concert—Need 1 or more investors to raise \$100k for Jaheim, Tank, Ginuwine concert. Potential gross \$580k. Earn 50% return on your investment w/sell-out show. 301-785-4661.

1ST MEETING DEC 9, 2002 WAFFLE HOUSE DUMFRIES, VA

From:

To:

"Alberto Medina López" <alberto252@hotmail.com>
"MEGACONCERTS" <MEGACONCERTS@aol.com>

Sent:

Thursday, December 19, 2002 10:14 AM

Subject:

Title Search

Dear Mr. Hurley:

In order to help you to accelerate the title search proceedings, keep in mind the following:

The fist step to check my title in Puerto Rico is to check the volume Number 2 of Loiza, page 65, inscription number 8th (the last) in the 3rd Section of the Registry of Property in Carolina Puerto Rico USA.

Now then, if you note that the Registry has the intention to hide the aforesaid volume number 2 in order to block your efforts, please, check the Book of Operations number 137 page (seat) number 87 in the same government office. In that Book you will see when I made my title presentation on the date of July 13, 2001 at 2:37PM, and also, a certification evidencing that my title was finally recorded in the aforesaid volume 2. Also, you can call VERY DISCRETELY the title search companies that made the two past title searches.

TITLE SECURITY GROUP, INC.
50 Bolivia Street
San Juan Puerto Rico 00917-2120
Tel. 787-756-7400 Fax 787-756-7835 Toll Free 1-888-879-9979

JUSTO GARCIA INIGUEZ, INC. 454 Fernando Calder San Juan Puerto Rico 00918-2730 Tel. 787-753-0555 Fax 787-250-1853

Finally, if you want to check how the mortgage industry operates in Puerto Rico, you can check various 10K - SEC - EDGAR Puerto Rico's mortgage companies public statements, like for example, regarding GE CAPITAL COMMERCIAL MORTGAGE CORP, this company mentioned:

CERTAIN LEGAL ASPECTS OF MORTGAGED LOANS FOR MORTGAGED PROPERTIES LOCATED IN PUERTO RICO

Commercial mortgage loans in Puerto Rico are generally evidenced by the execution of a promissory note in favor of the mortgagee and a "mortgage note" payable to the bearer thereof is then pledged to the mortgagee as security for the promissory note. The mortgage note in turn is secured by a deed of mortgage on certain real property of the mortgagor. Priority between mortgage instruments depends on their terms and generally on the order of filing with the appropriate Registry of Property of Puerto Rico. Foreclosure of a mortgage in Puerto Rico is generally accomplished by judicial action. The action is initiated by the service of legal pleadings upon all parties having an interest in the real property. The costs of foreclosure would reduce the proceeds from a foreclosure sale available to satisfy the Mortgage Loan. At the completion of the judicial foreclosure proceedings, if the mortgagee prevails, the court generally issues a judgment of foreclosure and appoints a marshal or other court officer to conduct the sale of the property. The purchaser at such sale acquires the estate or interest in real property covered by the mortgage. The courts of Puerto Rico will enforce clauses providing for acceleration in the event of a material payment default after giving effect to any appropriate notices.

PUERTO RICO/UNITED STATES RELATIONSHIP

The Commonwealth of Puerto Rico is an unincorporated territory of the United States. The provisions of the United States Constitution and laws of the United States apply to the Commonwealth of Puerto Rico as determined by the United States Congress and the continuation or modification of current federal law and policy applicable to the Commonwealth of Puerto Rico remains within the discretion of the United States Congress.

PROPERTY INSURANCE

All of the mortgage loans require the related borrower to maintain, or cause to be maintained, property insurance. However, the mortgaged properties may suffer casualty losses due to risks which were not covered by insurance or for which insurance coverage is inadequate. In addition, approximately 19.99%, 9.23%, 7.62% and 1.43% of the mortgaged properties, by aggregate principal balance of the pool of mortgage loans as of the cut-off date, are located in California, Florida, Texas and Puerto Rico, respectively, areas that have historically been at greater risk regarding acts of nature (such as earthquakes, floods and hurricanes) than other states. We cannot assure you that borrowers will be able to maintain adequate insurance. Moreover, if reconstruction or any major repairs are required, changes in laws may materially affect the borrower's ability to effect any reconstruction or major repairs or may materially increase the costs of the reconstruction or repairs.

As a result of any of the foregoing, the amount available to make distributions on your certificates could be reduced.

ZONING COMPLIANCE AND USE RESTRICTIONS

Certain of the mortgaged properties may not comply with current zoning laws, including density, use, parking and set back requirements, due to changes itomistical in zoning requirements after such mortgaged properties were considered to be a riegal non-conforming user anglor the riegal permits issued, are considered to be "legal non-conforming structures". This means that the borrower is not required to alter its structure to comply with the existing or new law; however, the borrower may not be able to rebuild the premises "as is" in the event of a substantial casualty loss. This may adversely affect the cash flow of the property following the loss. If a substantial casualty were to occur, we cannot assure you that insurance proceeds would be available to pay the mortgage loan in full. In addition, if the property were repaired or restored in conformity with the current law, the value of the property or the revenue-producing potential of the property may not be equal to that before the casualty.

In addition, certain of the mortgaged properties which are non-conforming may be in violation of applicable zoning laws although the mortgage loan sellers are not aware of any such violations that are material. The failure of a mortgaged property to comply with zoning laws or to be a "legal non-conforming use" or "legal non-conforming structure" may adversely affect market value of the mortgaged property or the borrower's ability to continue to use it in the manner it is currently being used, or subject the borrower to other penalties prescribed by applicable zoning laws.

Certain of the mortgaged properties may be subject to certain use restrictions imposed pursuant to reciprocal easement agreements or operating

agreements. Such use restrictions could include, for example, limitations on the character of the improvements or the properties, limitations affecting noise and parking requirements, and limitations on the borrowers' right to operate certain types of facilities within a prescribed radius, among other things. These limitations could adversely affect the ability of the related borrower to lease the mortgaged property on favorable terms, thus adversely affecting the borrower's ability to fulfill its obligations under the related mortgage loan.

If you want more info., please, see http://www.freeedgar.com/search/ViewFilingsData.asp?
<a href="mailto:CIK=1123730&Directory=950136&Year=01&SECIndex=707&Extension=.tst&PathFlag=0&nStartLoc=1175&nEnc

Regards,

Alberto Medina 703-868-4754 703-680-4369 alberto252@hotmail.com

VENTURE CAPITAL REAL ESTATE COLLATERAL AGREEMENT

This Venture Capital Real Estate Collateral Agreement, made this ______day of December, 2002, by and between MEGA PRODUCTIONS, INC. T/A MEGA CONCERTS (hereinafter "Promoter") and Alberto Medina Lopez (hereinafter "Collateral Provider").

RECITALS

WHEREAS, the Promoter is engaged in the business of promoting concerts and other forms of entertainment; and

WHEREAS, the Collateral Provider is a Real Estate Owner seeking to provide money to the Promoter by providing part of his real estate ownership rights for the Promoter to secure venture capital loans; and

WHEREAS, the Promoter has advised to the Collateral Provider that using part of his real estate ownership rights to secure loans to the Promoter is risky, even, may contemplate the collateral's provided total loss; and

WHEREAS, the Collateral Provider has represented to the Promoter that the Collateral Provider is a sophisticated individual and is aware of the risk associated with using part of his real estate ownership rights to secure loans to be made by the Promoter; and

WHEREAS, at present, the Promoter is promoting two separate concert tours, one concert tour to be held in twenty (20) separate venues throughout the United States of America during the months of January through June of the year two thousand three (2003), and, the other concert tour, to be held in twenty (20) separate venues throughout the United States of America during the months of July through December of the year two thousand three (2003); and

WHEREAS, it has been projected by the Promoter, that based on a One Hundred Percent (100%) sellout markup in each one of the twenty separate venues to be held semi-annually, both concert tours have the potential to generate jointly at least net profits for a total amount of U.S. thirteen million dollars (\$13,000,000); and

WHEREAS, the Promoter has represented to the Collateral Provider that the overall capital required to fund each concert tour semi-annually is approximately U.S. six million dollars (\$6,000,000), and once that capital is raised using the aforesaid limited Collateral Provider's real estate ownership rights as collateral to secure the loan or loans, the Collateral Provider will receive immediately from the Promoter the ten percent (10%) of the total amount of any raised capital per each one separate project-venue in the same act of signing the loan's legal documents.

NOW THEREFORE, in consideration of the mutual promises contained herein, the parties hereto agree to comply with all the following contractual clauses under the following terms and conditions:

- 1. At present, the Collateral Provider is the absolute and sole owner of the Property Number Fifty Seven (57) of Loiza, known as Farm John Perez, with an area of Eight Hundred Twenty Six (826) acres of raw land, equivalent in the metric system to three million three hundred forty thousand eight hundred thirty six point twenty six square meters (3,340,836.2600), located on the municipality of Loiza, Puerto Rico USA, State Road number one hundred eighty seven (187), between the kilometers numbers ten point three (10.3) and twelve point three (12.3).
- 2. The aforesaid immovable property is recorded in favor to the Collateral Provider in the page number sixty five (65) of volume number two (2) of Loiza, eighth and last inscription, in the third section of the Property of Registry of the municipality of Carolina, Puerto Rico USA under the following AD VERBATIM description in Spanish language: Rústica: Estancia denominada "Juan Pérez" sita en el Barrio de Montenegro de la jurisdicción de Loíza, compuesta de ochocientas (cuerdas) digo, cincuenta cuerdas de terreno colindante al Norte con el Mar, al Sud la Hacienda de Don Teodoro Chevremont, al Este terrenos de la Hacienda Pública y al Oeste la Hacienda denominada Piñones.
- 3. The Collateral Provider, hereby agrees, to allow the Promoter to use as immovable collateral to secure his loan or loans for a period of thirty (30) years commencing from the day and date first written above, ONLY, a limited percentage of his one hundred percent (100%) real estate ownership rights in the aforesaid immovable property, until now, unknown the exact percentage, never exceeding the maximum amount of U.S. FIFTY MILLION DOLLARS (\$50,000,000) as equivalent.
- 4. In order to know the real market value of the aforesaid property, the Collateral Provider authorizes the Promoter to make an official title search, a land surveying and a certified appraisal of such property in the next sixty (60) days.
- 5. The Promoter will make the aforesaid title search, the land surveying and the appraisal at his completely entire risk and cost.
- 6. In order to accelerate the proceedings; and due to the fact that the proceedings will take at least two months to be completed; and will require to invest a considerable amount of time in long lasting meetings, the Promoter agree to pay an up front fee of U.S. FIVE THOUSAND DOLLARS (\$5,000) to the Collateral Provider to cover his expenses in that period of time; Two thousand dollars (U.S.\$2,000.00) to be paid immediately in the same act of signing this agreement and three thousand dollars (U.S.\$3,000.00) to be paid to the Collateral Provider immediately upon verification and certification of title search, land surveying, and appraisal. That amount will be non refundable and will be applicable to the first benefits that the Collateral Provider will receive.
- 7. If after completed those aforesaid proceedings, result that the property's appraisal value is U.S. FIFTY MILLION DOLLARS (\$50,000,000), the Promoter will be limited to use as maximum to secure his loans ONLY the forty (40%) percent of the Collateral Provider's one hundred percent (100%) real estate ownership rights.
- 8. If after completed those aforesaid proceedings, result that the property's appraisal value is U.S. ONE HUNDRED MILLION DOLLARS (\$100,000,000), the Promoter will be limited to use as maximum to secure his loans ONLY the thirty five (35%) percent of the Collateral Provider's one hundred percent (100%) real estate ownership rights.
- 9. If after completed those aforesaid proceedings, result that the property's appraisal value is U.S. ONE HUNDRED FIFTY MILLION DOLLARS (\$150,000,000), the Promoter

- will be limited to use as maximum to secure his loans ONLY the thirty (30%) percent of the Collateral Provider's one hundred percent (100%) real estate ownership rights.
- 10. If after completed those aforesaid proceedings, result that the property's appraisal value is U.S. TWO HUNDRED MILLION DOLLARS (\$200,000,000), the Promoter will be limited to use as maximum to secure his loans ONLY the twenty five (25%) percent of the Collateral Provider's one hundred percent (100%) real estate ownership rights.
- 11. If after completed those aforesaid proceedings, result that the property's appraisal value is U.S. TWO HUNDRED FIFTY MILLION DOLLARS (\$250,000,000) or MORE, the Promoter will be limited to use as maximum to secure his loans ONLY the twenty (20%) percent of the Collateral Provider's one hundred percent (100%) real estate ownership rights, but always, with the limitation of never to exceed the maximum amount of U.S. FIFTY MILLION DOLLARS (\$50,000,000) as collateral equivalent value.
- 12. The Collateral Provider will have the right to sell and/or offer as a loan warranty at any time this income producing contract to third parties, but the Promoter will still reserve the right to use the property as immovable collateral to secure loans for a period of thirty years and will have the first option to buy it and be a property's co-owner.
- 13. The Collateral Provider will receive from the Promoter the ten percent (10%) of all and of ANY total amount raised capital per EACH separate project, separate venue and/or from of any other purpose or business in which the Promoter use the offered collateral, immediately in the same act, place and time when both and/or their agents signing the loan's legal related documents. For example, per each one U.S. ONE DOLLAR (\$1.00) raised capital, the Collateral Provider will receive immediately from the Promoter the ten percent (10%) of that amount, equal to U.S. TEN CENTS (\$0.10); per each U.S. ONE THOUSAND DOLLARS (\$1,000.00) raised capital, the Collateral Provider will receive immediately from the Promoter the ten percent (10%) of that amount, equal to U.S. ONE HUNDRED DOLLARS (\$100.00); per each U.S. ONE HUNDRED THOUSANDS DOLLARS (\$100,000.00) raised capital, the Collateral Provider will receive immediately from the Promoter the ten percent (10%) of that amount, equal to U.S. TEN THOUSAND DOLLARS (\$10,000.00); per each U.S. ONE MILLION DOLLARS (\$1,000,000.00) raised capital, the Collateral Provider will receive immediately from the Promoter the ten percent (10%) of that amount, equal to U.S. ONE HUNDRED THOUSAND DOLLARS (\$100,000.00); and, per each U.S. TEN MILLION DOLLARS (\$10,000,000.00) raised capital, the Collateral Provider will receive immediately from the Promoter the ten percent (10%) of that amount, equal to U.S. ONE MILLION DOLLARS (\$1,000,000.00).
- 14. Is clear, that the Collateral Provider will not receive from the Promoter benefits or profits from the concerts tour businesses. The Collateral Provider will ONLY receive immediately from the Promoter the aforesaid fees, payments and benefits mentioned in the paragraph number thirteen (13) ONLY each time the Promoter use the aforesaid offered Collateral Provider's immovable collateral to raise capital for any legal, business or personal purpose.
- 15. The Promoter will be liable to raise at least U.S. TEN MILLION DOLLARS (\$10,000,000) in capital each year, in a regular basis of U.S. FIVE MILLION DOLLARS (\$5,000,000) each six month period, using always the aforesaid immovable collateral during the aforesaid term of thirty (30) years to keep his right to use the collateral during that term.

- 16. The Promoter will never have inactive his collateral without producing capital and benefits to the Collateral Provider for more than six (6) months.
- 17. The Promoter will be liable to pay EACH loan that lien the collateral in or before one hundred eighty (180) days commencing from the date the lien is effective in order to liberate the utilized collateral and re-utilize it again.
- 18. The Collateral Provider hereby agrees to grant to the Promoter a joint exclusive right to subdivide, develop, rent, lease or sell in partnership the aforesaid immovable property once the Promoter acquire his collateral establishing a partnership with the Collateral Provider understanding that those terms are negotiable and are subject to the federal statute 48 USC 752.

IN WITNESS WHEREOF, the parties hereto affix their hands and seals the day and date first above written:

ATTEST:	MEGA PRODUCTIONS, INC. T/A MEGA CONCERTS
Kouen Wolman	By (SEAL)
ATEST:	- all all of
	By Allet Michigan (SEAL)

State of Manyland }
County of Prince George's
On Dec. 30,02 before me Karen Wolman
Appeared Anthony E. Hurley and Alberto Lopez

Personally known to me (or proved to me on the basic of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Kacen Wolman Signature of Notary

Affiant Known X Produced ID

Type of ID Hurley - MD Drivers License

Lopez - VA. Dr. Seal) 3 License

PROPERTY NUMBER 57 OF LOIZA, PUERTO RICO USA (Farm John Perez)

APPRAISAL, USES & AMENITIES KEY POINTS

- Antique Uses Rights Doctrine
- A paradise for movie's making industry
- 2 linear kilometers of private beaches in the northern side
- Ideal for urban developing, agriculture, aquaculture & hunting
- With 30 millions cubic meters of sand for construction purposes (minimum)
- At just 5 minutes of the main airport Luis Muñoz Marin in Isla Verde San Juan
- Perpetual tropical winds, sun and thermal oceanic hot waters to generate power
- Located at the east side of the urban expansion area in the metropolitan area of San Juan
- 826 acres (3,340,836.26 m2) of raw land with a minimum estimated value of \$1.3 Billions dollars (\$400m2)

BASIC APPLICABLE LAWS in case of lenders foreclosure (Puerto Rico Civil Code 1930)

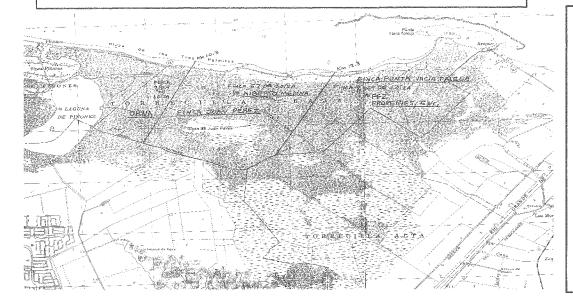
Art. 333 Dominion of the different portions. (31 L.P.R.A. sec. 1278)

Everything co owner will have the total property of its part and the one of the fruits and utilities that correspond to him, being able in its consequence to alienate it, to yield it or to mortgage it, and to replace another one in its advantage and even to give it in renting, except for if it is personal rights, but the effect of the distraction or the mortgage in relation to the co owners, will be limited the portion that adjudges in the division when stopping the community to them, and the effect of the renting will be to confer the renter, during the term of the contract, the faculties of co owner in order to the administration and better benefit of the common thing.

SPECIAL NOTES:

1) The inclusion of a BOND and the AUDITED Financial Statements will be appreciated each time the mortgages be renewed. This is a plus not a must. 2) The basic procedure will be: 1) The investors will lend the capital to the Collateral Provider and a mortgage will recorded in PR, lien only an specific % of his ownership rights in the property: 2) In the same act, the Col. Provider will deliver the 90% of the capital to the Promoter; 3) The Promoter will pay the mortgage in or before 180 days to the lenders. which will be the max. mortgage term each time it be renewed. 3) The formula will be for each \$1 of necessary capital the Collateral Provider will put an equivalent of \$4 in immovable collateral to the lenders according to the MAX. ALLOWED OWNERSHIP RIGHTS PERCENTAGE USING.

MEGA PRODUCTIONS, INC. T/A MEGA CONCERTS & Alberto Medina Lopez Venture Capital Real Estate Collateral Agreement ADDENDUM.



Any Time Collateral Variable Values

APPRAISAL VALUE	Max AOR% Using	Equiv value as collat.
\$50,000,000	40%	\$20,000,000
\$100,000,000	35%	\$35,000,000
\$150,000,000	30%	\$45,000,000
\$200,000,000	25%	\$50,000,000
\$250,000,000	20%	\$50,000,000
\$350,000,000	15.57%	\$55,000,000
\$500,000,000	12%	\$60,000,000
\$700,000,000	10%	\$70,000,000
\$1,000,000,000	7.5%	\$75,000,000

	MEGA PRODUCTIONS, INC. 1401 SHEFFORD RD TOWSON, MD 21239	
7	DATE 12/30/02 BRANCHS	
LAND STYLE XK	TWO Shrusay & and 100/100 DOLLARS	Security Features Details on
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Mega Productions & Alberto Medina Negotiations

Meeting Guide

January 11, 2003

- 1. FIRST STEP: On December 30, 2002 Mr. Alberto Medina received from Mega \$2,000 and we signed our 1st contract to establish our preliminary businesses foundation.
- 2. SECOND STEP: According to that contract, once finished the property's appraisal proceedings, approximately, at the end of January 2003, Alberto Medina will receive an additional amount of \$3,000 dollars from Mega, and Mega will present that good appraisal to the venture capitalists in order to raise the necessary capital (\$6 millions dollars) to make the concerts tours starting in February 2003 approximately.
- 3. THIRD STEP: According to our past conversations, in addition to all of those proceedings, in parallel, in the next 60 days, we will work together to sale the property at a minimum price of \$200 millions dollars or better. In that sense, our following step today will be to establish the selling commission fees that Mega will receive from Alberto Medina for his efforts to sale the property (826 acres), even, the selling commission fees that Mega will receive from Alberto in case that Alberto get first the buyer, in order to compensate the good efforts that Mega made to get the good appraisal that help a lot the selling process.
- 4. Once the property have been sold, in the same act, all the liens (loans), if any, will be totally cancelled (liquidated), and, the collateral regimen started with Alberto Medina will be totally ended forever, using so Mega, his own profits as his own source of operational capital for his concerts tours, replacing so, such no needed ended collateral regimen.

Mega Productions & Alberto Medina Negotiations

Meeting Guide & Minutes

January 25, 2003

General Calendar

January 25, 2003 (Today)

Alberto Medina will receive from MEGA the 2nd up front fee of \$1,500 dollars to cover his living expenses during the waiting period. This amount will be non refundable and will be applicable to his first benefits that will receive from MEGA as Collateral Provider or direct lender as individual or per conduct of a Trust.

February 21, 2003

MEGA will finish all the property's appraisal proceedings in order to:

- 1. Use it in order to buy the property (totally or partially) using his buyers team, informing his interest to Carnegie Financial Group in order to get a better offer; and/or
- 2. Use it in order to raise the first necessary capital (\$10 millions dollars) from his venture capitalists to make his concerts tours starting in March 2003 approximately, paying to Alberto Medina the ten percent (10%) of that amount according to our contract, one million dollars (\$1,000,000).

