

Agreement

Between on one side McGordons Ltd, a Cyprus corporation incorporated in Cyprus 1998 with its domicile address at TRIANTAFYLLIDES BUILDING Capital Center, P.O. Box 1255, 1505 Nicosia, CYPRUS Reg No: Ministry of Commerce H.E. 96494, herein represented by its Director Lars Olof Kanningard, resident in Dubai, Royal Suited, Deira, UAE and on the other hand Lars Olof Kanningård 5610080235, herein referred to as LOK and Marinelle Kanningård 7709229384, herein referred to as MRK and collectively hereinafter referred to as Property Owners.

Background

The Property Owners are in the stage to inquire some properties in Sweden, Bullerbo in the Municipality of Sollefteå.

McGordons Ltd are planning to establish a fully owned subsidiary in the Municipality of Sollefteå and the name will be Bullerbo AB, hereinafter referred to as BAB.

McGordons intend with its initiative to build up a recreation centre and a wide range of activities around Bullerbo and as well operate other commercial activities related to the aim with the business.

Appointments

McGordons appoint LOK to assist in any financial transaction and on behalf of McGordons or its future subsidiary arrange, purchase and be in charge for creation of the project of Bullerbo. Any purchase done up to the time the new entity Bullerbo AB is legally incorporated are made on behalf of the entity who will hold this operation. This appointment also spans the responsibility to initiate agreement with contractors and suppliers as well as it cover the responsibility to build up necessary vehicles or tools needed to operate the project and make needed comfortable utilities for its future guests.

As soon as the BAB is incorporated, and no later than second quarter 2003 a General Manager who is living in Sweden shall be appointed to take charge for the day to day operation.

LOK shall also under this appointment arrange so that book keeping and regular reports to the authorities are being handled via a professional accounting company.

Lease Agreement

It has been agreed that the new entity Bullerbo AB under incorporation, hereinafter referred to as BAB, will Lease the land and the buildings, except for the main building at Bullerbo 1:1 from the Property Owners, to be contracted for a long term lease agreement, whereas BAB will be responsible for maintaining and rebuilding or construct new houses or facilities on the properties to fit its long term plans as well as arrange proper equipment, approvals and stands for all the cost associated to the project plans and operational cost. BAB will also pay all running cost and shall either pay insurances and other fees indirect or directly connected with its operation and those properties. At the time houses are properly made suitable to be rented-out BAB will start to rent out the facilities according to its business plan approved by its board.

Investments

McGordons Ltd will as the owner to BAB keep a special line of cash available to make the needed Investments as well as for operational cost or any other cost related the establishment of the project Bullerbo. BAB will also pay any legal cost or any other cost related to land or land-consolidation cost or any other cost related any experts or advisers who may be brought in to assist the project.

The shareholders loan or contribution from McGordons is given to BAB on conditions which will be detailed agreed between BAB and McGordons as soon as the company is incorporated. Any investments in inventories or any other fixed assets paid by funds from McGordons are pledged to McGordons and BAB can not give out our change those rules, without prior written approval from McGordons Ltd.

This agreement is valid up to the time the parties has signed new agreement and any disputed will be settled by good-man practices.

This Agreement has been signed in June of 2001 in-between the parties who has taken each an original copy as well as it has been signed two extra original copies to be used for official use if needed.

June 12, 2001


For McGordons Ltd

Lars Olof Känngård

Property Owners


Marinelle Känngård


Lars Olof Känngård