

1.

The ArrayList's capacity must be greater or equal to its size.

The ArrayList's capacity must be equal to the size of its array.

The ArrayList's size must be equal to the number of items stored in its array.

2.

The ArrayList's size increases by 1.

The new string is added to the end of the array.

If the array is full, a new, bigger array is created and all items stored in the old array are moved to the new array.