If during that date the realization of all those business arrangements are not possible, due to need more time, MEGA will pay to Alberto Medina the 3rd up front fee of \$1,500 dollars to cover his next living expenses during the waiting period. This amount will be non refundable and will be applicable to his first benefits that will receive from MEGA as Collateral Provider or direct lender as individual or per conduct of a Trust.

March to June, 2003

Due to Alberto Medina are unemployed, due to his language limitations, will be necessary to raise a small fund of FIFTEEN THOUSANDS dollars (\$15,000) to cover his living expenses during that period of time. Due to at present Alberto Medina has not another option, this requirement will be a must not a plus if MEGA want to get his business financing. The moving of Alberto Medina to other less expensive country or region to survive is nor recommendable and highly risky.

JD

Ŷ	MEGA PRODUCTIONS, INC. 1401 SHEFFORD RD TOWSON, MD 21239			1034
		DATE	1/25/03	65-320/550 BRANCH 95829
ID STYLE XK.	TO THE ORDER OF Alberto Meding Kopez		\$ 150	00 · 00
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FAX COVER PAGE

JANUARY 28, 2003

FROM:

ALBERTO MEDINA

TELS. (703) 868-4754 / 680-4369 ALBERTO252@HOTMAIL.COM

TO:

ROBER

BOB PUGAR & ROBERT BODNER

PRIVATE LENDERS REPRESENTATIVES TEL. (412) 889-8504 / 818-1874 FAX (724) 274-8164

RE:

LOAN SECURED BY PART OF 826 ACRES OF RAW LAND WITH 2 LINEAR KILOMETERS OF PRIVATES BEACHES WATERFRONT PROPERTY / CARIBBEAN PARADISE ROAD 187 KM. 10.3 TO 12.3 LOIZA, PUERTO RICO USA

26 PAGES INCLUDING THIS FAX COVER PAGE

Alberto Medina

Administration of Estate Basilio Lopez Martin

Continental USA Offices

Phones (703) 868-4754 / 680-4369 / 680-4385 Fax (651) 318-5727

EMail: alberto252@hotmail.com

January 28, 2003

Bob Pugar & Roberto Bodner Private Lenders Representatives Carnegie, PA 15106

Tel. (412) 889-8504 / 818-1874 Fax (724) 274-8164

Melina

Dear Sirs:

Serve this letter to authorize you to get me a loan for the amount of between \$20 to \$100 millions dollars using as collateral part of my ownership rights in the property number 57, of 826 acres of raw land, located in Loíza, Puerto Rico USA, recorded in the page number 65 of volume number 2 of Loíza in the 3rd section of the Property of Registry of Carolina, Puerto Rico.

I agree to pay you as commission the TEN PERCENT (10%) of the loan amount, in the same act, once I receive the money.

As requested today, enclosed with this letter, I am sending to you by fax the deed, the Mega Productions, Inc. & Carnegie Financial Group's Contracts, and, my last title search that I made in Puerto Rico in the year 2002.

Waiting for your soon response.

Cordially,

Alberto Medina

Owner

Alberto Medina

Administration of Estate Basilio Lopez Martin

Continental USA Offices

Phones (703) 868-4754 / 680-4369 / 680-4385 Fax (651) 318-5727

EMail: alberto252@hotmail.com

February 16, 2003

Bob Pugar & Roberto Bodner Private Lenders Representatives Carnegie, PA 15106

Tel. (412) 889-8504 / 818-1874 Fax (724) 274-8164

Dear Sirs:

Due to under the present circumstances I can not travel to Puerto Rico to sign the ordinary loan's documentation, here I present to you the ordinary correct procedure to accomplish all.

The lending process

FIRST STEP: The lender (mortgagee) will deposit his money to lend in a bank located in Virginia USA (insured by the FDIC, ex. SunTrust Bank), opening there one ESCROW ACCOUNT, nominating and being the same bank as the fiduciary of the money according to the lender's instructions as depositor.

SECOND STEP: Once the borrower (I as the *mortgagor*) certified that fact by written with the bank, both part or their representatives will celebrate a meeting in the same bank in order to sign before a Notary Public there all the documentation (the note and the mortgage deed), receiving the borrower in the same act the aforesaid money from the bank in a certified check, also, paying the borrower, to the lender's broker (you), per conduct of the same bank in the same act, the lender's broker commission in a certified check.

THIRD STEP: On the same or next day, the lender will travel to Puerto Rico in order to protocol before a puertorican Notary Public his American made public documents (using always the County Clerk Certification in order to authenticate his American Notary Public), and, once done that, to record it in the Property of Registry of Puerto Rico as a regular mortgage. If the lender understand that in order to secure his priority in the Registry need a bond, securing all the above process, it will have the option to acquire it at his entire cost.

If you have any questions or doubts, do not hesitate to call me.

Theil Midina

Sincerely,

Alberto Medina

Owner

FAX COVER PAGE

FEBRUARY 18, 2003

FROM:

ALBERTO MEDINA

Tels. (703) 868-4754 / 680-4369 Alberto252@Hotmail.com

TO:

BOB PUGAR & ROBERT BODNER

PRIVATE LENDERS REPRESENTATIVES TEL. (412) 889-8504 / 818-1874 FAX (724) 274-8164 / 412-351-4703

RE:

LOAN SECURED BY 826 ACRES OF RAW LAND WITH 2 LINEAR KILOMETERS OF PRIVATES BEACHES WATERFRONT PROPERTY / CARIBBEAN PARADISE ROAD 187 KM. 10.3 TO 12.3 LOIZA, PUERTO RICO USA

7 PAGES INCLUDING THIS FAX COVER PAGE

CONTRACT

This agreement is made by and between Mega Productions, Inc. (hereinafter referred to as "Mega") and Alberto Medina Lopez (hereinafter referred to as "Medina"). The parties agree as follows:

1. The property which is the subject matter of this agreement is described as follows:

Number 57, recorded at page 63 of volume 2 of Loiza, Registry of the Property of Puerto Rico, Section III of Carolina.

a. the description: (as it is recorded in the Spanish Language)

RUSTICA: Estancia denominada Juan Perez, sita en el Barrio de Monte Negro de la jurisdiccion de Loiza, compuesta de ochocientas Cincuenta cuerdas de terreno, Colindante el NORTE, con el mar; al SUR, con la Hacienda de don Teodoro Chevremont; al ESTE, con terrenos de la Hacienda publica; y al OESTE, con la hacienda denominada Pinones

- b. title to said property is recorded at page 66 of volume 2 of Loiza, in favor of Alberto Medina Lopez, single, who acquired it by Adherance from Pedro Malave Encarnacion, at a price of \$30,000.00, pursuant to deed number 68, executed in San Juan, Puerto Rico, on July 12, 2001, before notary Raul Rivera Lopez, property number 57, 8th inscription.
- 2. Medina warrants and guarantees that he has good and marketable title to the property.
- In consideration of Mega's promise and agreement to use its best effort to find a
 purchaser for the property, Medina gives to Mega a non-exclusive right to sell the
 property on his behalf.
- 4. Medina authorizes Mega, its designated agents or employees to market the property to interested individuals or entities. The offering or marketing price shall be \$285,000,000.00. As further defined herein, a twenty (20%) percent commission shall be payable to Mega for its services incidental to this agreement. Medina may reduce the offering or marketing price at any time.
- 5. This non-exclusive right to sell shall be effective for a period of one (1) year commencing on January 21, 2003 and shall automatically terminate at the expiration of the one (1) year period. If within six (6) months of any such termination, Medina enters into an Agreement of Sale or transfers or exchanges the property with any person or entity to whom the property was, directly or indirectly, presented or submitted by Mega during the one (1) year term of this Agreement, the sale shall be conclusively presumed to have been made by Mega and the aforementioned twenty (20 %) percent commission shall be paid by Medina.



- 6. If Mega procures a purchaser ready, willing and able to buy the property at the price of \$285,000,000.00 within the period of time this contract is in force, Medina agrees to pay Mega a commission of twemty (20%) percent, or \$57,000,000.00. If Medina agrees to sell the property to the purchaser who was obtained, procured and/or introduced to the transaction, directly or indirectly, by Mega, at a price that is less than \$285,000,000.00 within a period of time this contract is in force, Medina agrees to pay Mega a commission of twenty (20%) percent of the actual sales price paid by the purchaser.
- 7. The parties will mutually agree on a designated escrow agent for this agreement and for any resulting sales.
- 8. Medina represents and warrants that he is the sole owner of the property and agree to convey the property to the purchaser by general warranty deed, or its equivalent, clear of all liens and encumbrances except easements, restrictions and reservations set forth in instruments of record
- 9. During the term of this agreement, Medina agrees to give Mega written notice of any bona fide offers he receives for the property within five (5) days of his receiving same. Said notice will include the relevant terms and conditions of said offer. Mega shall have thirty (30) days to produce a qualified purchaser for the property on similar or better terms and conditions.
- 10. Once Mega receives a twenty (20%) per cent commission for the sale of the property, its collateral rights agreement with Medina will automatically be totally cancelled, rendered null and void.
- 11. This agreement may be executed by use of fax-transmittal.
- 12. Venue or jurisdiction for this agreement shall be Maryland or Virginia.

Executed this 23rd day of February, 2003.

Mega Productions, Inc.

Alberto Medina Lopez

SIGNED THIS DAY FEBRUARY 23, 2003

2

ADDENDUM TO VENTURE CAPITAL REAL ESTATE COLLATERAL AGREEMENT

This is an Addendum to the Venture Capital Real Estate Collateral Agreement, made the 30th day of December, 2002, by and between MEGA PRODUCTIONS, INC. T/A MEGA CONCERTS (hereinafter "Promoter") and Alberto Medina Lopez (hereinafter "Collateral Provider").

RECITALS

WHEREAS, the Promoter is engaged in the business of promoting concerts and other forms of entertainment; and

WHEREAS, the Collateral Provider is a Real Estate Owner seeking to provide money to the Promoter by providing part of his real estate ownership rights for the Promoter to secure venture capital loans; and

WHEREAS, the Collateral Provider agrees to allow the Promoter to have inactive his collateral without producing capital and benefits to the Collateral Provider for twelve (12) months from the date of execution of this document without affecting the Promoter's right to keep his right to use the collateral during the term of thirty (30) years as stated in the original agreement mentioned heretofore; and

WHEREAS, this agreement may be executed by use of fax-transmittal; and

WHEREAS, venue or jurisdiction for this agreement shall be Maryland or Virginia.

Executed this 27th day of February, 2003.

Mega Froductions, Inc.

Alberto Medina Lopez

<u>ADDENDUM TO VENTURE CAPITAL REAL ESTATE COLLATERAL AGREEMENT</u>

This is an Addendum to the Venture Capital Real Estate Collateral Agreement, made the 30th day of December, 2002, by and between MEGA PRODUCTIONS, INC. T/A MEGA CONCERTS (hereinafter "Promoter") and Alberto Medina Lopez (hereinafter "Collateral Provider").

RECITALS

WHEREAS, the Promoter is engaged in the business of promoting concerts and other forms of entertainment; and

WHEREAS, the Collateral Provider is a Real Estate Owner seeking to provide money to the Promoter by providing part of his real estate ownership rights for the Promoter to secure venture capital loans; and

WHEREAS, the Collateral Provider and the Promoter agree to incorporate into the original agreement made on December 30th, 2002 the following:

Successors and Assigns. This agreement shall be binding upon the parties hereto and their respective heirs, executors, administrators and successors and permitted assigns

Mega Productions

WHEREAS, this agreement may be executed by use of fax-transmittal; and

WHEREAS, venue or jurisdiction for this agreement shall be Maryland or Virginia.

Executed this 27th day of February, 2003.

Alberto Medina Lopez

1

SATURDAY, MARCH 1, 2003

TODAY, I RECEIVED FROM MR. HURLEY

A CHECK BY THE AMOUNT OF \$1,500.00

THE 3RD PAYMENT,
TOTALIZING \$5,000

From:

<XxTopGunnerxX9@aol.com> <alberto252@hotmail.com>

To: Sent:

Tuesday, March 11, 2003 8:11 PM

Subject:

Title work

Dear Alberto,

I appreciate the contact and information provided for me to cooperate with Mr. Hurley in obtaining title work on your property. To keep you up to date, it was agreed that Mr. Hurley disclose a copy of the title for me to forward to the bank. From this point the bank will translate the title with the understanding that an insurance company is prepared to insure the property for whatever the loan amount may be (\$25 Million as proposed thus far). Once translated, the bank will return the request of Mr. Hurley by providing a "Deed of Mortgage" for the insurance company to review. I anticipate this to be within weeks end, provided legitimacy and accuracy of the translated deed. I am happy to inform you that the bank was contacted directly and is anticipating the title as early as tomorrow morning and that the offer for the loan is very valid at this point. I will keep the both of you informed of any developements and rely on you to answer any unexpected questions that may arise. We all appreciate the opportunity to be working on the same page so diligently. Progess in motion, I will keep you posted.

Robert Pugar

From:

"appraisals" <appraisals@appraiseusa.com>

To: Sent: <XxTopGunnerxX9@aol.com> Thursday, March 20, 2003 9:14 AM Re Urgent Puerto Rico Property

Subject:

Bob:

Ron called me from the bank and I have a better idea of what he needs.

I am preparing a Scope of Work which I will send a copy to you and Ron in the next couple of days.

appraisals@appraiseusa.com is a better email address for me.

Thanks

George Carver

From:

<XxTopGunnerxX9@aol.com>

To: Sent: <alberto252@hotmail.com>

Attach:

Thursday, March 20, 2003 12:31 PM Re Urgent Puerto Rico Property.email

Subject:

Fwd: Re Urgent Puerto Rico Property

Alberto:

Unfortunately I do not have the address of the bank, However I believe that Mr. Carver does. I have attached his remarks of his discussion with Mr. Monach to validate the authenticity of our efforts. I again appreciate your confidence. Please call me with any questions. Below is listed the information per your request.

THIS # 15 IN FLORIDA ...

Mr. Ron Monach Colorado Federal Savings Bank

(941) 412-3468

Bob Pugar

3/20/2003

english | español

YELLOW PAGES

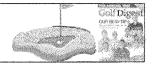
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Colorado Federal Savings Bank

201 Merchant Street, Honolulu, HI 96813 (808) 566-0504

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Colorado Federal Savings Bank

1301 Grandview Avenue, Pittsburgh, PA 15211

(412) 697-0277

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Colorado Federal Saving Bank

703 3rd Avenue, Longmont, CO 80501

(720) 494-7744

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Honolulu, HI 96813 (808) 536-4464 (fax)

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Bank Web Site Audits.com

Bank Web Site Audit Client List



(R. Kinney Williams' Resume)

Please feel free to contact any of these fine bankers.

Mr. Scott Williams Senior Vice President The Palmetto Bank 101 West Main Street Laurens, South Carolina 29360 800-725-2265

Mr. Kevin Horton <u>Charter Pacific Bank</u> 30141 Agoura Road Agoura Hills, California 91301 800-272-2265

Ms. Cindi LaChance Compliance Officer Orange Savings Bank 812 North 16th St. Orange, Texas 77630 800-300-8904

Mr. Jim Smitherman President Security State Bank 211 Gaston Crane, Texas 79731 915-558-7101

Mr. George Richardson President Security State Bank P.O. Box 471 Littlefield, Texas 79339 806-385-5134

Ms. Jo Ann Buchanan Executive Vice President Fort Davis State Bank P.O. Box 1336 Fort Davis, Texas 79734 915-426-3211 Mr. Todd Morgan
Executive Vice President
First National Bank and Trust
P.O. Box 190
Pipestone, Minnesota 56164
800-575-3627

Mr. Pat Fogerty Colorado Federal Savings Bank 8400 East Prentice Avenue, Suite 545 Englewood, Colorado 80111 888-790-5249 (Internet consultation)

Mr. Carey Stewart
Vice President
Texas Bank
P. O. Box 1429
Brownwood, Texas 76801
915-649-9244

Ms. Cheri Caruso
Franklin Savings Bank
387 Central Street
Franklin, New Hampshire 03235
603-934-4445

Mr. Gary Tucker Executive Vice President First National Bank P. O. Box 701 Abilene, Texas 79604 915-627-7195

Mr. Tom Darden President First State Bank, NA P.O. Box 54500 Lubbock, Texas 79453 806-794-8300 (PC Banking)

Mr. Donnie Magin Senior Vice President - Cashier Mr. Fred Moore Vice President - Compliance Humboldt Bank 612 G Street Eureka, California 95501 707-269-3119

Ms. Judi Mason Auditor First National Bank of Elk River 729 Main Street Elk River, Minnesota 55330-1595 612-441-3614

Ms. Lisa Rose

<u>Danvers Savings Bank</u>
P. O. Box 150

Danvers, Massachusetts 01923
800-771-8200

Mr. Gary Edmiston Chief Executive Officer Security State Bank P.O. 1049 McCamey, Texas 79752 915-652-8661

John Von Runnen Electronic Banking Legacy Bank of Texas P. O. Box 869111 Plano, Texas 75086 972-461-4820

Mr. David Norris
Executive Vice President
First State Bank
P.O. Box 1001
Canyon, Texas 79015
806-655-2265
(IS Auditing and Internet Consulting)

State Bank & Trust
200 North Austin
Seguin, Texas 78155
830-379-5236
(Bank Web Site Audit and Network/Internet
Security Audit)

Previous Page

Go to the Bank Web Site Audit home page.

R. Kinney Williams & Associates 5704 71st Street Lubbock, Texas 79424 806-798-7119 Fax 806-784-0061 Examiner@yennik.com

Please visit our other web sites:
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Colorado Federal Savings Bank

8400 East Prentice Avenue, Suite 545 Greenwood Village, CO 80111

FDIC Certificate #

33111

Bank Charter Class:

Savings Association

Primary Federal Regulator:

Office of Thrift Supervision

Primary Internet Web Address:

Web site not available

Demographic Information as of:

March 13, 2003

Date Institution Established:

June 29, 1990

Date of Deposit Insurance:

June 29, 1990

Report Selection:

Report Date:

Assets and Liabilities

December 31, 2002 →

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Offices and Branches of FDIC-insured Institutions

Colorado Federal Savings Bank

8400 East Prentice Avenue, Suite 545 Greenwood Village, CO, 80111

FDIC Certificate Number: 33111

Bank Charter Class:

Savings Association

1 offices as of March 13, 2003
Scroll down to view these offices.

Download these offices.

[<< Previous] Page 1 Tof 1 [Next >>]

State		cong «	Service	
County Office Address	City	Zip Code	Type Codes	Date Established
COLORADO		The state of the s	general control of the second	eganten kontrolarieren in etapologia dela enquelajari egizilde.
Arapahoe County				
8400 East Prentice Avenue, Suite 545 Total for Arapahoe County:	Greenwood Village 1 Office(s)	80111	11	6/29/1990
Total Offices in Colorado:	1 Office(s)			

Total Number of Offices found: 1

[<< Previous] Page 1 3 of 1 [Next >>]

Questions, Suggestions & Requests

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Colorado Federal Savings Bank

8400 East Prentice Avenue, Suite 545 Greenwood Village, CO 80111

FDIC Certificate #: 33111 Bank Charter Class: SA

Definition	Dollar figures in thousands	Colorado Federal Savings Bank Greenwood Villag, CO December 31, 2002	Colorado Federal Savings Bank Greenwood Villag, CO December 31, 2001	
Accetc	and Liabilities	werenine vi, eve	December 51, 2001	
4	Total employees (full-time equivalent)	95	63	
2	Total assets	46,282	29,741	
3	Cash and due from depository institutions	1,593	406	
4	Interest-bearing balances	1,195	187	
5	Securities	545	1,002	
6	Federal funds sold & reverse repurchase agreements	3,000	3,700	
7	Net loans & leases	39,994	23,933	
8	Loan loss allowance	242	122	
9	Trading account assets	0	0	
10	Bank premises and fixed assets	125	114	
11	Other real estate owned	0	0	
12	Goodwill and other intangibles	0	Ö	
13	All other assets	1,025	586	
14	Total liabilities and capital	46,282	29,741	
15	Total liabilities	43,427	27,523	
16	Total deposits	28,759	19,990	
17	Interest-bearing deposits	28,759	19,703	
18	Deposits held in domestic offices	28,759	19,990	
19	% insured (estimated)	95.01%	95.37%	
<u> 20</u>	Federal funds purchased & repurchase agreements	0	0	
21	Trading liabilities	N/A	N/A	
2.2 San Assa	Other borrowed funds	13,500	7,000	
23	Subordinated debt	0	0	
24	All other liabilities	1,168	533	
25	Equity capital	2,855	2,218	
26	Perpetual preferred stock	0	0	
27	Common stock	852	852	
28	Surplus	207	207	
29	Undivided profits	1,796	1,159	
	Memoranda:			
<u> 30</u>	Noncurrent loans and leases	581	0	
31	Income earned, not collected on loans	120	103	
32	Earning assets	44,734	28,822	
<u>33</u>	Long-term assets (5+ years)	N/A	N/A	
34	Average Assets, year-to-date	35,487	27,819	
<u>35</u>	Average Assets, quarterly	43,094	29,229	
<u>36</u>	Volatile liabilities	16,360	8,781	
37	Insider loans	0	0	
<u> 38</u>	FHLB advances	13,500	7,000	
39	Loans and leases held for sale	N/A	N/A	
http://www	v3.fdic.gov/idasp/rpt_Financial.asp		3/20/2003	

FDIC: Financial Report 10			Page 2 of 2	
40	Unused loan commitments	1,839	4,558	
41	Tier 1 (core) capital	2,842	2,202	
42	Total unused commitments	1,839	4,558	
43	Restructured Loans and leases	0	0	
44	Quarterly mutual fund sales	0	0	
45	Derivatives	N/A	N/A	
	Total assets and liabilities in foreign offices			
	Past due and nonaccrual assets			
	Fiduciary and related services			

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From:

"appraisals" <appraisals@appraiseusa.com>

To:

"Alberto Medina López" <alberto252@hotmail.com>

Friday, March 21, 2003 11:20 AM

Sent: Subject: Re: Urgent Puerto Rico Property

Alberto

I don't have Mr. Ron Monach's address.

I have prepared a letter to Mr. Monach which I will provide copies to Mr. Bob Pugar, Mr. Hurley and you.

