery or overnight courier service, to the office of the Parties shown as follows, or such other address as the Parties may designate in writing from time to time:

If to the Authority: Fontana Housing Authority

Attn: Executive Director 8353 Sierra Avenue Fontana, CA 92335

If to the City: City of Fontana

Attn: City Manager 8353 Sierra Avenue Fontana, CA 92335

With a copy to: Best Best & Krieger, LLP

Attn: Ruben Duran

18101 Von Karman Ave, Suite 1000

National Community Renaissance of California

Irvine, CA 92614

If to the Affordable

Developer: Attn: Alexa Washburn

9692 Haven Avenue

Pelican Communities

Rancho Cucamonga, CA 91730

If to the Market Rate

Developer: Attn: Richard Hamm

1501 Dove Street, Suite 250 Newport Beach, CA 92660

Such written notices, demands and communications shall be effective on the date shown on the delivery receipt as the date delivered or the date on which delivery was refused.

Section 3.3 <u>Costs and Expenses</u>. Each Party shall be responsible for its owns costs and expenses in connection with any activities and negotiations undertaken in connection with this Agreement, and the performance of each Party's obligations under this Agreement.

Section 3.4 Defaults and Remedies.

- (a) <u>Default</u>. Failure by any Party to negotiate in good faith as provided in this Agreement shall constitute an event of default under this Agreement. The non-defaulting Party shall give written notice of a default to the defaulting Party, specifying the nature of the default and the required action to cure the default. If a default remains uncured fifteen (15) days after receipt by the defaulting Party of such notice, the non-defaulting Party may exercise the remedies set forth in subsection (b).
- (b) <u>Remedies</u>. In the event of an uncured default by the Authority or the City, the Developers' sole remedy shall be to terminate this Agreement. Following such termination no Party shall have any further right, remedy or obligation under this Agreement.

In the event of an uncured default by the Developers, the Authority's and the City's sole remedy shall be to terminate this Agreement and obtain the work product (including the Project Materials) from the Developers as provided in Section 1.4. Following such termination and the Developers delivering of these materials (without representation or warranty) to the Authority and the City, no Party shall have any right, remedy or obligation under this Agreement.

Except as expressly provided above, no Party shall have any liability to the other Party for damages or otherwise for any default, nor shall any Party have any other claims with respect to performance under this Agreement. Each Party specifically waives and releases any such rights or claims it may otherwise have at law or in equity.

- Section 3.5 <u>Attorneys' Fees</u>. The prevailing Party in any action to enforce this Agreement shall be entitled to recover reasonable attorneys' fees and costs from the non-prevailing Party(ies).
- Section 3.6 <u>Governing Law</u>. This Agreement shall be governed by and construed in accordance with the laws of the State of California.
- Section 3.7 <u>Entire Agreement</u>. This Agreement constitutes the entire agreement of the Parties regarding the subject matter of this Agreement.
- Section 3.8 <u>Counterparts</u>. This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same agreement.
- Section 3.9 <u>Amendment</u>. To be effective, any amendment to this Agreement must be in writing and signed by the Executive Director, the City Manager, and the Developers.
- Section 3.10 <u>Assignment</u>. The Developers may not transfer or assign any or all of its rights or obligations hereunder without the prior written consent of the Authority and the City, which consent shall be granted or withheld in the Authority's and the City's sole discretion, and any such attempted transfer or assignment without the prior written consent of Authority and City shall be void. Notwithstanding the foregoing, the Developers may assign its interest in this Agreement to a limited partnership or limited liability company in which the Developers, and/or its members, and/or partners maintain a "controlling interest." "Controlling interest" means the legal right to direct and control the activities of the assignee.

[Signatures on next page]

IN WITNESS WHEREOF, this Agreement has been executed by the Parties on the date first above written.

