U.S. SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-8 REGISTRATION STATEMENT

Under
THE SECURITIES ACT OF 1933

SAVE THE WORLD AIR, INC.

(Exact Name of Registrant as Specified in Its Charter)

NEVADA (State or Other Jurisdiction of Incorporation or Organization) 52-2088326 (I.R.S. Employer Identification No.)

1285 Avenue of the Americas, 35th Floor New York, NY 10019-6028 (Address of Principal Executive Offices, Including Zip Code)

Consulting Agreements

Legal Services Agreement

(Full Title of the Plan)

Jeffrey A. Muller
1285 Avenue of the Americas, 35th Floor
New York, NY 10019-6028
Tel. (212) 554 4197
(Name, Address, and Telephone Number of Agent for Service)

COPIES TO:
 Iwona J. Alami, Esq.
 Law Offices of Iwona J. Alami
120 Newport Center Drive, Suite 200
 Newport Beach, California 92660
 (949) 760-6880

CALCULATION OF REGISTRATION FEE

Title of Securities to be Registered		Proposed Maximum Offering Price per Share (1)	Proposed Maximum Aggregate Offering Price (1)	Amount of Registration Fee
Common Stock, par value \$0.001	505,000 430,000	\$0.45 (1) \$0.001(2)	\$227 , 250 \$430	\$57.00 \$1.00
		Aggregate Regist	tration Fee	\$58.00

- (1) Computed in accordance with Rules 457(h) and 457(c) under the Securities Act of 1933 solely for purposes of calculating the registration fee based on the the average of the closing bid and ask prices of the common stock (\$0.45) as reflected on NASD'S over-the-counter market on October 10, 2001.
- (2) Such computation is based on the exercise price of \$0.001 per share for shares set forth in the respective Agreements with Dr. H. Campbell and Joseph Dowen.

PART I

INFORMATION REQUIRED IN THE SECTION 10(a) PROSPECTUS

Item 1. Plan Information.*

Item 2. Registrant Information and Employee Plan Annual Information.*

* Information required by Items 1 and 2 of Part I to be contained in the Section 10(a) Prospectus is omitted from the Registration Statement in accordance with Rule 428 under the Securities Act of 1933 and the Note to

PART II

INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

ITEM 3. INCORPORATION OF DOCUMENTS BY REFERENCE.

The following documents filed with the Securities and Exchange Commission (the "Commission") by Save the World Air, Inc. (the "Registrant") are incorporated by reference:

- (i) the Registrant's registration statement on Form 10-SB, as amended; the Registrant's annual report on Form 10-KSB for the fiscal year ended December 31, 2000 and Registrant's quarterly reports on Form 10-QSB for the quarters ended March 31, 2001 and June 30, 2001, filed pursuant to Section 13(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act");
- (ii) the description of the Registrant's Common Stock contained in the Registrant's Registration Statement on Form 10-SB, filed pursuant to Section 12(g) of the Exchange Act, including any amendment or report subsequently filed by the Registrant for the purpose of updating that description.

In addition, any document filed by the Registrant with the Commission pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Exchange Act subsequent to the date hereof, but prior to the filing of a post-effective amendment to this Registration Statement which indicates that all shares of the Registrant's Common Stock registered hereunder have been sold or that deregisters all such shares of Common Stock then remaining unsold, will be deemed to be incorporated by reference herein and to be a part hereof from the date of filing of such documents.

ITEM 4. DESCRIPTION OF SECURITIES.

Not applicable.

ITEM 5. INTERESTS OF NAMED EXPERTS AND COUNSEL.

Certain legal matters with respect to the Common Stock offered hereby will be passed upon for the Company by Law Offices of Iwona J. Alami, counsel to the Company. Iwona J. Alami is entitled to 50,000 shares of Common Stock of the Company pursuant to her retainer agreement with the Company.

ITEM 6. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

The Corporation Laws of the State of Nevada and the Company's Bylaws provide for indemnification of the Company's Directors for liabilities and expenses that they may incur in such capacities. In general, Directors and Officers are indemnified with respect to actions taken in good faith in a manner reasonably believed to be in, or not opposed to, the best interests of the Company, and with respect to any criminal action or proceeding, actions that the indemnitee had no reasonable cause to believe were unlawful. Furthermore, the personal liability of the Directors is limited as provided in the Company's Articles of Incorporation.

ITEM 7. EXEMPTION FROM REGISTRATION CLAIMED.