Thanks Keep in touch

George Carver

---- Original Message ----From: Alberto Medina López alberto252@hotmail.com Date: Thu, 20 Mar 2003 13:15:45 -0500

>March 20, 2003

>Dear Mr. Carver:

>I will appreciate that you inform me the following details:

- > 1.. Mr. Ron Monach's office address:
- > 2.. How much you will charge me for your appraisals services and if you require an up front deposit to begin the job.

>Regards

>

>Alberto Medina

>703-680-4369

· // Appraise USA

George V. Carver, MAI, MsBA P.O. Box 220454 Chantilly, VA 20153-0454

703-449-1720 email: appraisals@appraiseusa.com

March 21, 2003

Mr. Ron Monach Colorado Federal Savings Bank 1030 Delacroix Circle Takumas, FL 34275

Dear Mr. Monach:

I propose to complete a limited appraisal of a large tract of land in Puerto Rico. It reportedly is 826 acres with extensive beach frontage. I understand that a major road bisects the property, leaving about one-third on the beach side and two-thirds on the inland side of the road.

It appears to me that the beach side has a higher use than the inland portion. There are also different uses bordering the main road. There are also possible natural habitat and wetlands areas to be dealt with. The inland portion, reportedly, has large deposits of marketable sand which would require a specialist to assist me in valuation. This could be scheduled at a later time at additional cost, should it become desirable or necessary.

Given the complexity of this large tract of land and with the time constraints required, I would try to develop an opinion of value on the tract as a whole as raw land only. This would likely be a minimum or "no less than" value, from which specific portions of the tract could then be appraised for higher uses as a master development plan is derived.

✓ I am budgeting about four weeks to complete the appraisal. I would need a week of preparation here at my office, ten days to two weeks on the ground in Puerto Rico and a week back in my office to complete it. I anticipate hiring a local appraiser for two weeks to assist me. I will also be using secretarial/technical help in Puerto Rico and in my office.

I estimate that the appraisal could cost around \$49,000, as shown on the attached Excel spreadsheet. The cost could vary according to issues that may arise as the assignment progresses. Although this figure may appear high, it is necessary in relation to the magnitude, potential subject value, complexity and liability involved. In any event, rest assured that the appraisal would confirm to banking regulations, USPAP and the rules of the Appraisal Institute. This first limited appraisal could serve as a basis for further deliberations about an economic and development plan.

This assignment will be taken on a "Good faith and best effort basis." Should an act of God or other unforeseen impediment arise which would significantly affect my ability to perform the appraisal for any reason, I will discontinue the operation at my discretion and will inform you and the other named parties to which I am providing a copy of this letter. Should I have to stop the appraisal, I will provide copies of my work to date upon request, so that the extent of the work accomplished might be saved for future review or use. Any payment up to that date would be prorated, and the remainder would be refunded.

Also attached is a "Scope of Work" section that covers some of the things I will consider:

I talked with Mr. Robert Pugar, Mr. Hurley and Mr. Alberto Medina. I believe they are ready to proceed on this. I will need a week or so to prepare to be in the field so long.

Sincerely,

signed George Carver, MAI MsBA, Real Estate, USC Appraiser

Copy: Mr. Robert Pugar Mr. Anthony Hurley Mr. Alberto Medina

Attachments: Appraisal Cost Estimate

Scope of Work

George Carver, MAI Qualifications

Scope of Work

The scope of work as defined in the Uniform Standards of Professional Practice, 2002 Edition is: "the amount and type of information researched and the analysis applied in an assignment. Scope of work includes, but is not limited to, the following:

- The degree to which the property is inspected or identified.
- The extent of research into physical or economic factors that could affect the property.
- The extent of data research, and
- The type and extent of analysis applied to arrive at opinions or conclusions.

The scope of work of this proposed appraisal conforms to the Uniform Standards of Professional Appraisal Practice. We will complete the specific steps to incorporate in our analysis as follows:

- 1. Will make a helicopter or small plane fly over the property or make sample observations from the ground using a 4-wheel drive vehicle to assist us in estimating the market value of the subject. We are not engineers and our flyover or ground sample observations are those related to items that would be rather obvious and unhidden in the areas we would sample.
- 1. Evaluate the subject property from the viewpoint of its physical utility in its current state, consistent with its current zoning and market trends.
- 2. Review the surrounding areas on an area and neighborhood level to identify specific competitive aspects. Review also who the major competitors are for similar properties.
- 3. Review how current economic conditions might affect future demands for this property type; also review how rental and sale prices might be influenced by current economic conditions.
- 4. Review current and long term local and regional transportation and economic plans to determine the impact, if any, on the subject property.
- 5. Consider primarily the sales comparison approach to value the property if possible. I may have to use some land residual and/or extraction methods.
- 6. Consider all the land sales comparables available. There may not be enough land sales to derive a supportable land value. There will not likely be sales comparables of the subject's size. It may be difficult to precisely derive an opinion of market value using smaller parcels of land.
- 7. Consult with sales and listing agents and/or buyers or sellers where possible to obtain more detailed physical information or more specifics of the sale price and/or terms.
- 8. Complete a detailed market comparison analysis of the subject and the most similar and most current sales selected for the report.
- 9. Reconsider all the facts and analysis in their entirety to derive our conclusions and opinions of the estimated market value of the subject as of the date of the appraisal.
- 10. Consider land use regulations, zoning and reasonable modifications of such land use regulations. No significant modifications have been published.

Unusual Conditions Affecting the Subject Property

The land has, reportedly, been underutilized for more that 100 years. It may be difficult to obtain a clear marketable title. This could significantly affect our opinion of value.

Unusual Assumptions or Limiting Conditions

We assume a marketable title. Once a marketable title is obtained and specific ownership is established, significant tax charges may become due. Any back tax charges could significantly affect my opinion of value.

Disclaimer

- I am not licensed engineer.
- I am not a not licensed materials inspector nor are we qualified to advise on these matters.
- I disclaim any and all expertise and responsibility for the present or future conditions including toxic and/or environmental issues of the subject property.

Toxic Reports

No toxic reports were provided to the appraisers. See our disclaimer for hazardous and toxic conditions.

Radon

No radon report was provided the appraisers. Please see our disclaimer below for hazardous and toxic conditions regarding the subject property.

Hazardous Materials

Unless otherwise stated in this report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyls, petroleum leakage or agricultural chemicals which may or may not be present on the property, or other environmental conditions, were not called to the attention of nor did the appraisers become aware of such during the appraisers' inspection.

The appraisers have no knowledge of the existence of such materials on or in the property unless otherwise stated. The appraisers, however, are not qualified to test such substances or conditions. If the presence of substances such as asbestos, urea formaldehyde foam insulation, or other hazardous substances or environmental conditions may affect the value of the property, it must be recognized that the value estimated is predicated on the assumption that there is no such condition on or in the property or in such proximity thereto that it would cause a loss in value.

No responsibility is assumed for any such conditions, nor for any expertise or engineering knowledge required to discover them.

Market Value

Market value is defined on page 3 of the 2001 addition of the Uniform Standards of Professional Practice as:

"Market Value: a type of value, stated as an opinion, that presumes the transfer of a property (i.e., a right of ownership or a bundle of such rights), as of a certain date, under specific conditions set forth in the definition of the term identified by the appraiser as applicable in an appraisal."

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated.
- Both parties are well informed or well advised, and acting in what they consider their best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale

Marketing Time

We estimate it could take one year or more to market the large tract as one sale. Smaller tracts could likely be marketed in less time.

Quality and Quantity of Data Available

We anticipate that the data will be more limited and more difficult to obtain than in most areas of the United States. Much of the data will need to be translated.

Puerto Rico Land Appraisal Estimate

	\$/hr	Hours	E	dension	Sub-Total	
Preparation, Research at Office)					
MAI Appraiser	\$120) 4	40	\$4,800		
Administrative Support	\$60) 4	40	\$2,400		
Misc. Phone, Mail, Copying				\$200		
					\$7,400	
Field Trip to Puerto Rico	Daily	Days				
Per Diem	\$270	,	10	\$2,700		
Auto	\$80) -	10	\$800		
					\$3,500	
	\$/hr	Hours				
MAI Appraiser	\$120) {	80	\$9,600		
Local Appraiser	\$80	3 (80	\$6,400		
					\$16,000	
Administrative Support	\$60) 4	40	\$2,400		
Misc. Phone, Mail, Copying				\$200		
					\$2,600	
					·	
	\$/hr	Hours				
Writing and assembling report						
MAI Appraiser	\$120) 4	40	\$4,800		
Administrative Support	\$60	2	40	\$2,400		
Misc. Phone, Mail, Copying				\$400		
					\$7,600	
						\$37,100
Contingency						\$3,710
						\$40,810
Profit and Overhead				20.0%		\$8,162
						\$48,972

George V. Carver, MAI, MsBA

Brief Summary of Academic and Professional Education

Graduate:

Master of Science in Business Administration, U.S.C., Major in Real Estate including:

Adv. Real Estate Valuation Real Estate Finance Managerial Economics Urban Economics Marketing Research Small Business Management

Quantitative Methods The National Economy GNMA Futures Prediction Marketing Management Marketing Analysis

Computer Appli. In Real Estate Housing Data Base Management Thesis: Real Estate Syndication Advanced Real Estate Seminar Behavioral Science for Managers

Graduate:

International Economics, PERT/CPM, Operations Research, and Project Management.

Industrial College, Washington, DC

Undergraduate:

Business/Real Estate, University of Nebraska, including:

Principles of Real Estate

Real Estate Appraisal

Real Estate Finance Real Estate Development

Real Estate Law

Property Management

Professional Appraisal Courses: Appraisal Institute

Business Valuation Income Property Appraisal Intro. Appraising Real Property Stds. of Prof. Practice Case Studies in R.E. Valuation

Residential Appraisal Litigation Appraisal

Valuation Analysis/ Writing Real Estate Investment Analysis Adv. Sales/Cost Approaches

Professional Designations

MAI. Member #7866. Appraisal Institute Virginia Certified General R. E. Appraiser Number 4001-004280 D.C. Certified General R. E. Appraiser Number 10142 Licensed Real Estate Broker: 1972-1998

Significant Work Experience

- CEO/Director of Valuation and Consulting, National Appraisal Firm
- Realty Specialists General Services Administration, three years.
- Review appraiser for the Pennsylvania Avenue Development Corporation (PADC) to redevelop a \$2 billion program in on and about Pennsylvania Avenue in Washington, DC. Completed feasibility/project management scenarios for the \$818 million Reagan Building.
- Real estate and business broker for over 10 years.

Selected Sample of Properties/Projects Appraised/Analyzed/Consulted Real Estate

Property Type	Location	Value Range			
Apartments	Washington, DC	\$25,000,000	to	\$30,000,000	
Church	Virginia	\$5,000,000	to	\$10,000,000	
Hotel	Seattle Metro	\$5,000,000	to	\$15,000,000	
Hotel	Washington, DC	\$100,000,000	to	\$120,000,000	
New Resort (Study)	Mexico	\$150,000,000	to	\$200,000,000	
Office Building	Washington, DC	\$50,000,000	to	\$100,000,000	
Rest./Nightclub.	Washington, DC	\$2,000,000	to	\$5,000,000	
Retail/Waterfront	Virginia	\$5,000,000	to	\$10,000,000	
School	Colorado	\$5,000,000	to	\$10,000,000	
Shopping Center	Washington, DC	\$50,000,000	to	\$100,000,000	
Industrial	Virginia	\$20,000,000	to	\$25,000,000	
Cleaners (SBA)	Washington, DC	\$250,000	to	\$750,000	
Restaurant/Office	Washington, DC	\$1,000,000	to	\$2,000,000	
Retail Store Bldg	Washington, DC	\$100,000	to	\$500,000	
1,054 acre Indust. Tract	Virginia	\$1,000,000	to	\$5,000,000	
Farms, Ranches, Ac.	VA, MD, TN, WA	\$500,000	to	\$10,000,000	
Business Enterprises Valuation					
Restaurant	Washington, DC	\$2,000,000	to	\$5,000,000	
Restaurant	Maryland	\$2,000,000	to	\$5,000,000	
Elect. Contr.	Washington State	\$500,000	to	\$1,000,000	
Graphics/Media	Virginia	\$500,000	to	\$1,000,000	

- Taught Appraisal Courses at the U.S.C. and the Northern Virginia Community Colleges.
 - Trained more than 100 appraisers in residential and commercial appraisal. These appraisers came from various backgrounds including civilian, government and military. Many of these appraisers were immigrants to the US from such countries as China, France, Japan, Peru, Philippines, Russia, Trinidad, and Vietnam.
 - Co-authored the ASA Level-Three Appraisal Course and lectured the course for ASA

Military Education

- Communications and Electronics: Mid-level Management, 1 yr, US Army
- Guided Missiles Logistics and Repair: Mid-level Management, 1 yr, US Army.

Military Experience

Captain, Commander, Signal Company in Vietnam, 2 Purple Hearts, 2 Bronze Stars

From: "appraisals" <appraisals@appraiseusa.com>

To: <reddolphinllc@aol.com>

Cc: <XxTopGunnerxX9@aol.com>; <megaconcerts@aol.com>; <alberto252@hotmail.com>

Sent: Friday, March 21, 2003 3:25 PM

Attach: Proposal to Appraise Puerto Rico 826 Acre Tract.doc

Subject: Appraisal of 826 acre Puerto Rico Property

Ron:

Attached is my proposal concerning a possible appraisal of this property.

I understand that you will need as a minimum a limited-summary appraisal of the raw land (bulk value) of the property. This, then, would be a sort of "not less than" value of the whole property. Portions or sections of the larger parcel would likely show higher individual values as a master development plan is derived. These individual parcels would likely require seperate appraisals as their specific uses are determined.

The appraisal would be written to best of my ability to conform with Banking regulations, rules of the Appraisal Institute and the Uniform Standards of Profesional Appraisal Practice (USPAP)

George Carver, MAI Appraiser

From:

"Alberto Medina López" <alberto252@hotmail.com>

To:

<appraisals@appraiseusa.com>

Cc:

"Ryan Readenour" <ryan@musicbox.com>; "Chris Catlin" <chris@our.net.au>; "jattdadil4u2002"

<jattdadil4u2002@yahoo.com>; "MEGACONCERTS" <MEGACONCERTS@aol.com>; "Robert Pugar"

<XxTopGunnerxX9@aol.com>; "Ron Monach" <reddolphinllc@aol.com>

Sent:

Sunday, March 23, 2003 12:12 PM

Subject:

Re: Appraisal of 826 acre Puerto Rico Property

March 23, 2003

Dear Mr. Carver:

Let me clarify you some important points:

FIRST

To do your appraisal avoid to use any previous land sales in Puerto Rico because those comparables do not take in consideration important elements like THE PRIVATE BEACHES, the SAND, the WIND and THE ANTIQUE USES RIGHTS DOCTRINE principles; and, because to avoid paying high property taxes, is a costume that the residents in the island declare less value in the immovable transactions.

To clarify the point let me give you some examples:

At present, in the Old San Juan Area the developed square meter has a value of U.S. \$400 dollars; in the coast in Isla Verde, San Juan (at only 5 minutes of my property) U.S. \$650 dollars (without private beaches and without antique uses rights); and, in my undeveloped area the appraisers of the Government of PR 10 years ago declared the ridiculous amount of ONE DOLLAR.

That's means, in the Old San Juan Area only one developed acre of land has a value of U.S. \$1,600,00 dollars; in the coast in Isla Verde, San Juan (at only 5 minutes of my property) U.S. \$2,600,000 dollars (without private beaches and without antique uses rights); and, in my area the appraisers of the Government of PR 10 years ago declared the ridiculous amount of U.S. \$4,000 dollars.

That's means, the sharks of Puerto Rico would like to buy my property OF 826 ACRES (with private beaches, winds, sun, enviable location, antique uses rights and 30 millions cubic meters of sand with a minimum value of U.S. \$2.5 Billions dollars or U.S \$750 dollars per sq. mt.) in the ridiculous amount of U.S. \$3.3 million dollars, with the clear purpose to generate big profits for them (\$2.5 billions) and nothing for me.

SECOND

Concerning the property's title (proof of ownership), I have my recorded deed in the Registry, and, Mr. Hurley has all the title searches that he made there a couple of weeks ago evidencing my ownership.

On the other hand, one of those title searches companies, as representative of the mainland title insurance companies, is willing to issue the title insurance policy once I present to them the loan or selling deed (contract) draft.

THIRD

Concerning the permissible uses, I don't need the modern permits to use my property at my better convenience because the modern laws were enacted without affecting all the antique uses rights.

Obviously, to understand this important element you will have to translate and study THE PRIVATE BEACHES and THE ANTIQUE USES RIGHTS DOCTRINE attached summary http://www.geocities.com/alberto_medina/PrivateBeachLaws.htm.

FOURTH

Concerning the costs of your services, as you remember, a couple of months ago I agree with you to pay you U.S. \$200,000 dollars if you get one MAI appraisal reflecting a minimum value of U.S. \$2.5 BILLIONS DOLLARS taking in consideration all the property's amenities mentioned in my web page http://www.geocities.com/alberto_medina/Main.html.

However, as I hope you will understand, due to my lack of cash, that transaction will be possible if the LENDER is able to pay you that amount up front, to close the deal concerning the loan of U.S. \$25 millions dollars.

FIFTH

Concerning the property's taxes, actually is impossible to know the status of that because, unfortunately, due to political reasons, in the Island the property tax system is in chaos

http://www.puertorico-herald.org/issues/2001/vol5n29/CBCrim-en.shtml.

On the other hand, pursuant the grounds mentioned in the case DCD1997-1074, my property don't owe taxes. For more information see

http://us.share.geocities.com/alberto_medina/DCD19971074PART1.htm and http://us.share.geocities.com/alberto_medina/DCD19971074PART2.htm

SIXTH

Due to the Puerto Rico's attorneys are involved in a Federal Denounce http://www.geocifies.com/alberto_medina/DF.htm I will appreciate you avoid hiring native APPRAISERS, ATTORNEYS and/or personnel.

That requirement, will be a must and not a plus to approve your proposal, and, will save you time, money and efforts working with persons that their only intentions are to affect me.

Again, as a veteran that you are, you know that visiting the Island in incognito to do your job is the best strategy.

Waiting your soon response.

Sincerely,

Alberto Medina

703-680-4369

alberto252@hotmail.com

---- Original Message ----

From: "appraisals" <appraisals@appraiseusa.com>

To: <alberto252@hotmail.com>

Cc: <megaconcerts@aol.com>; <@nlamerica.com>; <XxTopGunnerxX9@aol.com>;

<reddolphinllc@aol.com>

Sent: Sunday, March 23, 2003 10:05 AM

Subject: Re: Appraisal of 826 acre Puerto Rico Property

March 23, 2003 Mr. Alberto Medina

Concerning the appraisal of the 826 acre property in Puerto Rico, to complete an appraisal we need as a minimum:

- 1. data on previous sales of land in Puerto Rico.
- 2. a certificate of title of ownership usually accompanied by a title insurance policy.
- 3. some interpretation of the various permissible uses of the whole and/or portions of the property.

If I can't work with any local appraisers then I would have to hire a local attorney to procure the comparable sales data. I know of about 20 appraisers that could assist me. Maybe you could identify one or two that would be acceptable. I do have an associate in Mexico City who could assist me in the matter. It would be higher costs for his time and travel expense. He charges \$1,200 per day along with air tickets and per diem would likely add about \$20,000 to the cost of the appraisal.

Without clear title with a title insurance policy. It would be difficult to find a market for the property. Without this, it seems to me that you will need a venture oriented person or firm to front the expense of getting title and an appraisal before the property can be marketed and/or developed.

I could go to Puerto Rico and consult with an independent attorney and visit the property. I could gather data on properties for sale and research some possible uses for the property. From this effort I could produce a suggested listing price, (not a formal appraisal), that would be useful in procuring a venture type investor. All the data gathered could later be used in the formal appraisal, once, clear title and title insurance policy is obtained. I would need a \$20,000 retainer before leaving for Puerto

Rico to proceed in this fashion.

Please, let me know of your decisions on the property. I will be out of town in Seattle for a week or so shortly. You will be able to reach me at appraisels@appraiseusa.com. My cell phone number is 703-863-2222.

Sincerely

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George Carver, MAI
```

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CC.
 <reddolphinllc@aol.com>
 <XxTopGunnerxX9@aol.com>
 <megaconcerts(a)aol.com>;
 <alberto252@hotmail.com>
----- Original Message -----
From: Alberto Medina López <alberto252@hotmail.com>
Date: Sat, 22 Mar 2003 23:07:47 -0500
>March 22, 2003
>Dear Mr. Carver:
>After evaluating your proposal, serve this email to inform you that due to
>the Puerto Rico's appraisers are involved in a Federal Denounce
>http://www.geocities.com/alberto_medina/DF.htm I will appreciate you avoid
>hiring native appraisers and/or personnel.
>That requirement, will be a must and not a plus to approve your proposal,
>and, will save you time, money and efforts working with persons that their
>only intentions are to affect me.
>As a veteran that you are, you know that visiting the Island in incognito
>do your job is the best strategy.
>Waiting your soon response.
>Sincerely,
>Alberto Medina
>703-680-4369
>alberto252@hotmail.com
>
>---- Original Message ----
>From: "appraisals" <appraisals@appraiseusa.com>
>To: <<u>reddolphinllc@aol.com</u>>
```

```
><alberto252@hotmail.com>
>Sent: Friday, March 21, 2003 3:25 PM
>Subject: Appraisal of 826 acre Puerto Rico Property
>
>> Ron:
>>
>> Attached is my proposal concerning a possible appraisal of this property.
>> I understand that you will need as a minimum a limited-summary appraisal
>of the raw land (bulk value)of the property. This, then, would be a sort of
>"not less than" value of the whole property. Portions or sections of the
>larger parcel would likely show higher individual values as a master
>development plan is derived. These individual parcels would likely require
>seperate appraisals as their specific uses are determined.
>>
>> The appraisal would be written to best of my ability to conform with
>Banking regulations, rules of the Appraisal Institute and the Uniform
>Standards of Profesional Appraisal Practice (USPAP)
>>
>> George Carver, MAI
>> Appraiser
>
```

>Cc: <XxTopGunnerxX9@aol.com>; <megaconcerts@aol.com>;

Alberto

I know you have done a lot of work concerning your property. Thanks, for clarifying some of the points.

I regret that given the constraints you outline I can not perform the appraisal that would be acceptable to the Standard Rules and Ethics of the Appraisal Institute and the requirements of the Uniform Standards of Professional Appraisal Practice which are US Federal Regulations to which I must comply.

Practice which are US Federal Regulations to which I must comply. Good luck on your property. Sincerely, George Carver, MAI Appraiser ----- Original Message ----From: Alberto Medina López <alberto252@hotmail.com> Date: Sun, 23 Mar 2003 12:12:06 -0500 >March 23, 2003 >Dear Mr. Carver: >Let me clarify you some important points: >FIRST >To do your appraisal avoid to use any previous land sales in Puerto Rico >because those comparables do not take in consideration important elements >like THE PRIVATE BEACHES, the SAND, the WIND and THE ANTIQUE USES RIGHTS >DOCTRINE principles; and, because to avoid paying high property taxes, is a >costume that the residents in the island declare less value in the immovable >transactions. >To clarify the point let me give you some examples: >At present, in the Old San Juan Area the developed square meter has a value >of U.S. \$400 dollars; in the coast in Isla Verde, San Juan (at only 5 >minutes of my property) U.S. \$650 dollars (without private beaches and >without antique uses rights); and, in my undeveloped area the appraisers of >the Government of PR 10 years ago declared the ridiculous amount of ONE >DOLLAR. >That's means, in the Old San Juan Area only one developed acre of land has a >value of U.S. \$1,600,00 dollars; in the coast in Isla Verde, San Juan (at >only 5 minutes of my property) U.S. \$2,600,000 dollars (without private >beaches and without antique uses rights); and, in my area the appraisers of >the Government of PR 10 years ago declared the ridiculous amount of U.S. >\$4,000 dollars.

>That's means, the sharks of Puerto Rico would like to buy my property OF 826

mailhtml:mid://00000027/

From: To: "Alberto Medina López" <alberto252@hotmail.com>
"MEGACONCERTS" <MEGACONCERTS@aol.com>

Sent:

Tuesday, March 25, 2003 11:08 AM

Subject: Advertising Campaign

Anthony:

When you meet with your partners to request the \$6,000 dollars to cover my living expenses (for the next 2 months), please, I will appreciate that you request also one small advertising budget of at least \$650 dollars to put one very effective campaign in the Internet 24 hours per day using the combination of the Washington Post, EBAY, YAHOO-Geocities and YAHOO - CITYFEET.

I understand that using those powerful advertising tools will expand our coverage area to get the funds that we need to appraise the property, or, if that plan fail, sell any of the developments concepts, like the energy proyect, or, if that fail, sell the property very cheapier (in 25 millions dollars).

Regards

Alberto

alberto252@hotmail.com

From:

"Alberto Medina López" <alberto252@hotmail.com>

To: Sent: "Alberto Medina" <alberto_medina@yahoo.com>

Subject.

Tuesday, March 25, 2003 12:16 AM

Subject: Breaking the ice

March 24, 2003

Anthony:

To broke the ice I would like to share with you the following ideas:

THE REALITIES

- 1. As you know, until now, many persons had made make big promises, had play games with us and unfortunately we are not making one cent.
- 2. On the other hand, waiting long time to produce money with the property is not recommendable because at present we don't know what the tycoons and the Government of PR are planning to freeze the property. One proof of that situation are the continues illegal obstacles that are putting the present registrar to affect my image and the title before the title insurance companies.
- 3. On the other hand, as you know, unfortunately everybody is requesting the MAI Appraisal and nobody want to put the money to do one.
- 4. On the other hand, is not good for me to be broke, without one good income source, having past due debts, loose my credit and allow to my creditors freeze my property to collect me their money.
- 5. On the other hand, the last choice should be sell the property at 99% discount due to that decision will affect the future of our families.

For that reason, taking in consideration all the aforesaid elements, the best plan is the following:

- 1. Cover my living expenses during the months of April and May 2003, covering me U.S. \$3,000 monthly.
- 2. During that period of time test the intentions of all our sellers and lenders brokers (new and old), getting the funds to pay the MAI appraiser, get the MAI appraisal and get a loan of U.S. \$25 millions dollars.

From: To: "Alberto Medina López" <alberto252@hotmail.com>
"MEGACONCERTS" <MEGACONCERTS@aol.com>

Sent:

Tuesday, March 25, 2003 12:51 PM

Subject: Is be

Is better to have two horses running than only one !!!

Anthony:

When you meet with your partners to request the \$6,000 dollars to cover my living expenses (for the next 2 months), please, I will appreciate that you request also one small advertising budget of at least \$650 dollars monthly (\$1,300) to put one very effective campaign in the Internet 24 hours per day using the combination of the Washington Post, EBAY, YAHOO-Geocities and YAHOO - CITYFEET.

I understand that using those powerful advertising tools will expand our coverage area to get the funds that we need to appraise the property AND LATER SELL IT AT GOOD PRICE (between \$500 to \$2,500 millions dollars) working in a comfort zone (after taking a loan of \$25 millions), or, if that plan fail, sell any of the developments concepts, like the energy proyect, rent the property, or, if that fail, sell the property very cheaper (in 25 millions dollars).

As you understand, due to those two strategies could take the same time, to accelerate the process, will be necessary to do it all simultaneously.

That's my best understanding of all this business that we have in our hands now. We have to be very creative to broke the ice.

Regards

Alberto

alberto252@hotmail.com

Subj:

contracts

Date:

4/6/2003 7:32:45 PM Eastern Daylight Time

From:

XxTopGunnerxX9 MEGACONCERTS

To: File:

contract.doc (30208 bytes) DL Time (115200 bps): < 1 minute

Mr. Hurley,

Please review the attached documents that also includes a non compete clause for Alberto to review. As you know by talking directly with Ron Monach, all intentions to deliver a loan are sincere and validated. I believe we have overcome the last remaining obsticals and are nearing the goal line. Please send me a copy of the letter of intent to insure from Chicago Insurance if possible and get to rise the contact information for the appraiser and I will make it a priority to work out the details with him asap. Please be aware that if we take responsibility for funding the appraiser that we will need some sort of collateral in the form of a legal document in order to protect our investment and to assure that Alberto has agreed to the terms of the loan with every intent to deliver. We will talk more in the near future. Call me at any time.

Thank you. Bob Pugar

Amhony, here is a list of those that have shown some interest:

- Canters Carraizo Inc.
 San Juan, PR.
 Alfonso Diaz Ir., Vice President
- Cantera San Antonio
 Guaynabo, PR
 Carlos Ortiz Brunet, Vice President
- Devcon International Corp, Quarry Division Manuel Mayor, General Manager
- Grupo Carmello
 Sabana Seca, PR
 Melba Figueroa, President
- Master Aggregates, Toa Baja Corp. Toa Baja, PR Ricardo Cardona, President
- San Lorenzo Sand & Gravel; also MCO Industries San Lorenzo, PR. John M. McComas, President
- 7. Terressa Aggregates
 Bayamon, PR
 Luis E. Terrassa, Vice President
- Comunidad Agricola Bianchi San Juan, PR Manuel Menendez, Owner
- Arenero De La Montana Morovis, PR Rosa Avalo, Owner
- Cordeco Northwest Aguadilla, PR Thomas Cordervo, Owner
- 11. Gravero Santiago Caguasm PR
- Puerto Rican Cement Co Ponce, PR Luis Mieven

March 21, 2003

Alberto Medina Lopez

Attn: Mr. Alberto Medina Lopez and/or appropriate representatives.

This document is to serve as legal representation of a legitimate and binding contract involving all associated and mentioned parties within. The purpose of this agreement is to allow Robert Pugar and Robert Bodnar, as brokers representing Charles Kiger and Ron Monach, who are in return representing Colorado Federal Savings Bank, the opportunity to deliver a bona fide offer of a land backed loan. In return, Alberto Medina Lopez, representing the legal owner of the property securing the loan, and his partner and representative Anthony Hurley, agree either jointly or individually, grant all parties mentioned the opportunity to work exclusively to complete the transaction of funding and delivering the proceeds of the loan, without interference or outside consideration of a secondary offer. This exclusive right of no-compete is to be honored with the highest of regard and any violation, including but not limited to any non disclosure of any other offer, will result in legal repercussion to the extent off all fees, expenses, commissions or expected or potential profits, fees, commissions generated from the particular business agreement, holding Alberto Medina Lopez and/or the undersigned legally and financially liable.

All parties agree as follows. Part One:

Robert Pugar and Robert Bodnar are held responsible for establishing a contract with an MAI appraiser. The responsibilities include agreeing to terms, fees and conditions to appropriately supply Colorado Savings bank with a certified appraisal. In the same transaction, George Carver, representing Appraise USA as the certified appraiser for the property in Puerto Rico, agrees to satisfy the minimum requirements necessary for the loan in a timely manner. As part of the commitment, Robert Pugar and Robert Bodnar agree to pay for his services. As agreed, the aforementioned will pay to Mr. Carver a partial fee for a preliminary appraisal that will satisfy that only of the banks demands. It is further agreed that any balances owed to Mr. Carver will be paid in full, for past and future services provided, at the time of the loan closing by Alberto Medina Lopez and/or his representatives.

Part Two

The Colorado Federal Bank, in return, Represented by Ron Monach, will supply a Deed of Mortgage, to Albert Medina Lopez for consideration disclosing the terms and conditions of the loan. This Deed of Mortgage is to be supplied to Alberto for the purpose of review. If in agreement with the terms and conditions, it is then Alberto Medina's responsibility to have the title of the land fully insured for the full amount of the loan. This can be done with a letter of certification from the insurer that, in fact the insurance coverage will be furnished and paid for by Alberto Medina in the same transaction and at the time of closing. However, a letter certifying these fact sand the "intention to insure" must be presented to the bank in advance.

Part Three.

As a result of all undersigned parties locking into this contact agreement for a period not to exceed 30 days, it is agreed that in order to satisfy and protect all interested parties a temporary non compete contract be initiated from this date will be in effect for no longer that 10 working days. During this period Alberto is permitted to consider alternative

offers, however, first disclosure of the offer must be made and first consideration must be given to this contract agreement with the opportunity to match the offer. If the interested parties mentioned in this contract decline to meet the offer, it should be noted that this offer is terminated permanently, and will not be an option for future consideration. However, the purpose of the temporary non-compete contract is a professional courtesy extended to all parties for the purpose of preparing and gathering all the appropriate documentation to secure the loan.

Part Four

If Alberto Medina agrees to and accepts the term and conditions of the loan, regardless of the loan amount, he or his represented undersigned parties are responsible for a 10% fee services rendered. Alberto is to supply Robert Pugar and Robert Bodnar with an updated fee agreement which outline these terms and conditions. It should be noted that these fees are also to be paid in full and deposited into a separate escrow account and to be paid at the same time and in the same transaction as the loan closing.

It is agreed that all parties respectfully expect 10 days to finalize the formal and legal documents to secure the loan. Upon meeting this temporary deadline, all agree to devote full timely attention in order to expedite the loan process without any further complication or delay.

From:

"Alberto Medina López" <alberto252@hotmail.com>
"MEGACONCERTS" <MEGACONCERTS@aol.com>

To: Sent:

Monday, April 07, 2003 7:44 PM

Subject:

Fw: Urgent - Bank Loan

---- Original Message ---From: Alberto Medina López
To: PittPanthersSuck@aol.com
Sent: Monday, April 07, 2003 7:42 PM
Subject: Re: Urgent - Bank Loan

Ok understood, we will be in touch once Mr. Hurley and I amend the contract. Any doubt call him.

Regards

Alberto

---- Original Message ----

From: PittPanthersSuck@aol.com
To: alberto252@hotmail.com

Sent: Monday, April 07, 2003 6:40 PM

Subject: Urgent - Bank Loan

Alberto,

At this point, Mr. Hurley has been negotiating directly with Ron Monach (Chuck's Banker) to finance your loan. As Mr. Hurley will attest, everything is to appear very promising and near term, however before we proceed any further and to secure the loan, we request a revised or amended noncompete contract returned to us as soon as possible. Upon receiving it, we will proceed to completion.

Also, please forward an updated or revised fee agreement outlining the details for myself and Robert Pugar to consider.

I look forward to your timely response

Thank you again and take care.

Robert Bodnar Cellular 412-818-1874

From:

"Alberto Medina López" <alberto252@hotmail.com>

To:

"MEGACONCERTS" <MEGACONCERTS@aol.com>; "José Medina" <jose.medina@spcorp.com>; "Francisco Lopez" <franciscolopezus@yahoo.com>; "jattdadil4u2002" <jattdadil4u2002@yahoo.com>; "Chris Catlin" <chris@our.net.au>; "Ryan Readenour" <ryan@musicbox.com>; "deidre" <deidre@carnegie-financial.com>; "doctormortgagetm" <doctormortgagetm@aol.com>; "Ellas Venable" <emvenable@earthlink.net>; "Francisco Lopez" <franciscolopez@excite.com>; "George Carver" <appraisals@appraiseusa.com>; "Héctor Arana"

<haranas@caribe.net>; "Hank Artze" <aaasj@coqui.net>; "James WM Morrison"
<james.wm.morrison@cbbmfirm.com>; "James WM Morrison" <Jameswmmorrison@aol.com>; "Katty Cavaliery"

<kattycavalieri@keyes.com>; "nationalcarteret" <nationalcarteret@yahoo.com>; "Robert Bodnar"
<PittPanthersSuck@aol.com>; "Robert Pugar" <XxTopGunnerxX9@aol.com>; "Ron Monach"
<reddolphinllc@aol.com>; "Sanna Kaddis" <sanaa@realestateone.com>; "Steven Sewell"

<ssewell@commercialloanfinder.com>; "Thomas Spears" <tgs@globalvaluation.com>; "Thomas Taylor"
<htt_loan_officer@cox.net>; "Thomas Taylor" <HTTLoanOFFicer@aol.com>; "yahot" <yahot@hotmail.com>

Sent: Monday, April 07, 2003 8:39 PM

Subject: \$2.5 Billions dollars Puerto Rico's 826 Acres Waterfront Caribbean Paradise

Dear Sirs:

For your convenience, if you have interest yet to receive commissions for sale the property and you have potential buyers, to help you in that sense during this week I put various ads in the internet advertising the property in EBAY, CITYFEET and YAHOO GEOCITIES.

If you have interest, call Mr. Hurley and ask him if he is able to share part of his selling commission with you.

The ads are in:

http://www.geocities.com/alberto_medina/Main.html

http://cgi.ebay.com/ws/eBayISAPI.dll?ViewItem&item=2316026027&category=15841

http://www.cityfeet.com/searchspace/sale/detailedlistingSale.asp? ListingID=128104&DivSize=826&Price=975000000&typeuse=&cityid=&sqft=&sort1=&sort2=&type=&curpage==

We will be in touch

Regards

Alberto

alberto252@hotmail.com

From: To: "Alberto Medina López" <alberto252@hotmail.com> "MEGACONCERTS" <MEGACONCERTS@aol.com>

Sent:

Monday, April 07, 2003 10:07 PM

Subject:

Fw: Urgent - Bank Loan

---- Original Message ----

From: PittPanthersSuck@aol.com
To: alberto252@hotmail.com

Sent: Monday, April 07, 2003 7:51 PM Subject: Re: Urgent - Bank Loan

Thanks for getting back to me so fast. Hope all is well and we get everything closed as soon as possible. Please call me before you fax or email me the information back to me. I will be working out of different work sites and I want to make sure that you have my correct fax number. Call me anytime.

Have a good evening.

Rob

cellular 412-818-1874

From: To: "Alberto Medina López" <alberto252@hotmail.com>
"MEGACONCERTS" <MEGACONCERTS@aol.com>

Sent:

Tuesday, April 08, 2003 11:28 AM

Subject: Potential Investor

Profile

Established in 1987, The Carlyle Group is a private global investment firm that originates, structures and acts as lead equity investor in management-led buyouts, strategic minority equity investments, equity private placements, consolidations and buildups, and growth capital financings. Since its inception, the firm has invested more than \$7.2 billion of equity in 263 corporate and real estate transactions with an aggregate acquisition value of over \$19 billion. As of September 30, 2002, the firm had more than \$13.9 billion of committed capital under management.

Carlyle's extensive transaction experience and network of global partners are sources of corporate opportunities unparalleled in the private equity investment community. Headquartered in Washington, DC, the firm serves a diverse base of more than 550 investors in 55 countries worldwide.

Worldwide Offices Washington, DC (202) 347-2626 Tysons Corner (703) 286-0900

http://www.thecarlylegroup.com/

http://www.thecarlylegroup.com/profile.htm

http://www.thecarlylegroup.com/contact.htm

From:

"Alberto Medina López" <alberto252@hotmail.com>

To:

<XxTopGunnerxX9@aol.com>

Cc:

"MEGACONCERTS" <MEGACONCERTS@aol.com>; "Ron Monach" <reddolphinlic@aol.com>; "Robert Pugar"

<XxTopGunnerxX9@aol.com>; "Robert Bodnar" <PittPanthersSuck@aol.com>

Sent:

Wednesday, April 09, 2003 4:22 PM

Subject:

Re: Fee agreement

Dear Sirs:

If you WANT the exclusive NOW and in the following 40 days, obviously I require that you pay me IMMEDIATELY NOW a deposit of FIFTY THOUSANDS DOLLARS (\$55,000) to reimburse the cost NOW to Mr. Hurley and his partners.

Certainly, I CAN NOT GIVE YOU THE EXCLUSIVE IN THE NEXT 40 DAYS, WAITING FOR YOUR PROMISES, WITHOUT RECEIVING MONEY TO REIMBURSE THE COST TO MR. HURLEY, THAT HAD TO PUT THE MONEY BECAUSE MR. CHUCK FAIL TO DELIVER HIS PROMISE TO PUT IT PLAYING GAMES WASTING VALUABLE TIME.

Again, once I get the Preliminary Certified MAI Appraisal, I promise that YOU, MR. MONACH AND MR. CHUCK will be the first into have the opportunity to get me such loan IN OR BEFORE 5 DAYS ONCE I PRESENT YOU SUCH DOCUMENT.

IF IN THAT PERIOD OF 5 DAYS YOU DO NOT GET ME THE LOAN, OUR ORIGINAL AGREEMENT WILL BE VOID AND BE NULL. If you fail in that period, then, my other lenders will have the opportunity to get me the loan.

Sincerely

Your Friend

Alberto Medina

703-680-4396

---- Original Message ----

From: XxTopGunnerxX9@aol.com
To: alberto252@hotmail.com

Sent: Wednesday, April 09, 2003 12:42 PM

Subject: Fee agreement

Albert, it is my understanding from talking with Mr. Hurley that you are not interested in agreeing to a "40 Non-Compete" contract, However it is realized that Mr. Hurley has given Mr. Ron Monach an exclusive verbal non compete for a paeriod of two weeks. It is rather important that you realize and pass this information on to Anthony that it is *absolutely imperative* that we (Rob and I) receive an updated Fee Agreement today. Our contact has been instructed to "put this loan on a shelf" until we receive a signed agreement. As you realize, our original loan was to be no more than \$25 million and it also was not mentioned that the loan may be generated in Mr. Hurley's name. I have attached an updated contract for you to consider and amend to your comfortability, unfortunately time is of the essence. Please be advised that both you and Mr. Hurley will need to sign the contract. This is not an option, However, it is very necessary in order to proceed with your loan. I assure you and Mr. Hurley no further delays upon receiving a signed contract. Call me at any time.

Please call Rob Bodnar directly @ (412)818-1874 and he will give you an correct fax number for him to receive it directly.

From:

"Alberto Medina López" <alberto252@hotmail.com>

To:

<XxTopGunnerxX9@aol.com>

Cc:

"MEGACONCERTS" <MEGACONCERTS@aol.com>; "Ron Monach" <reddolphinllc@aol.com>; "Robert Bodnar"

<PittPanthersSuck@aol.com>

Sent:

Wednesday, April 09, 2003 4:18 PM

Subject:

Clarifying ALL

Dear Sirs:

If you WANT the exclusive NOW and in the following 40 days, obviously I require that you pay me IMMEDIATELY NOW a deposit of FIFTY THOUSANDS DOLLARS (\$55,000) to reimburse the cost NOW to Mr. Hurley and his partners.

Certainly, I CAN NOT GIVE YOU THE EXCLUSIVE IN THE NEXT 40 DAYS, WAITING FOR YOUR PROMISES, WITHOUT RECEIVING MONEY TO REIMBURSE THE COST TO MR. HURLEY, THAT HAD TO PUT THE MONEY BECAUSE MR. CHUCK FAIL TO DELIVER HIS PROMISE TO PUT IT PLAYING GAMES WASTING VALUABLE TIME.

Again, once I get the Preliminary Certified MAI Appraisal, I promise that YOU AND MR. CHUCK will be the first into have the opportunity to get me such loan IN OR BEFORE 5 DAYS ONCE I PRESENT YOU SUCH DOCUMENT.

IF IN THAT PERIOD OF 5 DAYS YOU DO NOT GET ME THE LOAN, OUR ORIGINAL AGREEMENT WILL BE VOID AND BE NULL. If you fail in that period, then, my other lenders will have the opportunity to get me the loan.

Sincerely

Your Friend

Alberto Medina

703-680-4396

Original Message ——

From: XxTopGunnerxX9@aol.com To: alberto252@hotmail.com

Sent: Wednesday, April 09, 2003 12:42 PM

Subject: Fee agreement

Albert, it is my understanding from talking with Mr. Hurley that you are not interested in agreeing to a "40 Non-Compete" contract, However it is realized that Mr. Hurley has given Mr. Ron Monach an exclusive verbal non compete for a paeriod of two weeks. It is rather important that you realize and pass this information on to Anthony that it is absolutely imperative that we (Rob and I) receive an updated Fee Agreement today. Our contact has been instructed to "put this loan on a shelf" until we receive a signed agreement. As you realize, our original loan was to be no more than \$25 million and it also was not mentioned that the loan may be generated in Mr. Hurley's name. I have attached an updated contract for you to consider and amend to your comfortability, unfortunately time is of the essence. Please be advised that both you and Mr. Hurley will need to sign the contract. This is not an option, However, it is very necessary in order to proceed with your loan. I assure you and Mr. Hurley no further delays upon receiving a signed contract. Call me at any time.

Please call Rob Bodnar directly @ (412)818-1874 and he will give you an correct fax number for him to receive it directly.

From: "Alberto Medina López" <alberto252@hotmail.com>

To: <XxTopGunnerxX9@aol.com>

Cc: "MEGACONCERTS" < MEGACONCERTS@aol.com>; "Ron Monach" < reddolphinllc@aol.com>; "Robert Bodnar"

<PittPanthersSuck@aol.com>

Sent: Wednesday, April 09, 2003 4:06 PM

Subject: Re: Fee agreement

Dear Sirs:

Don't complicate this. Our original business agreement was very simple. As you remember:

FIRST

On January 28, 2003 I wrote and sent to you a letter authorizing you to get me loan of between \$25 to \$100 millions dollars putting as collateral part of my property's ownership rights.

SECOND

Shortly after that, we agreed together that you will get me a loan of \$25 millions dollars, putting as collateral ALL of my property's ownership rights, paying the lender (Mr. Chuck) all the necessary preliminary appraisal's costs.

THIRD

Shortly after that, on March 10, 2003, ALMOST ONE AND A HALF MONTH AFTER, you inform me that due to the fact the Bank of Colorado rejected that "preliminary appraisal", it was going to be necessary to get a Certified MAI Appraisal as soon as possible.

FOURTH

Shortly after that, on March 15, 2003, you informed me that Mr. Chuck agreed to pay all the costs to get such Certified MAI Appraisal, using one of my recommended appraisers, Mr. George Carver or Mr. Thomas Spears.

FIFTH

Shortly after that, on March 23, 2003, after receiving and evaluating the Mr. Carver's Proposal, I had to reject it due to the fact that he did not accept my requirements. Certainly, I was not going to accept that proposal because it did not guarantee the minimum requirements to get a good appraisal, putting in risk the investment.

For that reason, shortly after that, per conduct of Mr. Hurley, I informed to you that the ideal professional to do the job was Mr. Spears, who really understand the complexities of the job and the property itself.

SIXTH

Shortly after that, due to the fact that Mr. Chuck never took action to pay and get that document, not having other choice, in order to accelerate the proceedings, AVOIDING TO WASTE TIME, WAITING WEEKS AND WEEKS, during this week of April 8, 2003, Mr. Hurley had to put the funds from his pocket to pay to Mr. Spears to begin the job to get that document.

SEVENTH

Finally, taking in consideration all of those reasons, and accepting the fact that I got the lender broker (Mr. Ron Monach) per conduct of you, I ratify my original agreement to pay you the TEN PERCENT (10%) of the loan, in the same day in the same bank in the same act, once I get the money, ONLY IF MR. MONACH GET ME THE LOAN (from \$1 million to \$100 millions) once I got and present to him the Certified MAI Appraisal in this next two weeks. Certainly, as I hope you will understand, you will have to share your commission with Mr. Monach.

On the other hand, if you have the exclusive NOW and in the following 40 days, obviously I require that you pay me IMMEDIATELY NOW a deposit of FIFTY THOUSANDS DOLLARS (\$55,000) to reimburse the cost NOW to Mr. Hurley and his partners.

Certainly, I CAN NOT GIVE YOU THE EXCLUSIVE IN THE NEXT 40 DAYS, WAITING FOR YOUR PROMISES, WITHOUT RECEIVING MONEY TO REIMBURSE THE COST TO MR. HURLEY, THAT HAD TO PUT THE

MONEY BECAUSE MR. CHUCK FAIL TO DELIVER HIS PROMISE TO PUT IT PLAYING GAMES WASTING VALUABLE TIME.

Again, once I get the Preliminary Certified MAI Appraisal, I promise that YOU AND MR. CHUCK will be the first into have the opportunity to get me such loan IN OR BEFORE 5 DAYS ONCE I PRESENT YOU SUCH DOCUMENT.

IF IN THAT PERIOD OF 5 DAYS YOU DO NOT GET ME THE LOAN, OUR ORIGINAL AGREEMENT WILL BE VOID AND BE NULL. If you fail in that period, then, my other lenders will have the opportunity to get me the loan.

Sincerely

Your Friend

Alberto Medina

703-680-4396

---- Original Message ----

From: XxTopGunnerxX9@aol.com
To: alberto252@hotmail.com

Sent: Wednesday, April 09, 2003 12:42 PM

Subject: Fee agreement

Albert, it is my understanding from talking with Mr. Hurley that you are not interested in agreeing to a "40 Non-Compete" contract, However it is realized that Mr. Hurley has given Mr. Ron Monach an exclusive verbal non compete for a paeriod of two weeks. It is rather important that you realize and pass this information on to Anthony that it is absolutely imperative that we (Rob and I) receive an updated Fee Agreement today. Our contact has been instructed to "put this loan on a shelf" until we receive a signed agreement. As you realize, our original loan was to be no more than \$25 million and it also was not mentioned that the loan may be generated in Mr. Hurley's name. I have attached an updated contract for you to consider and amend to your comfortability, unfortunately time is of the essence. Please be advised that both you and Mr. Hurley will need to sign the contract. This is not an option, However, it is very necessary in order to proceed with your loan. I assure you and Mr. Hurley no further delays upon receiving a signed contract. Call me at any time.

Please call Rob Bodnar directly @ (412)818-1874 and he will give you an correct fax number for him to receive it directly.

If and prior to Alberto Medina agreeing to and accepting the term and conditions of the loan, regardless of the loan amount, he or his represented undersigned parties are responsible for a seperate and exclusive services fees for ANY original or subsequent loan generated as a result of our efforts to be paid in full at the same time of the loan closing and as a seperate transaction to Robert Pugar and Robert Bodnar, to be divided equally for services rendered. It will be agreed by this binding contract that Alberto or any other person(s) reprensenting the property of Alberto for the purpose of generating a loan is to surrender the appropriate fees in full to Robert Pugar and Robert Bodnar in two seperate escrow accounts at the time of closing. Any any all other fee agreements will be considered void upon all parties signing this updated agreement.

Alberto Medina Lopez or any person(s) representing any property belonging to Alberto Medina Lopez for the purpose of generating a loan has agreed to the listed conditions for fees to be paid in full as follows:

10% of any Bridge loan The greater of 10% or \$2 Million for any loan between \$10-25 Million. 12% for anf loan amount between \$25-35 Million. 15% for any loan amount above \$35 Million.

From: To: "Alberto Medina López" <alberto252@hotmail.com>
"MEGACONCERTS" <MEGACONCERTS@aol.com>

Sent:

Wednesday, April 09, 2003 5:23 PM

Subject:

Fw: response

---- Original Message ----

From: XxTopGunnerxX9@aol.com
To: alberto252@hotmail.com

Sent: Wednesday, April 09, 2003 4:41 PM

Subject: response

We no longer need the non compete clause, only the fee agreement, and if we do not have one within the next 24 hours, we WILL SUSPEND any ongoing efforts until you comply. We are not "playing games" as you so accuse.

Thank you Bob Pugar

From:

"Alberto Medina López" <alberto252@hotmail.com>

To:

<XxTopGunnerxX9@aol.com>

Cc:

"MEGACONCERTS" < MEGACONCERTS@aol.com>; "Ron Monach" < reddolphinllc@aol.com>; "Robert Bodnar"

<PittPanthersSuck@aol.com>

Sent:

Wednesday, April 09, 2003 5:22 PM

Subject: Cla

Clarifying All Again

Dears Sirs:

YOU DON'T NEED ANOTHER CONTRACT BECAUSE WE HAVE ONE.

The main reason is because Mr. Hurley will not be the borrower. The property's title is not under his name. I will be the borrower.

We have (you and I) a 10% loan's contract that I have the entire intention to comply once Mr. Monach get me the loan in the same act, once I present to him the Partial Certified MAI Appraisal that Mr. Hurley is paying NOW from his pocket because Mr. Chuck failed to pay it as he promised wasting my time.

I assure you that, You, Mr. Monach and Mr. Chuck will have THE FIRST CHOICE to work in this deal once I got such appraisal in this next two weeks, but now, I can not give you THE 40 DAYS EXCLUSIVE because I will give you (to Mr. Monach) only 5 working days to deliver the loan. In other words, once I got the document I will give you 5 working days to test your promise.

I can not give you NOW the 40 days exclusive because Mr. Hurley and his partners want to see QUICK RESULTS in the following 3 weeks. For that reason they are putting money now. If your team fail, they have other lenders waiting to produce money and recover their investment.

If you want the 40 days exclusive, PUT MONEY IN YOUR WORDS NOW, paying \$55,000 dollars to refund the money to Mr. Hurley and his partners.

In that way they can wait 40 days waiting for your promises freezing their money during that long period of time.

Sincerely

Alberto

703-680-4369

---- Original Message -----

From: XxTopGunnerxX9@aol.com
To: alberto252@hotmail.com

Sent: Wednesday, April 09, 2003 4:47 PM

Subject: Re: Fee agreement

Alberto

Please understand that there have been drastic changes to our original agreement that need to be addressed, including using Mr. Hurley as the lender. Also, let it be known my and Rob's fee is totally seprate from any fee that the bank may charge you (as stated in our original contract). At this point the loan is very real and very near, however, we must first come to terms before we continue.

From:

To:

"Alberto Medina López" <alberto252@hotmail.com>
"MEGACONCERTS" <MEGACONCERTS@aol.com>

Sent:

Friday, April 11, 2003 5:15 AM

Subject:

PR Sands Monopoly

Anthony

Is very important that you understand some points.

As you had note in the past weeks, concerning the sand, each time that we approach the appraisers or others businessmen in PR concerning that, they react in different manner, even scared. Do you know why? Let me explain.

In PR it seem that there is a secret concerning the sand and the tycoons who control that business. Let me explain you who are those tycoons.

Those tycoons that controlled and today indirectly continue control the sand's market in the island are THE FAMILY FERRE. Now, in order that you understand better, let me explain now who were and who are them today.

Originally, that POOR family arrived from Cuba in 1898 after ending the Spanish American War. Shortly after that, that family begun to produce big money by virtue of selling machinery to the corporations that operated in the island between 1910 to 1930 who each one illegally had lands for more than 500 acres, violating 48 USC 752, dedicating to the sugar cane production operations, producing illicit money.

Shortly after that, in 1947, that family established the first cement (concrete) manufacturing operation under the name of PONCE CEMENT, which eventually changed the name to PUERTO RICAN CEMENT, and very recently changed again the name under CEMEX, when the mexican investors group acquired the company, using his own money, concealing his origin, laundering it.

Now then, continues the story, using that dirty money, during the period of 1947 to 1969, that family produced more dirty money by virtue of produce and sell MILLIONS DOLLARS of cement to ALL the big corporations (the urban developers) dedicated to the prohibited business of buying and selling real estate in PR, violating again 48 USC 752, producing all again dirty money. Certainly, the construction of more than 400,000 urban fraudulent housing units generated big millions.

On the other hand, also, during that period of time, using that dirty money, that family bought one small newspaper in Ponce, that eventually was and is today the main newspaper in the island under the name of EL NUEVO DIA (the NEW DAY) www.endi.com. In that way, that family acquired the power of the press controlling the public opinion.

Shortly after that, not being enough all of that, the next step was running in the politics when one of his members, under the name of Mr. Luis Ferre, converted in GOVERNOR OF PUERTO RICO (See more inf. in http://www.puertorico-herald.org/issues/voi4n04/ProfileLuisFerre-en.shtml).

During his mandate (1969 to 1973) as the island's governor, he designed a plan to produce more dirty money by virtue increase his company's cement sales to the local government under his charge concealing his obvious conflict of interest by virtue of the political bribery.

As one of the main contributor of the U.S. Republican Party (the GOP), and using his influences in Washington DC, he got that the Federal Government approved millions dollars to build the main highway in the island (of more than 200 miles long) using federal funds, being the main project's cement supplier, his company, PUERTO RICAN CEMENT.

Not being enough all of that, due to the fact that the conflict of interest was too big, being governor, in 1973 he designed a plan to conceal it. The political tool that he used was convince the Federal Government (U.S. Bureau of Mines) to sign a Memorandum of Understanding to conceal his company's sand and cement production. In that way he blocked the flow of data that evidenced his company's monopoly.

The big evidence that prove the using of that political influences was the fact that never the Mariana Islands, the U.S. Caribbean, the Pacific Islands Possessions and the Trust Territory of the Pacific Islands could got those privileges to conceal the mining data (See more inf. in

 $\frac{http://minerals.usgs.gov/minerals/pubs/state/2001/prstmyb01.pdf}{http://minerals.usgs.gov/minerals/pubs/state/984396.pdf}.$

Shortly after that, his last fraud was, in 1979, being president of the Senate and being governor his disciple Mr. Carlos Romero Barcelo, when he changed the Mortgage Law, eliminating the warning that protected the "third civil parties of better rights" in the new registry's inscriptions affecting my inheritance, being more difficult to claim it.

For those reasons, today, that family control the island's public opinion with his newspaper, control the banks and the developers, control one of the local main political parties (the New Progressive Party - PNP), the most biggest cement company CEMEX (using the mexican investor as a curtain), and of course, the Government, who issue the unnecessary sand's extraction permits by conduct of the Department of Natural Resources.

Today, the influence of that family continues being too big that the president of the U.S. District Court for the District of Puerto Rico, the federal judge Hector M. Laffitte, very recently requested and recommended put the name of Mr. Luis Ferre to such Court Federal Building. Here the conflict of interest is too big that the best evidence is the fact that that judge is a close friend of such two ex governors, from the same political party, because his daughter is married with the Romero's Son (See more inf in http://www.prd.uscourts.gov/USDCPR/directory1.htm).

As I hope you will understand, due to the fact that I denounced all of those crimes, I never had the opportunity to produce money with the property when those tycoons blocked me not having other choice to leave the island.

Here, the key is, due to the fact that that family continues controlling the island, CEMEX has the absolute control to produce money with the property. All of them are telling you that on site the cubic meter has a value of \$10 when the reality is that the real minimum wholesale value is \$35 having the truckers and the retailers more than \$50 to split.

I hope that that explanation be helpful to you.

Regards

Alberto

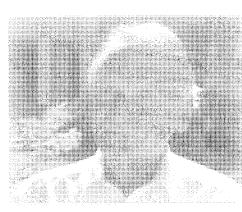
703-680-4369



Para ver este documento en español, oprima agui.

Puerto Rico Profile: Luis A. Ferre

January 28, 2000 Copyright © 2000 THE PUERTO RICO HERALD. All Rights Reserved.



In his 96 years, Luis A. Ferre -- successful businessman, art patron, and former Governor of Puerto Rico -- has had a unique opportunity to witness, and influence, a period of dramatic change on his native island.

Ferre was born in Ponce in 1904, soon after the transition of Puerto Rico from Spanish to American control. It was a time of great promise, and many Puerto Ricans believed they would soon enjoy the rights which they had been denied for so long. Ferre's father, a Cuban immigrant and the founder of the Puerto Rico Iron Works, described to his young son how, in 1898, the people of Ponce had welcomed U.S. troops landing on the island.

The arrival of American forces did not, however, bring the immediate advantages that some had predicted. Instead, the process of political, economic, and cultural growth in Puerto Rico which began in 1898 has lasted all of Luis Ferre's life.

In 1917, when Ferre was 13 years old, the Puerto Rican people were granted U.S. citizenship. "Of course I can't remember it distinctly," he said 75 years later, "but ever since, I've been very proud of that day. I feel it is a great privilege and a great honor to be a citizen of the greatest republic that we've had in the history of the world."

Ferre's respect for the United States dates back to his years as a university student in Cambridge, Massachusetts. That period away from home was formative, both professionally and politically. He recalled much later: "I was a part of the old Hispanic community, but then I went to the mainland to study, in Boston at M.I.T., and I became completely sold on the importance of having Puerto Rico become a state of the Union, on an equal basis with the rest of the states."

Ferre returned to Puerto Rico with a degree in engineering and a firm belief in statehood. He built his father's business into a hugely successful industrial enterprise, becoming a millionaire in the process. As his fortune grew, so did the movement among Puerto Ricans to govern themselves.

Luis Ferre entered politics at a propitious time in the island's history. In 1948, Puerto Ricans elected a governor for the first time, choosing Luis Muñoz Marín. In 1952 the year before commonwealth status and internal self-government, Luis Ferre was elected to the Puerto Rican House of Representatives. From this position, he advocated commonwealth as a stepping stone to his ultimate goal of statehood for Puerto Rico.

Ferre saw the chance to further the cause in 1967, the year of the first political status plebiscite on the island. While commonwealth was the winning option, Ferre utilized the plebiscite to mobilize statehood forces and establish a new political entity, the New Progressive Party (NPP).

Ferre ran for Governor of Puerto Rico as the NPP candidate in 1968, and he won a close race. His victory marked the

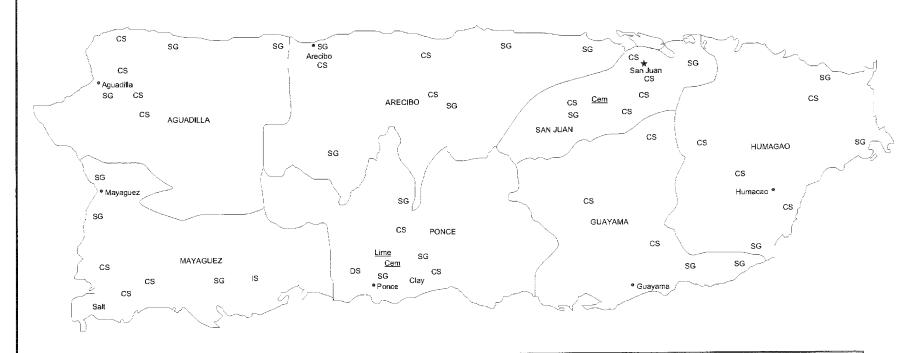
end of 25 years of political dominance by Muñoz Marín's Popular Democratic Party (PDP), and the beginning of a new era in which the NPP and PDP would vie for the support of the Puerto Rican people.

Ferre was Governor for one term, from 1969 to 1973. However, his importance stems not so much from what he achieved in those four years, as from the precedent that he set. After him came more statehooders like Carlos Romero Barceló, Hernan Padilla, and Pedro Rosselló. First under Ferre's guidance, then under his inspiration, the New Progressive Party with its statehood agenda has become a legitimate and powerful political force. As he noted in 1997, "when I became Governor of Puerto Rico, as a statehood governor, we had 400,000 votes. Today, we won the election in 1996 with 1,600,000 votes."

Along with his political astuteness and business savvy, Ferre is also a great lover and supporter of the arts. "Art is something that enriches all nations," Ferre said in 1997. "It is very important to teach [art to] children when they're young because it opens up their minds and imagination and keeps them alive. In accordance with this philosophy, he founded the Museo de Arte de Ponce in 1965. The museum features artwork from medieval times to the present, focusing on the relevance of European in Puerto Rico. Housed in an impressive, modern building, it is a major cultural attraction in Ferre's home city

Over the past century, Puerto Rico has grown in freedom, wealth, and influence. Similarly, Luis Ferre has attained the honored positions of elder statesman and philanthropist. He is one of four Puerto Ricans to have received the Presidential Medal of Freedom. (Muñoz Marín, Antonia Pantoja, and Gov. Ferre's sister, Isolina, are the other three.) Reflecting on this distinction, he said, "I honestly believe that this was a recognition by the people of the United States to the people of Puerto Rico. After all, the people of Puerto Rico for the last eighty years [since attaining citizenship] have been contributing, in many ways, to the enrichment and the growth of our country."

PUERTO RICO



LEGEN	ID MINER	۱L S۱	MBOLS	(Major	producing areas)
	District boundary	<u>Cem</u>	Cement plant	Lime	Lime plant
*	Capital	Clay	Common clay	Salt	Salt
9	City	CS	Crushed stone	SG	Construction sand and gravel
		DS	Dimension stone		gr ave r
		IS	Industrial sand		

0 100 Kilometers

Source: Department of Natural Resources, Commonwealth of Puerto Rico/U.S. Geological Survey (2001)

THE MINERAL INDUSTRY OF PUERTO RICO AND THE ADMINISTERED ISLANDS

This chapter has been prepared under a Memorandum of Understanding between the U.S. Geological Survey and the Department of Natural Resources, Bureau of Geology, Commonwealth of Puerto Rico, for collecting information on all nonfuel minerals.

In 2001, the estimated value¹ of nonfuel raw mineral production for Puerto Rico² was \$186 million, based upon preliminary U.S. Geological Survey (USGS) data. If ranked in comparison with the 50 States, Puerto Rico would rank 40th in total nonfuel mineral production value. Portland cement, by value, continued to be the Commonwealth's leading nonfuel

¹The terms "nonfuel mineral production" and related "values" encompass variations in meaning, depending upon the minerals or mineral products. Production may be measured by mine shipments, mineral commodity sales, or marketable production (including consumption by producers) as is applicable to the individual mineral commodity.

All 2001 USGS mineral production data published in this chapter are preliminary estimates as of August 2002 and are expected to change. For some mineral commodities, such as construction sand and gravel, crushed stone, and portland cement, estimates are updated periodically. To obtain the most current information, please contact the appropriate USGS mineral commodity specialist. Specialist contact information may be retrieved over the Internet at URL http://minerals.usgs.gov/minerals/contacts/comdir.html; alternatively, specialists names and telephone numbers may be obtained by calling USGS information at (703) 648-4000 or by calling the USGS Earth Science Information Center at 1-888-ASK-USGS (275-8747). All Mineral Industry Surveys—mineral commodity, State, and country—also may be retrieved over the Internet at URL http://minerals.usgs.gov/minerals.

²While a Memorandum of Understanding (MOU) was officially made between the U.S. Geological Survey (USGS) and the Commonwealth of Puerto Rico, MOUs were not established with the Commonwealth of the Northern Mariana Islands, U.S. Caribbean and Pacific Island Possessions, or the U.S. Trust Territory of the Pacific Islands. Nevertheless, data on nonfuel mineral production were reported to the USGS for the island of Guam of the Pacific Island Possessions. These data appear in table 1.

mineral commodity, followed by crushed stone. Construction sand and gravel was produced in Puerto Rico, but production data are not available. The collection and compilation of production data for construction sand and gravel were discontinued in 1973 by the U.S. Bureau of Mines (the Federal Government agency then responsible for collecting domestic raw nonfuel mineral production data) because of a low rate of response to surveys by the industry (Sikich and Alonso, 1993). The data for dimension stone, as well as for industrial sand and gravel, were withheld to protect company proprietary data.