AFFORDABLE DEVELOPER:

NATIONAL COMMUNITY RENAISSANCE OF CALIFORNIA, a California nonprofit public benefit corporation Name: Its:_____ MARKET RATE DEVELOPER: PELICAN COMMUNITIES California limited liability company By:______Name:_____ **AUTHORITY:** FONTANA HOUSING AUTHORITY, a public body corporate and politic By:____ Name: Matthew Ballantyne Its: Executive Director CITY: CITY OF FONTANA, a California municipal corporation By:_____ Name: Matthew Ballantyne Its: City Manager

APPROVED AS TO FORM:

General Counsel

City Clerk

ATTEST: By:____

BEST BEST & KRIEGER, LLP

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

All that certain real property located in the City of Fontana, County of San Bernardino, State of California, as more particularly described as follows:

Address
16710 Spring St Fontana, CA 92335
16726 Spring St Fontana, CA 92335
N/A Spring St Fontana, CA 92335
N/A Spring St Fontana, CA 92335
16762 Spring St Fontana, CA 92335
16788 Spring St Fontana, CA 92335
16717 Spring St Fontana, CA 92335
16725 Spring St Fontana, CA 92335
16757 Spring St Fontana, CA 92335
16767 Spring St Fontana, CA 92335
N/A Spring St Fontana, CA 92335
N/A Spring St Fontana, CA 92335
16779 Spring St Fontana, CA 92335
N/A Spring St Fontana, CA 92335
N/A Spring St Fontana, CA 92335
16803 Spring St Fontana, CA 92335
16815 Spring St Fontana, CA 92335
16730 Arrow Blvd, Fontana, CA 92335
16736 Arrow Blvd, Fontana, CA 92335
N/A Arrow Blvd, Fontana, CA 92335
16756 Arrow Blvd, Fontana, CA 92335
16766 Arrow Blvd, Fontana, CA 92335
N/A Arrow Blvd, Fontana, CA 92335
16788 Arrow Blvd, Fontana, CA 92335

EXHIBIT A-1

DEPICTION OF THE PROPERTY

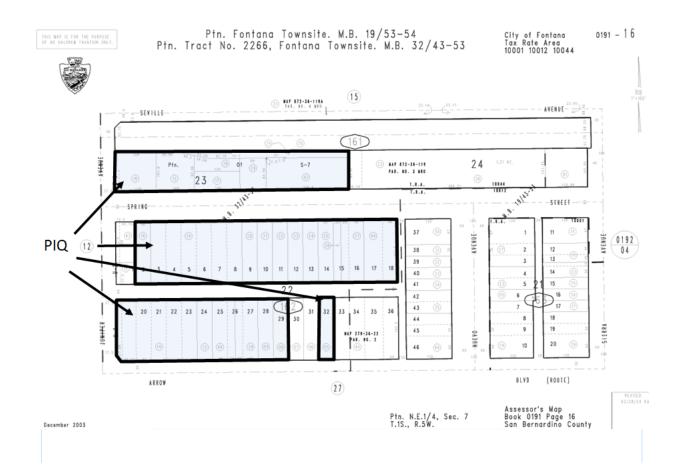


EXHIBIT B

DESCRIPTION OF THE PROSPECTIVE PROPERTY

EXHIBIT B-1 DEPICTION OF THE PROSPECTIVE PROPERTY

EXHIBIT C

ASSIGNMENT OF ARCHITECTURAL AGREEMENTS AND PLANS AND SPECIFICATIONS

[Forge District Residences]

FOR VALUE RECEIVED, the undersigned, National Community Renaissance of California, a California nonprofit public benefit corporation ("Affordable **Developer**"), and PELICAN COMMUNITIES, a California limited liability company (herein as the "**Market Rate Developer**") (National Community Renaissance of California and Pelican Communities together are referred to as "**Developers**") assign to the Fontana Housing Authority, a public body, corporate and politic ("**Authority**") all of their right, title and interest in and to all architectural, design, engineering and development agreements, and any and all amendments, modifications, supplements, addenda and general conditions thereto (collectively, "**Architectural Agreements**"), and all plans and specifications, shop drawings, working drawings, amendments, modifications, changes, supplements, general conditions and addenda thereto (collectively, "**Construction Documents**"), heretofore or hereafter entered into or prepared by any architect, engineer or other person or entity (collectively, "**Architect**"), for or on behalf of Developers in connection with the construction of the improvements on the real property described on Exhibit A-1 attached hereto.