The Shares were issued for advisory and legal services rendered. These sales were made in reliance of the exemption from the registration requirements of the Securities Act of 1933, as amended, contained in Section 4(2) thereof covering transactions not involving any public offering or not involving any "offer" or "sale".

ITEM 8. CONSULTANTS AND ADVISORS.

The following consultants and advisors will be issued the Company's Common Stock for their respective services, as specified below. <TABLE>

<CAPTION>

<\$>	<c></c>	<c></c>
William D. Lindberg	20,000 shares	Accounting consulting services
Fran Newman	20,000 shares	EDGAR filing services
Iwona J. Alami	50,000 shares	Legal services
Lynette Anne Muller	250,000 shares	Consulting services (administrative)
Michael McInerney	10,000 shares	Consulting services (administrative)
Joseph Dowen	30,000 shares underlying option	Consulting services (video and website design)
Bo Linton	2,500 shares	Consulting services (exhibiting space services)

Susan Soares Cliff H. Wilson Dr. Harold G. Campbell </TABLE>

2,500 shares 150,000 shares

Consulting services (exhibiting space services) Consulting services (office and management) 400,000 shares underlying option Consulting services (management)

ITEM 8. EXHIBITS

- *3.1 Articles of Incorporation of Mandalay Capital Corp.
- *3.2 Articles of Amendment to the Articles of Incorporation of Mandalay Capital Corp.
- *3.3 Bylaws of Save the World Air, Inc.
- 4.1 Specimen Common Stock Certificate (incorporated by reference to the Registrant's Registration Statement on Form 10-SB).
- Opinion of Counsel as to the legality of securities being registered. Letter Agreement with Law Offices of Iwona J. Alami dated October 25, *10.1 2000 regarding the issuance of stock.
- Consulting Services Agreement with Lynette Anne Muller. 10.2
- 10.3 Agreement with Michael McInerney
- 10.4 Agreement with Joseph Dowen
- 10.5 Letter Agreement with Bo Linton and Susan Soares
- 10.6 Agreement with Cliff H. Wilson
- 10.7 Letter Agreement with Dr. Harold G. Campbell
- 23.1 Consent of Independent Public Accountants.
- Consent of Legal Counsel (included in Exhibit 5). 23.2

* Previously filed with the Securities Exchange Commission as exhibits to registration statement on Form 10-SB, as amended.

ITEM 9. UNDERTAKINGS.

- (a) The undersigned Registrant hereby undertakes:
- (1) To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement to include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement.
- (2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial BONA FIDE offering thereof.
- (3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.
- (b) The undersigned Registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the Registrant's Annual Report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the Registration Statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial BONA FIDE offering thereof.
- (c) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that is meets all of the requirements for filing on Form S-8 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Carrara, Australia, on October 10, 2001.

SAVE THE WORLD AIR, INC.

/s/ Jeffrey A. Muller

By: Jeffrey A. Muller Its: President

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

/s/ Jeffrey A. Muller

President and Director

Jeffrey A. Muller

[LAW OFFICES OF IWONA J. ALAMI LETTERHEAD]

Securities and Exchange Commission Division of Corporate Finance Washington, D.C. 20549

Re: Save the World Air, Inc.

Ladies and Gentlemen:

This office represents Save the World Air, Inc., a Nevada corporation (the "Registrant") in connection with the Registrant's Registration Statement on Form S-8 under the Securities Act of 1933 (the "Registration Statement"), which relates to the resale of up to 20,000 shares of common stock by William D. Lindberg in accordance with a Letter Agreement between the Registrant and Mr. Lindberg (the "Lindberg Shares"), the resale of up to 20,000 shares by Fran Newman in accordance with a Letter Agreement between the Registrant and Fran Newman (the "Newman Shares"), the resale of up to 50,000 shares of common stock by Iwona J.Alami, the Registrant's legal counsel (the "Alami Shares"), the resale of up to 250,000 shares by Lynette Anne Muller in accordance with a Consulting Services Agreement between the Registrant and Lynette Anne Muller (the "Muller Shares"), the resale of up to 10,000 by Michael McInerney in accordance with an Agreement between the Registrant and Michael McInerey (the "McInerney Shares"), the resale of up to 30,000 shares of common stock issuable upon an option by Joseph Dowen in accordance with an Agreement between the Registrant and Joseph Dowen (the "Dowen Shares"), the resale of up to 2,500 shares of common stock by Bo Linton in accordance with a Letter Agreement between the Registrant and Bo Linton (the "Linton Shares"), the resale of up to 2,500 shares of common stock by Susan Soares in accordance with a Letter Agreement between the Registrant and Susan Soares (the "Soares Shares"), the resale of up to 150,000 shares of common stock by Cliff H. Wilson in accordance with a Agreement between the Registrant and Cliff H. Wilson (the "Wilson Shares") and the resale of up to 400,000 shares of common stock issuable upon an exercise of an option by Dr. Harold G. Campbell in accordance with a Consulting Agreement between the Registrant and Dr. Harold G. Campbell (the "Campbell Shares") For purposes hereinafter, the Lindberg Shares, Newman Shares, Alami Shares, Muller Shares, McInerney Shares, Dowen Shares, Linton Shares, Soares Shares, Wilson Shares and Campbell Shares are collectively referred to as the "Registered Securities." In connection with our representation, we have examined such documents and undertaken such further inquiry as we consider necessary for rendering the opinion hereinafter set forth.