Metals have not been mined in Puerto Rico since the Juncos iron mine closed in 1953; prospects for resuming metal mining in the near future do not appear to be likely. However, metal occurrences are common on the island, and the possibility of developing a metal deposit should not be completely discounted (Sikich and Alonso, 1993).

Of the U.S. Administered Islands, only American Samoa and Guam have reported nonfuel mineral production data, and these have been limited to crushed stone. American Samoa's data have been withheld to protect company proprietary data (table 1).

Reference Cited

Sikich, S.W., and Alonso, R.M., 1993, The mineral industries of Puerto Rico, Northern Marianas, Island Possessions, and Trust Territory: U.S. Bureau of Mines Minerals Yearbook 1992, v. II, p. 467-470.

PUERTO RICO—2001 41.1

TABLE 1 NONFUEL RAW MINERAL PRODUCTION IN THE COMMONWEALTH OF PUERTO RICO AND ISLANDS ADMINISTERED BY THE UNITED STATES 1/ 2/

(Thousand metric tons and thousand dollars unless otherwise specified)

2000 11 2 0 1 1 2 1 2 1 2 1 2 1 2 1 2 1	19	1999)	2001 p/	
Mineral	Quantity	Value	Quantity	Value	Quantity	Value
Puerto Rico:		•				
Cement, portland metric tons	W	W	1,660 e/	W	1,540 e/	W
Clays, common	159	W	141	458	144	458
Lime	27	3,770	16	2,750	15	1,000
Salt	45	1,500	45	1,500	45	1,500
Stone, crushed	13,200	56,800	10,800	51,000	10,800	51,000
Combined values of sand and gravel (industrial), stone						
(dimension marble), and values indicated by symbol W	XX	178,000	XX	143,000 r/	XX	132,000
Total	XX	240,000	XX	199,000 r/	XX	186,000
Administered Islands:						
American Samoa, stone, crushed	W	(3/)			per sets	
Guam, stone, crushed	1,740	11,800	121	856	121	856
Virgin Islands, stone, crushed limestone and traprock	W	(3/)	W	(3/)	W	(3/)
Total	XX	11,800	XX	856	XX	856

e/ Estimated. p/ Preliminary. W Withheld to avoid disclosing company proprietary data; value included with "Combined values" data. XX Not applicable. -- Zero.

^{1/} Production as measured by mine shipments, sales, or marketable production (including consumption by producers).

^{2/} Data are rounded to three significant digits; may not add to totals shown.

^{3/} Withheld to avoid disclosing company proprietary data.

THE MINERAL INDUSTRY OF PUERTO RICO

This chapter has been prepared under a Memorandum of Understanding between the U.S. Bureau of Mines, U.S. Department of the Interior, and the Department of Natural Resources, Commonwealth of Puerto Rico, for collecting information on all nonfuel minerals.

In 1994, the estimated value² of nonfuel mineral commodities produced in Puerto Rico was \$128 million, a 2% increase as compared with that of 1993, according to the U.S. Bureau of Mines (USBM). This followed a 1.5% increase in value from 1992 to 1993. The combined values of portland cement and crushed stone, the island's leading and second-leading mineral commodities, accounted for almost 97% of the reported total for Puerto Rico. The estimated value of construction sand and gravel, traditionally the third-leading mineral commodity on the island, was not available, also not having been included with data of either of the previous 2 years. In addition, the value of another important mineral commodity, industrial sand, was withheld and not included in the reported value to protect proprietary data of the island's only industrial sand producer. Although these two minerals were not included in the island's total, the reported value of Puerto Rico's mineral production would place it 43d if ranked in a comparison with the 50 United States. Compared with that of 1993, the mineral commodity values for crushed stone,

lime, and common clays increased. Decreases occurred for industrial sand and gravel.

Based on USBM estimates of the quantities of minerals produced in the United States and its Territories during 1994, production of portland cement, crushed stone, and lime increased in Puerto Rico while common clay production slightly decreased. Increases in the estimated production of crushed stone were also reported in 1994 for the U.S.-administered islands of American Samoa and Guam.

¹While a Memorandum of Understanding (MOU) was officially made between the U.S. Bureau of Mines (USBM) and the Commonwealth of Puerto Rico, MOU's were not established with the Commonwealth of the Northern Mariana Islands, U.S. Caribbean and Pacific Island Possessions, nor the U.S. Trust Territory of the Pacific Islands. Nevertheless, data on nonfuel mineral production was reported to the USBM for the Islands of American Samoa and Guam of the Pacific Island Possessions. These data appear in table 1.

²The term value in this document refers to the monetary value of nonfuel minerals as represented by either mine shipments, mineral commodity sales, or marketable production as is applicable to the individual mineral commodities.

TABLE 1
NONFUEL RAW MINERAL PRODUCTION¹ IN THE COMMONWEALTH OF PUERTO RICO AND ISLANDS
ADMINISTERED BY THE UNITED STATES

			1992	1	993	1	994 ^p
Mineral		Quantity	Value (thousands)	Quantity	Value (thousands)	Quantity	Value (thousands)
PUERTO F	RICO						
Cement (portland)	thousand metric tons	1,298	\$119,643	1,310	\$72,619	1,444	\$72,600
Clays	do.	W	527	155	508	149	519
Lime	do.	27	3,717	_	_	25	3,830
Sand and gravel (industrial)	do.	W	W	58	1,396	W	W
Stone (crushed)	do.	NA	NA	7,845	51,059	_°8,000	°51,000
Total		XX	² 123,887	XX	125,582	XX	^{2 3} 128,000
ADMINISTEREI	DISLANDS						
American Samoa (crushed)	thousand metric tons		_	83	W	°100	W
Guam: Stone (crushed)	do.	_		1,373	15,095	_°1,400	°15,100
Total		XX	e.comb	XX	² 15,095	XX	^{2 3} 15,100

Estimated. NA Not available. W Withheld to avoid disclosing company proprietary data; not included in "Total." XX Not applicable.

¹Production as measured by mine shipments, sales, or marketable production (including consumption by producers).

²Total does not include value of item withheld.

³Data do not add to total shown because of independent rounding.

TABLE 2 PUERTO RICO: CRUSHED STONE' SOLD OR USED BY PRODUCERS IN 1993, BY USE

Use	Quantity (thousand metric tons)	Value (thousands)	Unit value
Coarse aggregate (+1 1/2 inch): Riprap and jetty stone	148	\$1,162	\$7.85
Coarse aggregate, graded:			
Concrete aggregate, coarse	825	5,448	6.60
Bituminous aggregate, coarse	3	21	7.00
Bituminous surface-treatment aggregate	53	312	5.89
Other graded coarse aggregate	50	355	7.10
Fine aggregate (-3/8 inch):			
Stone sand, concrete	243	1,894	7.79
Stone sand, bituminous mix or seal	372	2,325	6.25
Screening, undesignated	(3)	1	4.96
Other fine aggregate	82	547	6.67
Coarse and fine aggregates:			
Graded road base or subbase	66	364	5.52
Unpaved road surfacing	W	W	4.29
Terrazzo and exposed aggregate	31	271	8.74
Other construction materials	132	656	4.97
Roofing granules	W	W	7.02
Other miscellaneous uses:			
Other specified uses not listed	1,221	6,150	5.04
Unspecified: ⁵			
Actual	143	(⁶)	(⁶)
Estimated	4,476	32,730	7.31
$Total^{\tau}$	7,845	51,059	6.51
Total ^{8 9}	8,648	51,059	5.90

W Withheld to avoid disclosing company proprietary data; included with "Other construction materials."

Includes granite, limestone, marble, miscellaneous stone, sandstone, and volcanic cinder and scoria; excludes sandstone value from State total to avoid disclosing company proprietary data.

²Includes filter stone and macadam.

³Less than 1/2 unit.

⁴Includes poultry grit and mineral food, cement manufacture, and other fillers or extenders. ⁵Includes production reported without a breakdown by use and estimates for nonrespondents.

⁶Excludes sandstone value from State total to avoid disclosing company proprietary data.

^{*}One short ton is equal to 907 kilograms or 2,000 pounds. To convert metric tons to short tons, divide metric tons by 0.907185.

Total shown in thousand short tons and thousand dollars.

TABLE 3 PUERTO RICO: CRUSHED STONE SOLD OR USED, BY KIND

		1991 ^t				1993			
Kind	Number of quarries	Quantity (thousand metric tons)	Value (thousands)	Unit value	Number of quarries	Quantity (thousand metric tons)	Value (thousands)	Unit value	
Limestone	30	15,875	'\$35,740	r\$6.08	29	6,161	\$41,195	\$6.69	
Marble	 '3	°503	'3,330	'6.62	3	230	1,575	6.85	
Granite	₁	W	W	7.39	4	495	3,865	7.81	
Sandstone and quartzite	r5	^r 462	12,582	r5.59	3	W	(2)	(²)	
Volcanic cinder and scoria		W	W	¹ 6.51	1	W	1,180	W	
Miscellaneous stone		W	W	10.08	3	468	3,246	6.94	
Total ³	XX	r8,008	49,839	6.22	XX	7,845	51,059	6.51	
Total ^{4 5}	XX	¹ 8,827	49,839	5.65	XX	8,648	51,059	5.90	

Revised. W Withheld to avoid disclosing company proprietary data; included with "Total." XX Not applicable.

Includes "sandstone and quartzite," reported with no distinction between the two.

Excludes sandstone value from State total to avoid disclosing company proprietary data.

Data may not add to totals shown because of independent rounding.

⁴One short ton is equal to 907 kilograms or 2,000 pounds. To convert metric tons to short tons, divide metric tons by 0.907185. ⁵Total shown in thousand short tons and thousand dollars.

MEECORPFAXTM

meecorp capital markets, IIc
2115 LINWOOD AVENUE, SUITE 301
FORT LEE, NEW JERSEY 07024
PHONE: (201) 944-9330 Ext. 105 FAX (201) 944-9332
E-Mail: brad_Pullman@meecorp.com
www.meecorp.com

TO: Co:	Anthony Hurley/ Alberto Medina
FAXN	UMBER: (208) 955-4528

FROM: Brad Pullman

TOTAL NUMBER OF PAGES (INCLUDING THE COVER SHEET) 5

DATE: April 16, 2003

TIME: 11:08 P.M.

RE: This is the term sheet we had discussed the other day. I hope your trip to Puerto Rico was both productive and enjoyable. I understand time is of importance so your immediate response would be appreciated.

Brad Pullman



MEECORP CAPITAL MARKETS, LLC 2115 LINWOOD AVENUE, SUITE 301 FORT LEE, NJ 07024 PHONE (201) 944-9330 FAX (201) 944-9332 9-mail daniel_edrei@meecorp.com

April 16, 2003

Letter of Interest/ Term Sheet

Mr. Anthony Hurley
Mr. Alberto Lopez Medina
Mega Productions, Inc.
C/o Ronald Monach
Red Dolphin Enterprises, LLC
1030 Delacroix Circle
Nokomis, FL 34275

<u>Via Fax No. (208) 955-4528</u> <u>Via Fax No. (410) 296-4052</u>

Re: \$30,000,000 Loan Request

Gentlemen:

Meecorp Capital Markets, LLC, affiliates, investors, assigns, or designees (collectively "Lender" or "Meecorp") is pleased to submit the following term sheet and is willing to proceed with the evaluation of the potential financing of Mega Productions, Inc. and Properties. In no way should this be considered a firm loan commitment. Meecorp has the capacity to arrange funding for this project at the requested amount upon the receipt of acceptable collateral security. Outlined below are the general terms and conditions of the proposed loan. These terms are only general guidelines, and only upon issuance of a commitment and completion of our due diligence can exact terms be determined.

This Letter of Interest/Term Sheet shall expire at the end of business, Wednesday, April 23, 2003.

PROPERTY:

826 contiguous acres of waterfront raw land located in the Road Number 187 between the kilometers 10.3 to 12.3 in the municipality of Loiza in the island of Puerto Rico. The borrower believes the current 'as-is' value of the property to be not less than \$300,000,000. Exit by permanent financing.

LOAN AMOUNT:

Meecorp would make a loan of \$30,000,000 but up to Ten Percent (10%) of the as-is appraised 180 marketing day sale value of the collateral used as security for the loan, to a cash buyer (the "180-Day Market Value"). If Borrower were to dispute the value as determined by Meecorp's appraiser, Borrower shall have the right to hire a third party appraiser, approved by Meecorp, and Meecorp would offer a loan of Ten Percent (10%) of the 180-day Market Value as determined by said appraiser, or return any portion of the paid Commitment Fee, as defined below.

TYPE:

Bridge

TERM:

The Loan would be for Three (3) years with a One (1) year lockout.



Mr. Anthony Hurley Mr. Alberto Lopez Medina Mega Productions, Inc. April 16, 2003 Page 2

AMORTIZATION:

No scheduled principal payments during the term of the loan.

INTEREST RATE: During the first year an annual interest rate of Thirteen and a Quarter Percent (13 % %) prepaid in advance, Fifteen Percent (15%) during the second year and Sixteen Percent (16%) during the third year, paid monthly

in arrears.

BORROWER:

Mega Productions, Inc., or designated entity.

COMMITMENT

FEE:

Three percent (3.0%) of the Loan Amount, earned upon acceptance of a loan commitment, payable One Percent (1 %) upon execution of the Commitment and

the balance from proceeds at closing.

EXIT FEE:

In lieu of equity, an exit fee equal to Five Percent (5%) of the loan amount would be included in the Loan Amount and disbursed to Meecorp from loan proceeds.

UP FRONT

ESCROW:

If applicable, escrows at closing will be established for any requirement determined

during the due diligence period.

ADDITIONAL

COLLATERAL ITEMS

REQUIRED FOR CLOSING: Review of borrower ownership structure and principals.

Review of Property's public filings of any kind

Review of an Appraisal Report

Environmental and Engineering Reports

Loan Documentation. Counsel opinions.

Review of Borrower's Business Plans

Please recognize that although we reviewed your project and found it to be viable, this letter is neither a loan application nor a loan commitment, but merely indicates Lender's willingness to proceed with its evaluation of this potential transaction. Of course, Lender will be under no obligation to close the loan outlined in this letter until a loan commitment letter thoroughly describing our requirements for the loan is approved by Lender, signed by all parties and the outstanding contingencies met.

Upon receipt of a \$25,000 wire transfer or certified check, Meecorp would provide you with a draft of a commitment containing the terms and conditions of the loan commitment to be reviewed by you and your counsel. This Fee would be non-refundable unless the terms contained herein are not contained in the draft commitment.

We look forward to discussing the above potential transaction with you. If you have any questions, please feel free to call me at 201-944-9330.



Mr. Anthony Hurley Mr. Alberto Lopez Medina Mega Productions, Inc. April 16, 2003 Page 3

If you are willing to proceed with this potential transaction on the terms outlined above and on an exclusive basis, please forward the Application fee, sign below and return the original.

THIS IS NOT A LOAN COMMITMENT

Very truly yours, MEECORP CAPITAL MARKETS, LLC.	
Daniel Berei Director	
Agreed and accepted:	
MEGA PRODUCTIONS, INC.	
By: Mr. Anthony Hurley, Principal	_ Date:
By: Alberto Lopez Medina, Prideibal	Date: APRIL 23, 2003 (3:04Pm)

Megalol.bp

MEECORP

MEECORP WIRE INSTURCTIONS:

Account Name:

MEECORP CAPITAL GROUP Clearing Account

Account #: 040 742 970

Wire To:

Valley National Bank 3 University Plaza Hackensack, New Jersey 07601

ABA#: 021 201 383

Phone #: 201 488-4948

2115 LINWOOD AVENUE, FORT LEE, NJ 07024 PHONE (201) 944-9330 FAX (201) 944-9332 E-MAIL principal@meecorp.com

From:

"Alberto Medina López" <alberto252@hotmail.com>

To:

<brad pullman@meecorp.com>

Cc:

"MEGACONCERTS" <MEGACONCERTS@aol.com>; "Robert Pugar" <XxTopGunnerxX9@aol.com>; "Ron

Monach" <reddolphinllc@aol.com>; "Robert Bodnar" <PittPanthersSuck@aol.com>

Sent:

Tuesday, April 22, 2003 10:58 PM

Subject:

\$30 millions dollars loan deal secured by 826 Acres Waterfront Caribbean Paradise, Loiza Puerto Rico USA

April 22, 2003

Daniel Edrei

Director

MEECORP CAPITAL MARKETS, LLC
2115 LINWOOD AVENUE, SUITE 301

FORT LEE, NJ 07024

Phone (201) 944-9330 Fax (201) 944-9332

Dear Mr. Edrei:

After evaluating more deeply your proposal of April 16, 2003, following the recommendations of our legal counselors, before continuing expending time and money designing and evaluating the final term sheet and the commitment contract, serve this letter to request the **name**, **address** and **telephone numbers** of your real lender's contact or representative in the **Colorado Federal Savings Bank** in order to get directly from that financial institution (that you service) **a letter of intention** showing all his real loan's requirements, including, that bank recommended appraisers.

Certainly, having in hand that real information (the real facts and figures) prior sign any documentation, all our possible arrangements will be clear, without having the risk to receive surprises or contingencies putting in risk our deal at the end of the proceedings.

Definitively, if you agree to cover all the travel expenses to Mr. Hurley, visiting together that financial institution, before signing any documentation, it will provide us the opportunity to certify all his (the institution) real intentions.

For your benefit, according to the verizon's yellow pages, all that financial institution branches are located in the following places:

Colorado Federal Savings Bank

8400 East Prentice Avenue, Englewood, CO 80111 (303) 793-3555

Colorado Federal Savings Bank

981 Cowen Drive, Carbondale, CO 81623 (970) 963-4401

Colorado Federal Savings Bank

90 West 84th Avenue, Denver, CO 80260 (303) 785-3000 Colorado Federal Savings Bank

1301 Grandview Avenue, Pittsburgh, PA 15211

(412) 697-0277

Colorado Federal Saving Bank

703 3rd Avenue, Longmont, CO 80501 (720) 494-7744

Colorado Federal Savings Bank 515 South Belt Line Road, Dallas, TX 75253 (972) 404-4400

Colorado Federal Savings Bank 1004 Kamokila Boulevard, Kapolei, HI 96707 (808) 674-0633

Colorado Federal Savings Bank Honolulu, HI 96813 (808) 536-4464 (808) 536-4464 (fax)

Waiting your soon response.

Very Respectfully,

Alberto Medina Owner, Requester & Future Borrower

703-680-4369

alberto252@hotmail.com

From:

"Alberto Medina López" <alberto252@hotmail.com>

To:

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Cc:

"MEGACONCERTS" <MEGACONCERTS@aol.com>; "Robert Pugar" <XxTopGunnerxX9@aol.com>; "Robert

Bodnar" <PittPanthersSuck@aol.com>; "Ron Monach" <reddolphinllc@aol.com>

Sent:

Tuesday, April 22, 2003 11:45 PM

Subject:

\$30 millions dollars loan deal secured by 826 Acres Waterfront Caribbean Paradise, Loiza Puerto Rico USA

April 22, 2003

Daniel Edrei

Director

MEECORP CAPITAL MARKETS, LLC
2115 LINWOOD AVENUE, SUITE 301
FORT LEE, NJ 07024

Phone (201) 944-9330 Fax (201) 944-9332

Dear Mr. Edrei:

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Certainly, having in hand that real information (the real facts and figures) prior sign any documentation, all our possible arrangements will be clear, without having the risk to receive surprises or contingencies putting in risk our deal at the end of the proceedings.

Definitively, if you agree to cover all the travel expenses to Mr. Hurley, visiting together that financial institution, before signing any documentation, it will provide us the opportunity to certify all his (the institution) real intentions.

For your benefit, according to verizon's yellow pages, all that financial institution's branches are located in the following places:

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8400 East Prentice Avenue, Englewood, CO 80111 (303) 793-3555

Colorado Federal Savings Bank

981 Cowen Drive, Carbondale, CO 81623 (970) 963-4401

Colorado Federal Savings Bank

90 West 84th Avenue, Denver, CO 80260 (303) 785-3000 Colorado Federal Savings Bank 1301 Grandview Avenue, Pittsburgh, PA 15211 (412) 697-0277

Colorado Federal Saving Bank

703 3rd Avenue, Longmont, CO 80501 (720) 494-7744 **Colorado Federal Savings Bank** 515 South Belt Line Road, Dallas, TX 75253 (972) 404-4400

Colorado Federal Savings Bank 1004 Kamokila Boulevard, Kapolei, HI 96707 (808) 674-0633

Colorado Federal Savings Bank Honolulu, HI 96813 (808) 536-4464 (808) 536-4464 (fax)

Waiting for your soon response.

Very Respectfully,

Alberto Medina Owner, Requester & Future Borrower

703-680-4369

alberto252@hotmail.com

Alberto Medina

From:

REDDOLPHINLLC@aol.com

Sent:

Wednesday, April 23, 2003 10:11 AM

To:

alberto252@hotmail.com

Subject: (no subject)

Mr. Medina, you have been misinformed and I think it necessary to clarify a few things. I Ronald J Monach work for Colorado Federal Savings bank as the senior account executive for the East coast. I specifically do residential mortgages in the US only. I was contacted by Carnegie Financial through a friend of mine and asked if I could arrange financing on you puerto rico property. I answered yes and proceeded to find the lender for you. Colorado Federal Savings does not do these types of loan and they are not doing this one. The lender I found was Meecorp capital who issued you a term sheet that expires today. They are the real lender, there is no other. They require the 25K to proceed and will require the 1% of the loan amount at the time of commitment. There are no hidden fees or agendas here. We are trying to give you a loan and cover the costs associated with it on your behalf. The risks associated with placing money on your behalf is that you wont complete the loan. In the event that the 325K is expended and you dont take the loan, that money is lost and that is what Bob and I are concerned with. No one will put a lien on your property without your consent and contractual agreement. please call me at 941 809 3987

From:

"Alberto Medina López" <alberto252@hotmail.com>

To:

<REDDOLPHINLLC@aol.com>

Cc:

"MEGACONCERTS" <MEGACONCERTS@aol.com>; "Robert Pugar" <XxTopGunnerxX9@aol.com>; "Robert

Bodnar" <PittPanthersSuck@aol.com>; <daniel_edrei@meecorp.com>; <brad_pullman@meecorp.com>

Sent:

Wednesday, April 23, 2003 11:29 AM

Subject:

\$30 millions dollars loan deal secured by 826 Acres Waterfront Caribbean Paradise, Loiza Puerto Rico USA

Thanks a lot for clarify all.

As I mentioned to you today, the main point here is that we (Megaproductions, Inc. and I) will NOT be liable for any and all possible contingencies (known and unknown) that could block the loan's deal.

Only, will be liable for those \$325,000 that you are risking and putting from your pocket if we reject the \$30 millions dollars proposed loan (under the agreed parameters) once the money of it will be ready for disbursement in Meecorp's offices in New Jersey.

As you know, so far, the distribution of all benefits and fees from the proposed \$30 millions dollars loan will be as follow:

\$3,000,000 payable in the same day, in the same bank in the same act to Mr. Bob Pugar (his 10% lender's broker commission) \$3,600,000 retained in the same day, in the same bank in the same act in an escrow account to cover all possible property's taxes \$3,975,000 payable in the same day, in the same bank in the same act to Meecorp per concept of the up front 1st Year interest at 13.25%

\$325,000 payable in the same day, in the same bank in the same act to Red Dolphin Enterprises as reimburse for pay up front the evaluation and the 1% commitment fees

\$600,000 payable in the same day, in the same bank in the same act to Meecorp per concept of the commitment fees balance (the other 2%)

\$1,500,000 retained in the same day, in the same bank in the same act in an escrow account to cover all Exit Fees (prepayment penalty).

\$8,500,000 payable in the same day, in the same bank in the same act to Megaproductions, Inc.

\$8,500,000 payable in the same day, in the same bank in the same act to my person, Alberto Medina Lopez.

That's the arrangement that will be mentioned in the \$325,000 promissory note that I will sign before you to secure your investment, proving so my real intentions to close such final loan's deal.

Cordially

Alberto Medina Owner

703-680-4369

alberto252@hotmail.com

---- Original Message ----

From: REDDOLPHINLLC@aol.com To: alberto252@hotmail.com

Sent: Wednesday, April 23, 2003 10:10 AM

Subject: (no subject)

Mr. Medina, you have been misinformed and I think it necessary to clarify a few things. I Ronald J Monach work for Colorado Federal Savings bank as the senior account executive for the East coast. I specifically do residential mortgages in the US only. I was contacted by Carnegie Financial through a friend of mine and asked if I could arrange financing on you puerto rico property. I answered yes and proceeded to find the lender for you. Colorado Federal Savings does not do these types of loan and they are not doing this one. The lender I found was Meecorp capital who issued you a term sheet that expires today. They are the real lender, there is no other. They require the 25K to proceed and will require the 1% of the loan amount at the time of commitment. There are no hidden fees or agendas here. We are trying to give you a loan and cover the costs associated with it on your behalf. The risks associated with placing money on your behalf is that you wont complete the loan. In the event that the 325K is expended and you dont take the loan, that money is lost and that is what Bob and I are concerned with. No one will put a lien on your property without your consent and contractual agreement. please call me at 941 809 3987

From:

"Alberto Medina López" <alberto252@hotmail.com>

To:

"MEGACONCERTS" < MEGACONCERTS@aol.com>

v.

"Robert Pugar" <XxTopGunnerxX9@aol.com>; "Ron Monach" <reddolphinllc@aol.com>; "Robert Bodnar"

<PittPanthersSuck@aol.com>; <daniel_edrei@meecorp.com>; <brad_pullman@meecorp.com>

Sent:

Wednesday, April 23, 2003 1:58 PM

Subject:

\$300,000 Promissory Note Draft

Anthony

Serve this letter to notify you my acceptance of all the terms and conditions mentioned in the \$300,000's Promissory Note Draft that you made today to secure the Mr. Ron Monach's investment (Red Dolphin Enterprises), as we agreed previously verbally with him, in order to start today all the necessary proceedings with Meecorp in order to get finally from it the \$30 millions dollars loan deal.

Cordially

Alberto Medina Owner

703-680-4369

Promissory Note

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ATTEST:

FOR VALUE RECEIVED, the undersigned, Alberto Medina Lopez (the "Borrower"), hereby acknowledges itself indebted to _____ (the "Lender") and promises to pay to or to the order of the Lender at settlement from settlement proceeds or as otherwise directed in writing by the Lender subsequent to closing of the loan from settlement proceeds, the principal sum of Three Hundred Thousand Dollars (\$300,000.00), with a return of \$25,000.00. The entire principal sum and return shall be paid at the closing of the loan. The Borrower assigns all of its right, title and interest in, to and under this promissory note, only if he the borrower rescinds from his commitment to accept the \$30,000,000,000 loan from MEECORP as provided by brokers, Bob Pugar and Ron Monach, after review, acceptance, and agreeing upon the terms of said commitment subject to lien the property described as follows: Number 57, recorded at page 63 of volume 2 of Loiza, Registry of the Property of Puerto Rico, Section III of Carolina. the description: (as it is recorded in the Spanish Language) RUSTICA Estancia denominada Juan Perez, sita en el Barrio de Monte Negro de la jurisdiccion de Loiza, compuesta de ochocientas Cincuenta cuerdas de terreno. colindante el NORTE, con el mar, al SUR, con la Hacienda de don Teodoro Chevremont: al ESTE, con terrenos de la Hacienda publica; y al OESTE, con la hacienda denominada Pinones. title to said property is recorded at page 66 of volume 2 of Loiza, in favor of Alberto Medina Lopez, single, who acquired it by Adherance from Pedro Malave Encarnacion, at a price of \$30,000.00, Pursuant to deed number 68, executed in San Juan, Puerto Rico, on July 12, 2001, before notary Paul Rivers Lopez, property number 57, 8th inscription. with the following stipulations inclusive in this promissory agreement: Mega Productions, Inc. and Alberto Medina Lopez will not be liable for the initial \$25,000.00 fee paid to MEECORP by the aforementioned brokers or their agent. Mega Productions, Inc. and Alberto Medina Lopez will only be liable for the \$300,000.00 above noted and in so doing will not be liable for the \$300,000.00 for any and all possible contingencies (known and unknown) that could block the loan. IN WITNESS WHEREOF, the parties hereto affix their hands and seals on this _____day of April, 2003. ATTEST: ALBERTO MEDINA LOPEZ By (seal)

From:

"Alberto Medina López" <alberto252@hotmail.com>

To:

<brad_pullman@meecorp.com>; <daniel_edrei@meecorp.com>

Sent:

Thursday, April 24, 2003 11:26 AM

Subject:

\$30 millions dollars loan deal secured by 826 Acres Waterfront Caribbean Paradise, Loiza Puerto Rico USA

April 24, 2003

Brad Pullman Representative

Daniel Edrei Director

MEECORP CAPITAL MARKETS, LLC

2115 LINWOOD AVENUE, SUITE 301 FORT LEE, NJ 07024

Phone (201) 944-9330 Fax (201) 944-9332

Dear Sirs:

Please, let me know if yesterday (in the deadline date) you received good by fax from Megaproductions, Inc. and I the signed term sheet, plus the \$25,000 dollars evaluation (application) fee from Mr. Ron Monach (Red Dolphin Enterprises).

Waiting for your soon response.

Cordially,

Alberto Medina Owner, Requester & Future Borrower

703-680-4369

alberto252@hotmail.com

From:

"Alberto Medina López" <alberto252@hotmail.com>

To:

"Ron Monach" <reddolphinllc@aol.com>

Sent:

Thursday, April 24, 2003 11:44 AM

Subject:

\$30 millions dollars loan deal secured by 826 Acres Waterfront Caribbean Paradise, Loiza Puerto Rico USA

April 24, 2003

Ronald Monach
Representative
RED DOLPHIN ENTERPRISES, LLC
1030 Delacroix Circle
Nokomis, FL 34275

Phone (208) 955-4528

Dear Mr. Monach:

Please, let me know if yesterday you received good by fax from Megaproductions, Inc. and I a copy of the U.S. \$300,000 Dollars Promissory Note Draft requested by you per conduct of Mr. Bob Pugar, and, if you agreed with it.

Waiting for your soon response.

Cordially,

Alberto Medina Owner, Requester & Future Borrower

703-680-4369

alberto252@hotmail.com

From:

"Alberto Medina López" <alberto252@hotmail.com>

To:

"Thomas Spears" <tgs@globalvaluation.com>

Sent:

Thursday, April 24, 2003 12:17 PM

Subject:

MAI Appraisal of 826 Acres Waterfront Caribbean Paradise, Loiza Puerto Rico USA

April 24, 2003

Thomas G. Spears, ASA GLOBAL VALUATION, INC. 3727 S.E. Ocean Blvd. Suite 200 Sewall's Point, FL 34996

Phone: (772) 463-9212 CELL: (772) 215-5738 Fax: (772) 463-0493 E-mail: tgs@globalvaluation.com

Dear Mr. Spears:

Please, let me know if you received good from Megaproductions, Inc. a copy of all the Puerto Rico's Planning Board Maps and other related materials requested by you.

On the other hand, I will appreciate that you send us as soon as possible TWO ORIGINALS of very brief letter establishing a preliminary property's value.

Certainly, having that document in our hand will help us to accelerate the proceedings to get financing once you finished the final appraisal document in or before May 5, 2003.

In addition to that, I will appreciate that when you finish such final appraisal long document, provide me an additional ORIGINAL.

Waiting for your soon response.

Cordially,

Alberto Medina Owner, Requester & Future Borrower

703-680-4369

alberto252@hotmail.com

From:

"Alberto Medina López" <alberto252@hotmail.com>

To:

"Robert Pugar" <XxTopGunnerxX9@aol.com>; "Robert Bodnar" <PittPanthersSuck@aol.com>

Sent:

Thursday, April 24, 2003 12:23 PM

Subject: Fw: \$30 millions dollars loan deal secured by 826 Acres Waterfront Caribbean Paradise, Loiza Puerto Rico USA

Bob Pugar & Robert Bodnar

Dear Sirs:

Please, let me know if yesterday you paid to Meecorp the \$25,000 dollars evaluation (application) fee to begin the proceedings.

Waiting for your soon response.

Cordially,

Alberto Medina Owner, Requester & Future Borrower

703-680-4369

alberto252@hotmail.com

http://www.geocities.com/alberto_medina/Main.html

---- Original Message ----

From: Alberto Medina López

To: brad_pullman@meecorp.com; daniel_edrei@meecorp.com

Sent: Thursday, April 24, 2003 11:26 AM

Subject: \$30 millions dollars loan deal secured by 826 Acres Waterfront Caribbean Paradise, Loiza Puerto Rico USA

April 24, 2003

Brad Pullman Representative

Daniel Edrei Director

MEECORP CAPITAL MARKETS, LLC

2115 LINWOOD AVENUE, SUITE 301

FORT LEE, NJ 07024

Phone (201) 944-9330 Fax (201) 944-9332

Dear Sirs:

Please, let me know if yesterday (in the deadline date) you received good by fax from Megaproductions, Inc. and I the signed term sheet, plus the \$25,000 dollars evaluation (application) fee from Mr. Ron Monach (Red Dolphin Enterprises).

Waiting for your soon response.

Cordially,

Alberto Medina Owner, Requester & Future Borrower

703-680-4369

alberto252@hotmail.com

From:

"Alberto Medina López" <alberto252@hotmail.com>

To:

"Robert Pugar" <XxTopGunnerxX9@aol.com>; "Robert Bodnar" <PittPanthersSuck@aol.com>

Cc:

"MEGACONCERTS" < MEGACONCERTS@aol.com>; "Ron Monach" < reddolphinlic@aol.com>;

<daniel_edrei@meecorp.com>; "brad_pullman" <brad_pullman@meecorp.com>

Sent:

Friday, April 25, 2003 3:09 PM

Subject:

\$30 millions dollars loan deal secured by 826 Acres Waterfront Caribbean Paradise, Loiza Puerto Rico USA

April 25, 2003

To: Bob Pugar & Robert Bodnar

Dear Sirs:

Serve this letter to inform you that due to the fact that you fail to deliver your commitment to pay the U.S. \$25,000's dollars application fees to Meecorp in or before the past deadline date of April 23, 2003 as we agreed, WASTING MY TIME, our contract of January 28, 2003 had been cancelled, being it now declared null (void), loosing your right to receive the agreed TEN PERCENT 10% Loan's Broker Commission (\$3,000,000), being you now replaced by Mr. Ronald Monach representing Red Dolphin Enterprises LLC, who offered to pay that amount to Meecorp to begin the proceedings to get the \$30 millions dollars loan deal, having him now the right to receive such 10% commission (\$3,000,000) once he pay to Meecorp such \$25,000 evaluation (application) fees and once I got the loan.

Now then, to conclude, taking in consideration that change, the distribution of all benefits and fees from the proposed \$30 millions dollars loan will be as follow:

- \$3,000,000 payable in the same day, in the same bank (by wire or certified check) in the same act to Mr. Ronald Monach representing Red Dolphin Enterprises LLC (his 10% lender's broker commission)
- \$3,600,000 retained in the same day, in the same bank (by wire or certified check) in the same act in an escrow account to cover all possible property's taxes
- \$3,975,000 payable in the same day, in the same bank (by wire or certified check) in the same act to Meecorp per concept of the up front 1st Year interests at 13.25%
- \$325,000 payable in the same day, in the same bank (by wire or certified check) in the same act to Red Dolphin Enterprises as reimburse for pay up front the evaluation and the 1% commitment fees
- \$600,000 payable in the same day, in the same bank (by wire or certified check) in the same act to Meecorp per concept of the commitment fees balance (the other 2%)
- \$1,500,000 retained in the same day, in the same bank (by wire or certified check) in the same act in an escrow account to cover all Exit Fees (prepayment penalty).
- \$8,500,000 payable in the same day, in the same bank (by wire or certified check) in the same act to Mr. Anthony Hurley representing Megaproductions, Inc.
- \$8,500,000 payable in the same day, in the same bank (by wire or certified check) in the same act to my person, Alberto Medina Lopez.

Sincerely.

Alberto Medina Owner

703-680-4369

Alberto Medina Lope 2 ANTHONY HURLEY, Agent WORKSHEET FOR PREPARING PERSONAL FINANCIAL STATEMENT AS OF MARCH 31, 2003

FULL NAME:	ALBERTO	MEDINA LOPEZ
SPOUSE NAME:	NA	
ADDRESS:	4911 SUGAR	MAPLE LN
	DUMFRIES,	VA 22026-3017
TELEPHONE:	Anthony Hurley, 1, 301-785-4661	Alberto Medina Lope: # 703-680-4369
FAX:	410-296-4052	# 703-868-4754
ASSETS:		DOCUMENTATION NEEDED
CASH ON HAND	at the state of th	NONE
IN BANKS BANK NAME	- world-bater 45000640009	BANK STATEMENT 3/31/03
STOCKS, PUBLICLY HELD	Washer and Account of the Control of	BROKER STATEMENT 3/31/03
STOCKS, PRIVATELY HELD	Secretaria de la constitución de	BALANCE SHEET 3/31/03 OF COMPANY
REAL ESTATE PERSONAL RESIDENCE		RECENT APPRAISAL/COMPARABLE
OTHER \$ 300,0	000,000	RECENT MAI APPRAISAL
OTHER ASSETS		
ACUMULATED TAX CREDITS &		DESCRIPTION/METHOD OF VALUATION
ANNUAL IN COME	?	DESCRIPTION/METHOD OF VALUATION
INHERITANCE	7	DESCRIPTION/METHOD OF VALUATION .

Alberto Medina Lopez ANTHONY HURLEY, Agent WORKSHEET FOR PREPARING PERSONAL FINANCIAL STATEMENT AS OF MARCH 31, 2003

LIABILITIES:

CREDIT CARDS (NAME)		
Discover	\$3,500	CREDIT CARD STATEMENT 3/91/08
Visa	\$5,000	CREDIT CARD STATEMENT 3/31/03
MASTER CARD	\$1,500	CREDIT CARD STATEMENT 3/31/03
OTHER PERSONAL DEBT:		
FORD CREDIT	\$12,500	STATEMENT 3/31/03
ISLAND FINANCE	\$2,000	STATEMENT 3/31/03
OTHERS	\$5,000	STATEMENT 9/31/03
PERSONAL RESIDENCE MORTGA	GE	· .*
**************************************	2006 D2005455125(concess)000000000555555345550aduleecccc	STATEMENT 3/31/03

Subj:

fee agreement

Date:

4/29/2003 2:04:14 PM Eastern Daylight Time

From:

reddolphinenterprises@comcast.net

To:

megaconcerts@aol.com

CC:

XxTopGunnerxX9@aol.com Sent from the internet (Details)

Anthony, The promissory note will follow in a few minutes. I have written this document keeping in mind the original fees agreed to contractually by Mr. Lopez and yourself with all parties. The original 10% set aside for Mr. Bodrar and Mr. Pugar plus the 1% set aside for myself for a total of 11%, I am really not interested in any more drama. Please discuss this with Mr. Lopez, I will be drafting the agreement for the 325K. The fee for the loan of \$325K has nothing to do with the procurement of the financing and is therefore being separated in these two documents. Ron

Funding and Services Agreement

Red Dolphin Enterprises, LLC ("Finder"), and Mega Productions Inc and or Alberto Medina Lopez, hereafter named "Mega" hereby enter into the following Agreement dated as of the date written below, and is subject to mutual agreement to non-disclosure, and non-circumvention.

- 1. "Mega" is being made aware of opportunities for financing, mergers, acquisition, or other similar Transactions. Finder is introducing such business entities/financing sources and "Mega" may attempt to contact, contract with or otherwise attempt to seek a Transaction. For its services in making "Mega" aware of these opportunities and in facilitating a successful Transaction, "Mega" will pay a Finder's Fee to Finder as calculated in accordance with paragraph 2 below.
- RATE: Finder's Fee shall be calculated as 10% aggregate fee of the Transaction fee of. The Finder's Fee will be 100% in cash.
 - "Mega" understands that under this agreement that Robert Bodnar and Robert Pugar and others shall be compensated by Red Dolphin Enterprises, LLC for their services and under this agreement will all be considered "finders".

"Transaction" shall mean the issuance of a mortgage loan in the amount of \$30,000,000.00 US or 10% or more of the appraised value of the subject collateral.

- TERMS: The Finder's Fee paid to Finder by "Mega" shall be paid immediately and in full at the time of consummation of the Transaction. This obligation shall survive the expiration of the Term of this Agreement by six (6) months.
- 4. AGREEMENT: The term of this Agreement shall be for twelve months from the date of execution of this Agreement. This Agreement creates no agency, joint venture, or partnership between the parties and none is implied.
- WARRANTY: Red Dolphin Enterprises, LLC makes no representation or warranty as to the accuracy or completeness of written or oral agreements or materials that may be provided by or any of its' sources of financing or companies introduced or their representatives.
- 6. INDEMNITY: "Mega" agrees to indemnify Finder, its officers, directors, and employees and agents against any liability, claim or damage, asserted by third parties arising out of or in connection with this agreement
- ARBITRATION: Any controversy, dispute or claim relating to this Agreement between the parties shall be resolved by binding arbitration in accordance with the rules of the American Arbitration Association.
- 8. AUTHORITY: By signing this Agreement the signing party represents that he or she has unconditional authority to enter into this Agreement on behalf of Finder.
- GOVERNING LAW: This Agreement shall be interpreted under and governed by the laws of the State of Delaware in the United States of America.
- 10. ENTIRE AGREEMENT: This is the entire Agreement between the parties pertaining to its subject matter and supercedes all prior Agreements, representations and understandings of the parties. No modification of this Agreement shall be binding unless agreed to in writing by the parties.

Dated:	Dated:	APRIL 29, 2003						
Mega Productions Inc.								
Ву: _	В	By allut Melia Fyz						

Anthony Hurley, Principal

Alberto Medina Lopez, Principal

---- Original Message ----

From: XxTopGunnerxX9@aol.com
To: alberto252@hotmail.com

Sent: Tuesday, April 29, 2003 11:26 PM

Subject: rebuttle

Alberto.

In regards to your attempt to negate our contract: As you know, there was nothing in our fee agreement/contract that left us liable for raising any funds to produce your loan, only that "through our best efforts that we produce a valid lender" and therefore be compensated, which we successfully have done, ultimately leading to Ron Monach (Red Dolphin/Colorado Federal Savings) and Brad Pullman (MeeCorp). Therefore I assure you that our contract remains very valid and is legally binding. Let it be known that any attempt to circumvent will lead to legal involvement that may delay any loans indefinitely. However, as you know by now, we (Rob and I) have agreed to compensate Ron Monach for his effort by each giving him 1% (potentially 1 1/2%) of our commission for raising the \$325,000. This was done as professional courtesy and we were under no obligation to do so. This was done as a good gesture to expedite the loan to you.

We will not go above this under any circumstances. Please be advise that your original contract along with your attached notice to instruct MeeCorp (April 23) to appropriately disburse funds from the loan at the time of closing, which describes and includes

our 10% commission, to our attorneys (Chuck Porter and Bill Brucker).

Very respectfully, I hope we can proceed without any further complications and would appreciate your reassurance of your intentions to comply with our contract prior to a closing date.

Call me at any time.

Bob

From:

"Alberto Medina López" <alberto252@hotmail.com>

To:

<XxTopGunnerxX9@aol.com>

Cc:

"MEGACONCERTS" < MEGACONCERTS@acl.com>; "Ron Monach" < reddolphinllc@acl.com>; "Robert Pugar"

<XxTopGunnerxX9@aol.com>

Sent:

Wednesday, April 30, 2003 2:09 AM

Subject:

Re: rebuttle

Dear Mr. Pugar:

Due to Mr. Bodnar, Mr. Chuck and you really don't have the U.S. \$25,000 dollars (the Meecorp's application fee) to accomplish the projected U.S. \$30 millions dollars loan's deal, and unfortunately WE CAN NOT CONTINUE WAITING FOR YOU INDEFINITELY, today, demonstrating our good intention to continue our commercial relationship, not having other choice to get the necessary funds to accomplish the deal (\$325,000), we (megaproductions, Inc. and I), signed a contract with Red Dolphin Enterprises LLC (represented by your friend Mr. Ronald Monach) offering the TEN PERCENT (10%) lender's broker commission THAT YOU LOOSE (\$3,000,000), having them the commitment that they will share with you such compensation AS FRIENDS IN GOOD FAITH, recognizing your good efforts and intentions.