This **ASSIGNMENT OF ARCHITECTURAL AGREEMENTS AND PLANS AND SPECIFICATIONS** ("**Assignment**") constitutes a future and conditional assignment to the Authority that may be enforced subject to the terms and conditions of that certain "Exclusive Negotiating Rights Agreement" dated June_____, 2025 ("**ENA**"), among the Authority, the City of Fontana, and the Developers.

Developers acknowledge that by accepting this Assignment, the Authority does not assume any of Developer's obligations under the Architectural Agreements with respect to the Construction Documents.

Developers represent and warrant to the Authority that: (a) all Architectural Agreements entered into by Developers are in full force and effect and are enforceable in accordance with their terms and no default, or event which would constitute a default after notice or the passage of time, or both, exists with respect to said Architectural Agreements; (b) Developers have not assigned any of its rights under the Architectural Agreements or with respect to the Construction Documents; and (c) Developers make no warranty to the Authority of the accuracy or completeness of the Architectural Agreements and Construction Documents assigned to Authority hereunder; and (d) Developers represent that all materials assigned hereunder are subject to all rights of the consultants and professionals preparing the same.

This Assignment shall be governed by the laws of the State of California, except to the extent that federal laws preempt the laws of the State of California, and Developers consents to the jurisdiction of any federal or state court within the State of California having proper venue for the filing and maintenance of any action arising hereunder and agrees that the prevailing party in

any such action shall be entitled, in addition to any other recovery, to reasonable attorneys' fees and costs.

This Assignment shall be binding upon and inure to the benefit of the heirs, legal representatives, assigns, and successors-in-interest of Developers and the Authority.

The attached Architect's/Engineer's Consent and Exhibit A-1 are incorporated by reference.

Executed by Developers on [date].

AFFORDABLE DEVELOPER:

NATIONAL COMMUNITY RENAISSANCE OF CALIFORNIA, a California non-profit corporation

By:	
Name:	
Its:	
Dated:	
MARKET RATE DEVELOPER:	
PELICAN COMMUNITIES, a California liminability company	ited
By:	
Name:	
Its:	
To	

ARCHITECT'S/ENGINEER'S CONSENT [Forge District Residences]

The undersigned architect and/or engineer (collectively referred to as "Architect") hereby consents to the foregoing Assignment to which this Architect's/Engineer's Consent ("Consent") is a part and acknowledges that there presently exists no unpaid claims due to the Architect arising out of the preparation and delivery of the Construction Documents to Developer of the performance of the Architect's obligations under the Architectural Agreements described in the Assignment.

Architect agrees that, by virtue of the foregoing Assignment, the Authority has succeeded to all of Developer's right, title and interest in, to and under the Architectural Agreements and the Construction Documents and, therefore, so long as the Architect continues to receive the compensation called for under the Architectural Agreements, the Authority and its successors and assigns may, at their option, use and rely on the Construction Documents for the purposes for which they were prepared, and Architect will continue to perform its obligations under the Architectural Agreements for the benefit and account of the Authority and its successors and assigns in the same manner as if performed for the benefit or account of Developers in the absence of the Assignment.

Architect warrants and presents that Architect has no knowledge of any prior assignment(s) of any interest in either the Construction Documents or the Architectural Agreements. Except as otherwise defined herein, the terms used herein shall have the meanings given them in the Assignment.

Executed on [date].

ARCHITECT

By:	
Name:	
Title:	
Architect's Address:	
Phone No.:	
Fax No.	

ASSIGNMENT EXHIBIT A-1 PROPERTY DESCRIPTION

THAT CERTAIN LAND SITUATED IN THE STATE OF CALIFORNIA, COUNTY OF SAN BERNARDINO DESCRIBED AS FOLLOWS:

Real property in the City of Fontana, County of San Bernardino, State of California, described as follows: