



SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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**FORM 8-K**

**CURRENT REPORT**

PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): June 14, 2002

**SAVE THE WORLD AIR, INC.**

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(Exact name of registrant as specified in charter)

**Nevada**

**0-29185**

**52-2088326**

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(State or other jurisdiction of incorporation)

(Commission File Number)

(IRS Employer Identification No.)

**29229 Canwood Street, Suite 206, Agoura Hills, California 91301**

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(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (818) 865-3500

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(Former name or former address, if changed since last report)

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**Item 5. Other Events.**

*Litigation.*

On July 30, 2002, the U.S. District Court, Southern District of New York, granted our application for a preliminary injunction against our former President and sole director, Jeffrey A. Muller, and others. We attach to this Form 8-K a copy of the Order for Preliminary Injunction.

We also attach to this Form 8-K and incorporate herein by this reference copies of our press releases dated July 31, 2002, and July 3, 2002, concerning our commencement of litigation against Muller, his wife, Lyn Muller, various Muller family members, and other shareholders; the U.S. District Court's approval of the Final Judgment of Permanent Injunction and Other Relief against us; the U.S. District Court's issuance of a temporary restraining order and preliminary injunction order against Muller and others pending trial on our cross-complaint; and other matters.

*Expansion of our board of directors.*

As announced previously, we expanded our board of directors to include five new members. We attach our press release dated June 14, 2002, to this Form 8-K.

**Item 7(c). Financial Statement and Exhibits.**

(c) Exhibits

Exhibit Number	Description
99.1	Order for Preliminary Injunction
99.2	Press release dated July 31, 2002
99.3	Press release dated July 3, 2002
99.4	Press release dated June 14, 2002

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: August 6, 2002

**SAVE THE WORLD AIR, INC**

By: /s/ Eugene E. Eichler

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Eugene E. Eichler  
Chief Financial Officer

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INDEX TO EXHIBITS

Exhibit Number	Description
99.1	Order for Preliminary Injunction
99.2	Press release dated July 31, 2002
99.3	Press release dated July 3, 2002
99.4	Press release dated June 14, 2002

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

-----X  
SECURITIES AND EXCHANGE COMMISSION

Plaintiff,

01 Civ. 11586 (GBD)

- against -

ORDER FOR PRELIMINARY  
INJUNCTION

SAVE THE WORLD AIR, INC.,  
JEFFREY ALAN MULLER, and  
BILLY BLACKWELDER,

Defendants.

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SAVE THE WORLD AIR, INC.,

Cross-Claimant,

- against -

JEFFREY ALAN MULLER, LYN MULLER,  
MURRAY MULLER, GUY MULLER, ALAN  
MULLER, MELISSA MULLER, WINCHESTER  
CAPITAL CORP., CEDARVIEW  
INTERNATIONAL CORP., BOKSBERT  
UNTERNEHMEN, SAN BLAS DESARROLLO,  
CANVASS PACIFIC LTD., REDGRAVE, INC.,  
GREYON PROPERTIES, INC., DOUGLAS, INC.,  
CASTEEN INTERNATIONAL LTD., PEREQUINE  
CORP., TROY INTERNATIONAL, INC., LOYALTY  
UNITED INTERNATIONAL, INC., and DOES 1-10,

Cross-Defendants.

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After the conduct of a hearing on July 25, 2002, and consideration of all relevant and pertinent submissions with respect to the Order to Show Cause for a Preliminary Injunction issued for proceedings on this date, a PRELIMINARY INJUNCTION IS HEREBY ENTERED

ORDERING AND RESTRAINING cross-defendant Jeffrey A. Muller and other cross-defendants named, including but not limited to Lyn Muller, Guy Muller, Melissa Muller [Sayer], the cross-defendants' officers, agents, servants, trustees, employees and attorneys and those in active concert or participation with them, from this date forward and during the pendency of this action from:

1. Selling, transferring or encumbering all assets and property, in which Cross-defendant Jeffery A. Muller and in which the cross-defendants above named, owns or has an interest in and which property is located within the United States, including but not limited to:

- i) any and all shares issued by SWA or Mandalay Capital Corp, on April 28, (1998;
- (ii) any and all interest in which Jeffrey A. Muller and Lyn Muller may have in the pending patent rights of the Zero Emission Fuel Saver device ("ZEFS device") (Patent Pending No. WO 01/90562 A1);
- (iii) Cross-defendant Jeffery A. Muller's interest in stock options described in the stock option agreement dated January 1, 2000;
- (iv) any and all obligations of SWA owed to Jeffery A. Muller and

Lyn Muller as a result of the Buy-Sell Agreement executed for worldwide licensing rights to the ZEF5 device, dated December 29, 1998; and

- (v) any Stock certificates or shares that comprise the shares transferred on April 28, 1998 by SWA to any of the cross-defendants;

2. Cross-defendant Jeffery A. Muller is enjoined from serving as an officer or director of SWA, and from directly or indirectly acting to exercise any influence or control over the business or policies of SWA as a director, or shareholder;

3. Cross-defendant Jeffery A. Muller is enjoined from encumbering, selling, transferring, conveying or assisting in the sale, transfer or conveyance of any SWA stock he owns

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or controls; and

4. Cross-defendant Jeffrey A. Muller is enjoined from taking any action to injure SWA or its business or business relations with its customers, licensors, consultants, employees and shareholders.

Dated: New York, New York

July 30, 2002

/s/ GEORGE B. DANIELS

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The Honorable George B. Daniels  
United States District Judge

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SAN DIEGO, Jul 31, 2002 (BUSINESS WIRE) -- Save the World Air Inc., (ZERO) today announced that it has received from the U.S. District Court, Southern District of New York, an Order for Preliminary Injunction against the company's former CEO, Jeffrey A. Muller and others named in the cross-complaint filed by SWA on July 2, 2002.

The Order, signed by Judge George B. Daniels on July 30, 2002, prevents Muller and other cross-defendants from selling, transferring, or encumbering any assets and property of the company, from selling or transferring any SWA stock that they may own or control, or from taking any action to injure SWA or its business and shareholders. The order also prevents Jeffrey A. Muller from serving as an officer or director of SWA.

The decision was reached by Judge Daniels following a hearing that was held on July 25, 2002 before the court, where attorneys for both SWA and the U.S. Securities and Exchange Commission (SEC Enforcement Division) were represented. In entering this Preliminary Injunction Order, the Court found that the pleadings provided in this case were sufficient to support his issuance of the Order and that the facts and arguments contained therein were uncontroverted. The Court further extended the time for the cross-defendants to file an answer or to otherwise respond to the cross-complaint to Aug. 19, 2002.

The new company Chairman Edward Masry, expressed, "The officers of SWA and the company's new Board of Directors are pleased by this decision. This action by the Court clears the way for the corporation to now proceed unencumbered with the business of the company and also with the development and planning for the marketing of the company's products. We will continue to support any request by the Court or the SEC for information or further cooperation regarding this matter."

Please go to <http://www.savetheworldair.com/Injunction.pdf> to view a PDF version of the Courts Order for Preliminary Injunction.

Safe Harbor Statement: The statements contained herein, which are not historical, are forward looking statements that are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in the forward looking statements, including without limitation SWA's ability to complete testing, raise sufficient capital to continue research and development, establish marketing and distribution and obtain customer acceptance of its products, as well as other risks described from time to time in SWA's press releases and filings with the U.S. Securities and Exchange Commission.

CONTACT:           SAVE THE WORLD AIR INC.  
                    EDWARD MASRY, 818/865-3500  
                    questions@savetheworldair.com

SAVE THE WORLD AIR INC. OBTAINS TEMPORARY RESTRAINING ORDER AGAINST JEFF MULLER,  
FORMER CEO, AND COURT APPROVAL OF SWA SETTLEMENT OF SEC ACTION

SAN DIEGO, Jul 3, 2002 (BUSINESS WIRE) -- Save The World Air Inc. (ZERO) announced today that it has obtained a Temporary Restraining Order (TRO) against its former CEO, Jeffrey A. Muller and others, pending a hearing on SWA's application for preliminary injunction scheduled to be heard July 25, 2002.

Among other things, the TRO prohibits Muller from serving as an officer or director of SWA and enjoins Muller and others from selling, conveying, transferring or encumbering any shares which Muller controls or in which he has an interest, pending the court's hearing on the application for preliminary injunction. SWA believes the TRO may affect as many as seven million shares or more of SWA stock, as well as Muller's option for 10 million shares and his royalty and other arrangements with SWA.

SWA filed its cross-complaint against Muller and others seeking injunctive relief, disgorgement and financial restitution for a variety of acts and omissions in connection with sales of company stock and other transactions occurring between 1998 and 2002. SWA is also seeking cancellation of such shares and Muller's stock option agreement and royalty arrangement. Among other things, SWA alleges that Muller and certain others sold stock without consideration and without registration under U.S. Securities laws; engaged in self-dealing and entered into various undisclosed related-party transactions; misappropriated for their own use proceeds from sales of SWA stock; and entered into various undisclosed arrangements regarding the control, voting and disposition of their SWA stock.

As expected, the court also approved SWA's settlement and consent with the U.S. Securities and Exchange Commission (SEC). Prior to the court's dismissal of the SEC action against SWA, SWA filed its cross-complaint in the pending SEC action against Muller and others, which is currently before the U.S. District Court for the Southern District of New York.

In a statement issued by SWA President and Chief Executive Officer, Edward Masry, he disclosed that, "SWA's officers believe that we are in possession of enough specific evidence to support the allegations made before the court against Muller and the others and we fully intend to act swiftly and decisively in securing this relief for our shareholders. While we cannot predict the ultimate outcome of this litigation, our new officers and directors firmly believe that our cross-complaint represents the best interests of SWA and its shareholders."

Safe Harbor Statement: The statements contained herein, which are not historical, are forward looking statements that are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in the forward looking statements, including without limitation SWA's ability to complete testing, raise sufficient capital to continue research and development, establish marketing and distribution and obtain customer acceptance of its products, as well as other risks described from time to time in SWA's press releases and filings with the U.S. Securities and Exchange Commission.

CONTACT:           SAVE THE WORLD AIR INC.  
                  EDWARD MASRY, 818/865-3500  
                  inquiries@savetheworldair.com

STWA EXPANDS BOARD OF DIRECTORS

FRIDAY, JUNE 14, 2002 8:01 AM

- BUSINESSWIRE

SAN DIEGO, Jun 14, 2002 (BUSINESS WIRE) -- Save the World Air Inc. (Pink Sheets:ZERO), disclosed today that its Board of Directors appointed five new members to fill vacancies on the board.

The new members are Dr. John Price, Bruce McKinnon, Honorable John Joseph Brown, Joseph Helleis, and Eugene Eichler.

STWA's President, Edward Masry, said that the addition of these new directors is part of STWA's plan to enhance the depth and capability of its management team. "The addition of these new members to our Board of Directors," Masry said, "has provided STWA with a sudden and dramatic infusion of knowledge and experience within the areas of international marketing, financial planning and analysis, corporate accounting and auditing, capital development and product manufacturing and marketing."

As previously announced, STWA has entered into an agreement with the U.S. Securities and Exchange Commission that settles the complaint filed against the company by the SEC in December 2001. The settlement was expected to have been approved by the court at the hearing scheduled for June 12, 2001, but the court has rescheduled that hearing to June 25, 2002, at which time we expect the court will approve the settlement.

Safe Harbor Statement: The statements contained herein, which are not historical, are forward looking statements that are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in the forward looking statements, including without limitation SWTA's ability to complete testing, raise sufficient capital to continue research and development, establish marketing and distribution and obtain customer acceptance of its products, as well as other risks described from time to time in SWTA's press releases and filings with the U.S. Securities and Exchange Commission.

CONTACT:           SAVE THE WORLD AIR INC.  
                  EDWARD MASRY, 818/865-3500, FAX: 818/865-3501