For purposes of this opinion, we have examined originals or copies, certified or otherwise identified to our satisfaction, of the applicable agreements and of such other documents, corporate records, certificates of public officials and other instruments relating to the adoption and implementation of the agreements as we deemed necessary or advisable for purposes of this opinion. In our examination, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals, the conformity to originals of all documents submitted to us as certified, photostatic or conformed copies, and the authenticity of originals of all such latter documents. We have also assumed the due execution and delivery of all documents where due execution and delivery are prerequisites to the effectiveness thereof.

Based on the foregoing examination, we are of the opinion that the Registered Securities are duly authorized and, when issued as set forth in the Registration Statement, will be validly issued, fully paid and nonassessable.

We consent to the filing of this opinion as an exhibit to the Registration Statement and to all references therein to our firm.

By giving you this opinion and consent, we do not admit that we are experts with respect to any part of the Registration Statement or Prospectus within the meaning of the term "expert" as used in Section 11 of the Securities Act of 1933, as amended, or the rules and regulations promulgated thereunder, nor do we admit that we are in the category of persons whose consent is required under Section 7 of said Act.

Law Offices of Iwona J. Alami

/s/ Iwona J. Alami

CONSULTING SERVICES AGREEMENT

This agreement was entered into on June 1, 2001 by and between Save the World Air Inc. (the "Company") located at 19-21 Garden Grove, Carrara 4211 Qld Australia and Mrs. Lyn Muller of the same address.

Mrs. L. Muller has a background in secretarial and office administration and shall provide services to the COMPANY as an independent consultant and subsequently shall make herself available to consult with the Board of Directors, any employees and representatives and agents of the COMPANY at reasonable times, concerning matters pertaining to the overall business administrative and secretarial operations of the COMPANY as well as the organization of any administrative staff of the COMPANY and is willing to provide secretarial services to the COMPANY.

The term of this Agreement shall be initially for one (1) year, renewable upon written consent of both parties. It is acknowledged and agreed that no other conditions apply to this agreement and it is further acknowledged and agreed that remuneration for said services is irrevocable, however, if Ms. Muller terminates this Agreement prior to its expiration, she shall return to the Company an unearned pro-rata number of shares.

Pursuant to this Agreement, it is acknowledged and agreed by the Company that Ms. Muller carries no professional licenses, and is not agreeing to act as a market maker or render legal advice or perform accounting services, nor act as an investment advisor or broker-dealer within the meaning of applicable state and federal securities laws. It is further acknowledged and agreed by the Company that the services provided to the Company are not rendered in connection with the offer and sale of Securities in a capital raising transaction. Ms. Muller shall provide services to Company as an administrative/secretarial consultant and make herself available to consult with the board of directors, employees and representatives and agents of the Company at reasonable times, concerning matters pertaining to the overall business administration of the Company, as well as the organization of any administrative staff of the Company. Ms. Muller shall also assist in the coordination of administrative activities.

Ms. Muller will not perform any activities that could subject her or Company to violations of Federal or applicable state securities law.

It is agreed that in remuneration for those consulting services, Lyn Muller shall receive two hundred and fifty thousand shares of Save the World Air, Inc. (Symbol: ZERO), issued in the name of Lynette Anne Muller.

Signed and Agreed by the Parties:

/s/ Lynette Anne Muller	/s/ Jeffrey Muller
Lynette Anne Muller	Mr. Jeffrey Muller, Chairman Save the World Air Inc.

AGREEMENT

Dated this 1st Day of October 1999, between Michael McInerney of 10433 Wilshire Blvd., Westwood, Los Angeles, CA 90024 & Save the World Air Inc., (STWA).

Michael McInerney to act as a consultant for the company and supply a Los Angeles address for STWA mail and to supply fax and phone numbers for STWA and to pass on all such mail and messages to STWA as it arrives.

This agreement is for a period of two years from today's date.

Michael McInerney has accumulated, as a part of this agreement, various expenses including travel, automobile, etc.

Remuneration for the abovementioned services is to be 10,000 S-8 shares in STWA at .60c in lieu of his services.

Pursuant to this agreement, it is acknowledged and agreed by the Company that consultant carries no professional licenses, and is not agreeing to act as a market maker or render legal advice or perform accounting services, nor act as an investment advisor or broker-dealer within the meaning of applicable state and federal securities laws. It is further acknowledged and agreed by the Company that the services provided to the Company are not rendered in connection with the offer and sale of Securities in a capital raising transaction. Consultant does not undertake as part of this Agreement to provide loans, investments or financing for the Company. Consultant will not perform any activities that could subject Consultant or Company to violations of Federal or applicable state securities law. Consultant is not engaged to act as agent, broker, underwriter, or market maker for the securities of the Company.

Signed and agreed

/s/ Michael McInerney
-----Michael McInerney

/s/ Jeffrey A. Muller
------Jeffrey A. Muller
Chairman, Save the World Air, Inc.

AGREEMENT

Dated this 15th Day of January 1999, between Joseph Dowen of Terracourt Pty Ltd & Save the World Air Inc., (STWA).

Dowen to act as a consultant for the company and supply corporate video production & editing and original words and music for the company's theme song. Also work on the company's web site including design and production.

This agreement is for a period of two years from today's date.

Remuneration for the abovementioned services is to be 30,000 S-8 share options in STWA at .001c in lieu of his services.

Pursuant to this agreement, it is acknowledged and agreed by the Company that consultant carries no professional licenses, and is not agreeing to act as a market maker or render legal advice or perform accounting services, nor act as an investment advisor or broker-dealer within the meaning of applicable state and federal securities laws. It is further acknowledged and agreed by the Company that the services provided to the Company are not rendered in connection with the offer and sale of Securities in a capital raising transaction. Consultant does not undertake as part of this Agreement to provide loans, investments or financing for the Company. Consultant will not perform any activities that could subject Consultant or Company to violations of Federal or applicable state securities law. Consultant is not engaged to act as agent, broker, underwriter, or market maker for the securities of the Company.

Signed and agreed

/s/ Joseph H. Dowen

Joseph H. Dowen

/s/ Jeffrey A. Muller

Jeffrey A. Muller

Chairman, Save the World Air, Inc.

EXHIBIT 10.5

May 28, 2001

This letter is the agreement between the parties Bo Linton and Susan Soares hereafter referred to as "ICG" and Save the World Air, Inc. and Jeff Muller hereafter referred to as the "Company". ICG provided services to the Company in March by providing exhibiting space and promotional services at their Networking evernt at the Reata Restaurant in Beverly Hills for which Company currently owes ICG a total of 3,572 free-trading shares. Furthermore, ICG will provide further services at the same type of event on June 13th, 2001 for an additional 1,428 free-trading shares.

The Company now agrees to issue 2,500 free-trading shares each to Bo Linton and Susan Soares for the consideration outlined above within 30 days from this date.

Acknowledged and Agreed to by

/s/ Jeff Muller	May 28th, 2001
Jeff Muller, Save the World Air, Inc.	date
Bo Linton [ssn here]	2,500 free-trading shares
Susan Soares [ssn here]	2,500 free-trading shares
	5,000 total free-trading shares

AGREEMENT

This Agreement was put together on March 23, 2001, and is made effective as of October 1, 2001 by and between Save The World Air, Inc. of 1285 Avenue of the Americas, 35th Flr, New York NY 10019-6028, and Universal Consulting & Business Services, Inc., of 801 W.State Rd. 436 Suite 2023, Altamonte Springs, Florida 32714

In this Agreement, the party who is contracting to receive services shall be referred to as "STWA", and the party who will be providing the services shall be referred to as "Universal Consulting".

STWA desires to have services provided by Universal Consulting.

Therefore, the parties agree as follows:

1. DESCRIPTION OF SERVICES. Beginning on October 10, 2001, Universal Consulting will provide the following services for a period of two years (collectively, the "Services"): Universal Consulting will provide STWA with a Florida office which includes phones, faxes and computers and qualified staff to maintain the running of that office on a daily basis and taking STWA product orders. Further will provide efficient service and as an independent management consultant and subsequently shall make itself available to consult with the board of directors, employees and representatives and agents of the Client at reasonable times, concerning matters pertaining to the overall business and financial operations of the Client, as well as the organizations of the administrative staff of the Client, the fiscal policy of the Client, and is willing to provide services to STWA based on this background. Pursuant to this agreement, it is acknowledged and agreed by the Client that consultant carries no professional licenses, and is not agreeing to act as a market maker or render legal advice or perform accounting services, nor act as an investment advisor or broker-dealer within the meaning of applicable state and federal securities laws. It is further acknowledged and agreed by the Client that the services to be provided to the Client is not considered to be rendered in connection with the offer and sale of Securities in a capital raising transaction. Consultant will also assist in the coordination activities and assist in the development and management of the Client's, worldwide web based systems in support of marketing, sales, and information distribution. Under the terms of this section of the agreement, the Client will be granted ownership all software and related intellectual assets developed by the Consultant in support of the web based systems for the Client.

Consultant may, at the request of the Client, assist in the preparation of written reports on financial or accounting matters, review final information, analyze markets and report to the Client's Chairman of the Board of Directors or Chief Executive Officer or President or a Vice President or Treasurer on proposed acquisition opportunities, and develop short and long term strategic business plans. In addition, Consultant shall provide liaison services to the Client with respect to the Client's relationships with unaffiliated third parties. Consultant does not undertake as part of this Agreement to provide loans, investments or financing for the Client. Consultant will not perform any activities that could subject Consultant or Client to violations of Federal or applicable state securities law. Consultant is not engaged to act as agent, broker, underwriter, or market maker for the securities of the Client. Consultant further represents and warrants to the Client that neither Cliff H. Wilson nor Universal Consulting & Business Services, Inc. are affiliates or employees of any underwriter, market maker, or broker. Consultant will also maintain and run an office on the behalf of Save The World Air, Inc. for the duration of this agreement.

- 2. PERFORMANCE OF SERVICES. The manner in which the Services are to be performed during normal business hours and STWA will rely on Universal Consulting to work as many hours as may be reasonably necessary to fulfill Universal Consulting's obligations under this Agreement.
- 3. PAYMENT. STWA will pay a fee to Universal Consulting for the remuneration for these services, Universal Consulting & Business Services, Inc. will receive one hundred fifty thousand (150,000) S8 shares from Save the World Air, Inc. (Symbol: ZERO), to be issued in the name of Cliff H. Wilson (SSN# ###-####).

- 4. EXPENSE REIMBURSEMENT. Universal Consulting shall pay all "out-of-pocket" expenses, and shall not be entitled to reimbursement from STWA. Universal Consulting shall pay for, maintain and run the Florida office as described above for STWA for the duration of this agreement.
- 5. NEW PROJECT APPROVAL. Universal Consulting and STWA recognize that Universal Consulting's Services will include working on various projects for STWA. Universal Consulting shall obtain the approval of STWA prior to the commencement of a new project.
- 6. TERM/TERMINATION. This Agreement shall be effective for a period of two years after the date payment is received.
- 7. RELATIONSHIP OF PARTIES. The parties understand that Universal Consulting is an independent contractor with respect to STWA, and not an employee of STWA. STWA will not provide fringe benefits, including health insurance benefits, paid vacation, or any other employee benefit, for the benefit of Universal Consulting or its staff.
- 8. RETURN OF RECORDS. Upon termination of this Agreement, Universal Consulting shall deliver all records, notes, data, memoranda, models, and equipment of any nature that are in Universal Consulting's possession or under Universal Consulting's control and that are STWA's property or relate to STWA's business.
- 9. NOTICES. All notices required or permitted under this Agreement shall be in writing and shall be deemed delivered when delivered in person or deposited in the United States mail, postage prepaid, addressed as follows:

IF for STWA:

Save The World Air, Inc.
Jeff Muller
Chairman of the Board
1285 Avenue of the Americas,
35th Flr, New York NY 10019-6028

IF for Universal Consulting:

Universal Consulting & Business Services, Inc. Clifford H. Wilson President 801 W.State Rd. 436 Suite 2023 Altamonte Springs, Florida 32714

Such address may be changed from time to time by either party by providing written notice to the other in the manner set forth above.

- 10. ENTIRE AGREEMENT. This Agreement contains the entire agreement of the parties and there are no other promises or conditions in any other agreement whether oral or written. This Agreement supersedes any prior written or oral agreements between the parties.
- 11. AMENDMENT. This Agreement may be modified or amended if the amendment is made in writing and is signed by both parties.
- 12. SEVERABILITY. If any provision of this Agreement shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Agreement is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.
- 13. WAIVER OF CONTRACTUAL RIGHT. The failure of either party to enforce any provision of this Agreement shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Agreement.
- 14. APPLICABLE LAW. This Agreement shall be governed by the laws of the State of Florida.

Party receiving services: Save The World Air, Inc.

By: /s/ Jeff Muller

Jeff Muller Chairman of the Board

Party providing services: Universal Consulting & Business Services, Inc.

By: /s/ Clifford H. Wilson

Clifford H. Wilson

President

EXHIBIT 10.7

September 25, 2001

From: Dr. Hal Campbell, President Campbell and Associates

To: Mr. Jeff Muller, CEO Save the World Air, Inc.

Subject: Letter of Agreement

- 1. This letter of agreement is written to specify and confirm the terms and conditions of the consulting agreement between Campbell and Associates (Consultant) and Save the World Air Incorporated (Company), which is entered into on this date for a period of two years from the date of this agreement. It is acknowledged and agreed that no other conditions apply to this agreement and it is further acknowledged and agreed that remuneration for said services is irrevocable, however, if this Agreement is terminated prior to the expiration of the two year term by the Consultant, then the Consultant shall return to the Company the pro-rata amount of shares or options for the period during which the Consultant did not render any services. Should the Company elect to cancel or terminate this Agreement for any reason, it is understood and agreed that the Consultant shall retain ownership of the total amount of shares or options issued under this agreement and that the Company shall make no effort to revoke said shares or options.
- 2. Pursuant to this agreement, it is acknowledged and agreed by the Company that consultant carries no professional licenses, and is not agreeing to act as a market maker or render legal advice or perform accounting services, nor act as an investment advisor or broker-dealer within the meaning of applicable state and federal securities laws. It is further acknowledged and agreed by the Company that the services to be provided to the Company are not considered to be rendered in connection with the offer and sale of Securities in a capital raising transaction. Consultant shall provide services to Company as an independent management consultant and subsequently shall make itself available to consult with the board of directors, employees and representatives and agents of the Company at reasonable times, concerning matters pertaining to the overall business operations of the Company, as well as the organizations of the administrative staff of the Company, the fiscal policy of the Company, and in general, concerning any problem of importance concerning the business affairs of the Company. Consultant will also assist in the coordination of activities and assist in the development and management of the Company's, worldwide web based systems. Under the terms of this section of the agreement, the Company will be granted ownership of all software and related intellectual assets developed by the Consultant in support of the web based systems for the Company.
- 3. Consultant does not undertake as part of this Agreement to provide loans, investments or financing for the Company. Consultant will not perform any activities that could subject Consultant or Company to violations of Federal or applicable state securities law. Consultant is not engaged to act as agent, broker, underwriter, or market maker for the securities of the Company. Consultant further represents and warrants to the Company that neither Dr. Campbell nor Campbell and Associates are affiliates or employees of any underwriter, market maker, or broker.
- 4. It is agreed that in remuneration for these services, Campbell and Associates will receive four hundred thousand shares of options for Save the World Air, Inc. (Symbol: ZERO), issued in the name of Harold G. Campbell (SSN# ###-#####). These options are to be issued at an exercise price of .001 cents per share (the bid price per share as of April 19, 2001).

/s/ Dr. Harold G. Campbell

/s/ Mr. Jeff Muller

HOIBERG BUSINESS GROUP

1 October 2001

To Board of Directors Save the World Air, Inc.

We hereby consent to the use incorporated by reference in this Form S-8 of our Report dated April 15, 2001, relating to the consolidated financial statements of Save the World Air, Inc. and consolidated subsidiaries.

Yours Faithfully,

/s/ Kevin Hoiberg

KEVIN HOIBERG Auditor

HBG Pty Ltd ABN 91 939 940 251
(as trustee for the Hoiberg Business Group Discretionary Trust)
PO Box 701, Maroochydore, Qld 4558
Suite 19, Plaza Home Centre, 27 Evans Road, Maroochydore, Qld 4558
Tel 07 5443 7600 Fax 07 5443 2435 Email admin@HBG.com.au