As I hope you will understand, for all of us, even you, that is best choice because taking in consideration your circumstances (lack of capital) YOU NEVER GOT US THE PROMISED LOAN (breaking our contract of January 28, 2003) and neither YOU NEVER WILL GET US SUCH LOAN WITHOUT MONEY "AS YOU PROMISED VERBALLY ORIGINALLY".

As you will remember, our original contract stated that you have the right to receive such commission once we got the loan, but, certainly, WITHOUT such funds we will never get such loan. For that reason, you failed to deliver THE LOAN.

As we agreed originally verbally, I offered you **such HUGE commission** because you agreed to share it with other lender's brokers, specially if to close the deal require putting "seed" capital from them. That was the leverage mechanism.

For that reason, taking in consideration all such events, I recommend that all of you share AS A TRUE FRIENDS such SUPER HUGE benefits in equal manner SO AS I AM DOING WITH MEGAPRODUCTIONS.

For you, is better to have A GOOD PERCENTAGE of a REAL DEAL versus ONE HUNDRED PERCENT (\$3,000,000) of NO DEAL (\$0,000,000). Remember, if Mega, Red Dolphin, you and I don't put any "seed" money to Meecorp all that we will have are \$00,000,000 dollars (BIG DREAMS & HOPES).

Finally, to conclude, certainly, I disagree and I will not pay an unfair (greedy) TWENTY PERCENT LENDER'S BROKER COMMISSION (\$6,000,000), that is almost two times more of the 1st year loan's annual interest, when, on the other hand, we have now other lenders offering us loans under better (competitive) terms and conditions (5% brokers commission, at 15 years, no ballon, 50% LVT & 10% flat interest) putting only the 20% of the property's ownership rights ONCE WE GOT THE MAI APPRAISAL (showing a worth of \$300 millions or more).

Waiting for your good understanding.

Sincerely,

Alberto Medina Owner

703-680-4369

Promissory Note

Borrower:

MEGA PRODUCTIONS INC.

Principal Amount: \$325.000.00 Lender:

RED DOLPHIN ENTERPRISES

Interest Rate:

20.00%

Date of Note: April 30, 2003

THE UNDERSIGNED REPRESENTS THAT THE LOAN EVIDENCED HEREBY IS BEING OBTAINED FOR PRIVATE PURPOSES. , MEGA PRODUCTIONS INC. and/or assigns. (Hereinafter referred to as "Borrower") promises to pay to RED DOLPHIN ENTERPRISES and/or assigns (Hereinafter "Lender"), or order, in lawful money of the United States of America, the principal amount of (\$325,000.00), interest amount of \$64,000. Collateral to be utilized for the subject loan consists of a parcel of land situated in Puerto Rico, owned by Alberto Medina Lopez, recently appraised for \$300,000,000.00 (Three Hundred Million Dollars US. The property legal description is as follows:

RURAL: Parcel named "June Pérez", located at Montenegre Ward of the Municipality of Leim. Poorte Rico, with a superficial area of approximately 250.06 cuerdes, property masher 57, recorded at sage 61 of volume 2 of Leiza, Registry of the Property of Carolina III, Poerte Rico.

The collateral will only be encumbered via a lien, for the principal and interest as stated above, in the event that a loan commensurate with the terms and conditions presented and offered by Meecorp Capital and not accepted by "Mega" and Alberto Medina Lopez. Borrower will provide to Lender a copy of the MAI appraisal dated within thirty days of this promissory note in order to effect progression.

FIXED INTEREST RATE: Borrower agrees to pay a Fixed Rate of Interest. This rate will be set for a fixed period equivalent to 90 days or the closing of the subject loan, whichever is sooner and due in full at that time. The rate on the closing date of this note is 20.00%.

TERM OF THE NOTE This Note shall become effective as the date of signing and shall continue in full force and effect for a term equal to 90 days (Ninety Days) or the conclusion of the financing offered by Meecorp Capital. This Note may be terminated prior to the expiration date upon the written consent of both parties. In the event this Note is terminated prior to the maturity date + 1 day term, Borrower hereby agrees to repay the balance due on the Note with any and all accrued interest within ninety (90) days of the termination date of this Note, provided it does not exceed the maturity date. Upon full payment of the monies due Lender under this Note, Lender agrees to return all

1030 Delacroix Circle, Nokomis Florida 34275 941 412 3768 OFFICE/941 809 3987 FAX 208 955 4528 collateral which was provided by Borrower, unencumbered, to the coordinates designated by the borrower.

PAYMENT. Borrower will re-pay this loan in one installment at the end of the term consisting of \$325,000.00 USD principal, \$64,000.00 USD interest. Borrower will pay Lender at Lender's address or at such other place as Lender may designate in writing. Unless otherwise agreed or required by applicable law, payments will be applied first to accrued unpaid interest and percentage points, then to principal, and any remaining amount to any unpaid collection costs and late charges.

COLLATERAL. As collateral security for the payment of this Note and of any and all interest or other obligations and liabilities of the Borrower to the Lender under this Note. Borrower shall provide to Lender, an ability to lien the aforementioned real estate situated in Puerto Rico and owned free and clear by Alberto Medina Lopez. The collateral is assignable and transferable providing the assignee recognizes the terms and conditions set forth within the body of this agreement. Lender must provide borrower written notice of assignment to and acknowledgement by prospective parties. **DEFAULT.** Borrower will be in default if any of the following happens: (a) Borrower fails to make any payment when due. (b) Borrower breaks any promise Borrower has made to Lender, or Borrower fails to comply with or to perform when due any other term. obligation, covenant, or condition in this Note or any agreement related to this Note, or in any other agreement or loan Borrower has with Lender. (c) Any representation or statement made or furnished to Lender by Borrower or on Borrower's behalf is false or misleading in any material respect either now or at the time made or furnished. (d) Borrower dies or becomes insolvent, a receiver is appointed for any part of Borrower's property. Borrower makes an assignment for the benefit of creditors, or any proceeding is commenced either by Borrower or against Borrower under any bankruptcy or insolvency laws. (e) A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of the indebtedness is impaired. (f) Lender in good faith deems itself insecure.

LENDER'S RIGHTS. Upon default, Lender may declare the entire unpaid principal balance on the NOTE and all accrued unpaid interest, together with all other applicable fees, costs and charges, if any, immediately due and payable, without notice, and then Borrower will pay that amount. Furthermore, subject to any limits under applicable law, upon default, Borrower will pay that amount. Furthermore, subject to any limits under applicable law, upon default, Borrower agrees to pay Lender's attorneys fees, and all of Lender's other collection expenses, whether or not there is a lawsuit and including without limitation legal expenses for bankruptcy proceedings. This Note shall be governed by, construed and enforced in accordance with the laws of the State of Delaware. Lender reserves the right to liquidate collateral at the end of the term to satisfy

AS DEL

any and all principal, interest and percentage points due them arising from a default. Lender reserves the right to sell, assign or transfer all rights, title and interest in both the promissory note and the underlying collateral instruments, while complying with the terms and conditions contained within the bodies of both the promissory note and the underlying collateral.

BORROWER'S RIGHTS, Borrower reserves the right to repay the loan at any time prior to the end of the term without additional penalty. Borrower agrees to repay both principal, interest in their entirety, \$325,000.00 Principal \$64,000.00 Interest at any time in order to secure the collateral in its original state.

CONSENT TO JURISDICTION. Borrower irrevocably submits to the jurisdiction of any state or federal court sitting in the State of Delaware over any suit, action, or proceeding arising out of or relating to this Note. Borrower irrevocably waives, to the fullest extent permitted by law, any objection that Borrower may now or hereafter have to the laying of venue of any such suit, action, or proceeding brought in any such court and any claim that any proceeding brought in any such court shall be conclusive and binding upon Borrower and may be enforced in any court in which Borrower is subject to jurisdiction by a suite upon such judgement provided that service of process is effected upon Borrower as provided in this Note or as otherwise permitted by applicable law.

GENERAL PROVISIONS. This loan is being made under the terms and provisions of this Note and constitute the entire agreement between the parties hereto with respect to this loan and except for any other documents executed contemporaneously herewith all understandings and agreements either written or oral are superseded by this Note. If any part of this Note cannot be enforced, this fact will not affect the rest of the Note. Lender may delay or forgo enforcing any of its rights or remedies under this Note without losing them. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan, or release any party or collateral; and take any other action deemed necessary by Lender without the consent of Borrower and but must notify Borrower of such action. This Note may not be waived, changed, modified or discharged orally, without the written consent of both parties as to any waiver, change, modification or discharge. This Note shall be binding and shall insure to the benefit of the parties hereto and their respective assigns, but nothing contained herein shall be deemed a waiver of the terms and conditions contained herein.

IN WITNESS WHEREOF, the undersigned parties have caused the Agreement to be executed by their duly authorized representatives this 30th day of April, 2003.

AGREED AND ACCEPTED:

DATE:

DATE.

MAY 1, 2003

FOR: Mega Productions Inc.

Alberto Medina Lopez

Date:

For: Red Dolphin Enterprises, LLC



15211 Mariboro Pike Upper Mariboro, Maryland 20772

(301) 952-0800

Waldorf Office 41-D Industrial Park Dr. Waldorf, MD 20602 Phone (301) 870-7376 Fax (301) 705-501&

Lexington Park Office 21801-8 Shangri-La Dr. N. Lexington Park, MD 20453 Phone (301) 866-9311 Fax (301) 866-0955

Facsimile Transmittal Sheet

Transmitted to:			
Company Nam	e CN W	inact	***************************************
Attention			WHAT -
Fax Number	DUR 455	5-450	8
Transmitted from:			
Company Name	e <u>Marlboro Blueprint an</u>	<u>d Office Supplies I</u>	<u>nç.</u>
Person			
Fax Number	Marlboro Office	(301) 952-9583	,
	Waldorf Office Lexington Park Office	(301) 705-5016 (301) 866-0955	
Date		184	
Number of pages being	transmitted (including cove	r sheet))

MEGA'S EXPENSE SHEET

MAI Certified Appraisal \$50,000.00

James Morrison, Attorney \$ 2,850.00

Two Trips to Puerto Rico \$ 4,000.00

Engineer \$ 750.00

8 Extra MAI certified reports ____\$ 1,000.00

Total: \$58,600.00

Bal. \$11,400.00

Medina receives \$5,700.00

Mega receives \$5,700.00

MEECONIS

MEECORP CAPITAL MARKETS, LLC 2115 LINWOOD AVENUE, SUITE 301 FORT LEE, NJ 07024 PMONE (201) 944-9330 FAX (201) 944-9332 2-mail daniel edrei@meeorp.com

May 23, 2003

Final Revised
Letter of Interest/
Term Sheet

Mr. Anthony Hurley
Mr. Alberto Lopez Medina
Mega Productions, Inc.
C/o Ronald Monach
Red Dolphin Enterprises, LLC
1030 Delacroix Circle
Nokomis, FL 34275

Via Fax No. (208) 955-4528 Via Fax No. (410) 296-4052

Re: 530,000,000 Loan Request

Gentlemen:

Meecorp Capital Markets, LLC, affiliates, investors, assigns, or designees (collectively "Lender" or "Meecorp") is pleased to submit the following term sheet and is willing to proceed with the evaluation of the potential financing of Mega Productions, Inc. and Properties. In no way should this be considered a firm loan commitment. Meecorp has the capacity to arrange funding for this project at the requested amount upon the receipt of acceptable colleteral security. Outlined below are the general terms and conditions of the proposed loan. These terms are only general guidelines, and only upon issuance of a commitment and completion of our due diligence can exact terms be determined.

This Letter of Interest/Term Sheet shall expire at the end of business, Friday, May 23, 2003.

PROPERTY:

826 contiguous acres of waterfront raw land located in the Road Number 187 between the kilometers 10.3 to 12.3 in the municipality of Loizz in the island of Puerto Rico. The borrower believes the current 'as-is' value of the property to be not less than \$300,000,000. Exit by permanent financing.

LOAN AMOUNT:

Meccorp would make a loan of \$30,000,000 but up to Ten Percent (10%) of the as-is appraised 180 marketing day sale value of the collateral used as security for the loan, to a cash buyer (the "180-Day Market Value"). If Borrower were to dispute the value as determined by Meccorp's appraiser, Borrower shall have the tight to hire a third party appraiser, approved by Meccorp, and Meccorp would offer a loan of Ten Percent (10%) of the 180-day Market Value as determined by said appraiser, or return any portion of the paid Commitment Fee, as defined below.

Type:

Bridge

Mr. Anthony Hurley Mr. Alberto Lopez Medina Mega Productions, Inc. May 23, 2003 Page 2

TERM:

The Loan would be for Three (3) years with a One (1) year lockout.

AMORTIZATION:

No scheduled principal payments during the term of the loan.

INTEREST RATE: During the first year an annual interest rate of Thirteen and Three Quarters Percent (13 % %) propaid in advance, Fifteen Percent (15%) during the second year and Sixteen Percent (16%) during the third year, paid monthly

im arrears.

BORROWER:

Mega Productions, Inc., or designated entity.

COMMITMENT

FEE:

Three percent (3.9%) of the Loan Amount, earned upon acceptance of a loan commitment, payable One Percent (1 %) upon execution of the Commitment and

the balance from proceeds at closing.

EXIT FEE:

In licu of equity, an exit fee equal to Five Percent (5%) of the loan amount would

be included in the Loan Amount and disbursed to Meccorp from loan proceeds.

UP FRONT

PSC PAV

If applicable, escrows at closing will be established for any requirement determined

during the due diligence period.

ADDITIONAL

COLLATERAL ITEMS

REQUIRED FOR CLOSING: Review of borrower ownership structure and principals.

Review of Property's public filings of any kind

Review of an Appraisal Report

Environmental and Ensineering Reports

Loan Documentation. Coursel opinions.

Review of Borrower's Business Plans

Please recognize that although we reviewed your project and found it to be viable, this letter is neither a loan application nor a loan commitment, but merely indicates Lender's willingness to proceed with its evaluation of this potential transaction. Of course, Lender will be under no obligation to close the loan outlined in this letter until a loan commitment letter thoroughly describing our requirements for the loan is approved by Lender, signed by all parties and the outstanding contingencies met.

Upon receipt of a \$25,000 wire transfer or certified check, Meecorp would provide you with a draft of a commitment containing the terms and conditions of the loan commitment to be reviewed by you and your counsel. This Fee would be non-refundable unless the terms contained herein are not contained in the draft commitment.

We look forward to discussing the above potential transaction with you. If you have any questions, please fool free to call me at 201-944-9330.



MEGA PRODUCTIONS, INC. 12019449332 TO 14102964052

5/23/02

@ 003 P. **03/0**4

Mr. Anthony Hurley Mr. Alberto Lopez Medina Mega Productions, Inc. May 23, 2003 Page 3

If you are willing to proceed with this potential transaction on the terms outlined above and on an exclusive basis, please forward the Application fee, sign below and return the original.

THIS IS NOT A LOAN COMMITMENT

Very truly yours,

MEECORP CAPITAL MARKETS, LLC.

Daniel Edrei Director

Agreed and accepted;

MEGA PRODUCTIONS, INC.

The state of the s

Mr. Anthony Hurley, Principal

Mr. Alberto Lopez Medina, Prizicipal

Megalei.bp

MEECORP

MEECORP WIRE INSTURCTIONS:

Account Name:

MEECORP CAPITAL GROUP Clearing Account

Account #: 040 742 970

Wire To:

Valley National Bank 3 University Plaza Hackensack, New Jersey 07601

ABA #: 021 201 383

Phone #: 201 488-4948

2115 LINWOOD AVENUE, FORT LEE, NI 07024 PHONE (201) 944-9330 FAX (201) 944-9332 E-MAIL mincipal@meecorp.com

alberto252@hotmail.com

From:

"Alberto Medina López" <alberto252@hotmail.com>

To:

"MEGACONCERTS" < MEGACONCERTS@aol.com>; "Robert Pugar" < XxTopGunnerxX9@aol.com>; "Ron

Monach" <reddolphinllc@aol.com>; "Robert Bodnar" <PittPanthersSuck@aol.com>

Sent:

Friday, May 23, 2003 1:32 PM

Subject:

\$30 millions dollars loan deal secured by 826 Acres Waterfront Caribbean Paradise, Loiza Puerto Rico USA

May 23, 2003

Dear Sirs:

Pursuant the new Meecorp's term sheet signed today, the distribution of all benefits and fees from the proposed \$30 millions dollars loan will be as follow:

- \$3,000,000 payable in the same day, in the same bank (by wire or certified check) in the same act to Mr. Ronald Monach, representing Red Dolphin Enterprises LLC (his 10% lender's broker commission), that Mr. Monach will share in the same day, in the same bank (by wire or certified check) in the same act with Mr. Pugar and Mr. Bodnar;
- \$3,600,000 retained in the same day, in the same bank (by wire or certified check) in the same act in an escrow account to cover all possible property's taxes;
- \$4,125,000 payable in the same day, in the same bank (by wire or certified check) in the same act to Meecorp per concept of the 1st Year up front interests at 13.75%;
- \$325,000 payable in the same day, in the same bank (by wire or certified check) in the same act to Red Dolphin Enterprises LLC as reimbursement for the paid up front evaluation and the 1% commitment fees (the small loan),
- \$64,000 payable in the same day, in the same bank (by wire or certified check) in the same act to Red Dolphin Enterprises LLC per concept of 20% interests of such \$325,000 small loan;
- \$600,000 payable in the same day, in the same bank (by wire or certified check) in the same act to Meecorp per concept of the commitment fees balance (the other 2%)
- \$1,500,000 retained in the same day, in the same bank (by wire or certified check) in the same act in an escrow account to cover all Exit Fees (prepayment penalty).
- \$8,393,000 payable in the same day, in the same bank (by wire or certified check) in the same act to Mr. Anthony Hurley, representing Megaproductions, Inc.
- \$8,393,000 payable in the same day, in the same bank (by wire or certified check) in the same act to my person, Alberto Medina Lopez.

Sincerely,

Alberto Medina Owner

703-680-4369 / 868-4754

alberto252@hotmail.com

www.unlimitedinvestments.com



meecorp capital markets, lic 2115 LINWOOD AVENUE, SUITE 301 FORT LEE, NEW JERSEY 07024 PHONE: (201) 944-9330 Ext 105 FAX (201) 944-9332 E-Mail: brad Pulman@meecop.com www.meecorp.com

TO: Anthony Furley, Alberto Mading
FAX NUMBER: (4/0) 296-4052
FROM: Brad Pullman
TOTAL NUMBER OF PAGES (INCLUDING THE COVER SHEET)
DATE: Shalos TIME: 6:30
RE:

MEECONOP

MEECORP CAPITAL MARKETS, LLC 2115 LINWOOD AVENUE, SUITE 301 FORT LEE, NEW JERSEY 07024 PHONE (201) 944-9330 FAX (201) 944-9332 e-mail principal@mesessp.com

May 29, 2003

Mr. Anthony Hurley Mr. Alberto Mendina Lopez Mega Productions, Inc. C/o Ronald Monach Red Dolphin Enterprises, LLC 1030 Delacroix Circle Nokomis, FL 34275

Re

530,000,000 Loan Request

Gentlemen:

We are pleased to advise you of our commitment to provide financing. This supersedes all previous communications and correspondence, subject to the fallowing terms and conditions.

LENDER:

Meecorp Capital Markets, LLC ("Meecorp" OR "Lender"), or any other lender designated by Meecorp. Meecorp reserves the right to assign or sell participation in all or part of the than and extibed hereunder.

BORROWER:

Mega Productions Inc. a single asset entity. 1401 Sheffurd Road

Baltimore, Manyland 21239 Address and Feb.ID# to be provided

GUARANTORS:

 Alberto Mendina Lopez Address and 55# to be provided

(2) Anthony Hurley

Address and SS# to be provided

(3) All current and future major shareholders/Partmers Addresses and SS#'s to be provided

COLLATERAL/ PROJECT:

- A. A first lien on the Colleteral as described in Schedule "C."
- B. A Pledge of all Borrower's stock (of every kind) or partnership interests and deposit of all stock certificates (or shareholders' interests) with Meecorp.

Borrower's	i Initials	<u> </u>
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REPORTING:

- I. Monthly Operating Statements, in form acceptable to Meecorp and certified by Borrower shall be submitted by Borrower no later than the 15th day following the last day of each month.
- Annual Review Financial Statements by a reputable accounting firen, in form generally accepted for the industry, shall be submitted no later than sixty (60) days following each of Borrower's end of fiscal year.

AMOUNT OF LOAN:

A Loan of Thirty Million dollars (\$30,000,000.00) including prepaid interest ("Prepaid interest"), fees of any kind all costs (a) incorred by Meecurp or investor or, on behalf of Lender, internally or externally, by any third party or itsown staff, in connection with Lender's due diligence or underwriting of the Borrower of the Collateral or any other assets being considered as security for the Loan (the "Due Diligence Repaires"). (b) arising out of the preparation, execution, and delivery of this Commitment and the transactions contemplated thereby, including, but not limited in reasonable fees and expenses of Lender's outside counsel (the "Legal Expenses") in accordance with Schedule A attached. The Loan Amount shall not be larger if an the Ten percent (10%) of the As-Is Market Value of the Collateral as defining below.

TERMS:

The term of the Lornahall be Three (3) years, with one (1) year lockout from date of closing (The Initial Term). The closing shall take place not later than July 31, 2003, time of the essence.

COMMITMENT FEE

Three percent (3%) of the Loan Amount, payable One percent (1%) upon the signing of this communent

EXIT FEE:

Five percent (5%) of the Loan Amount. To be paid at closing from Loan proceeds.

INTEREST

- A. Interest at a rate of Thirteen and Three Quarters of One percent (13%%) per annum during the first year, prepaid in advance, Fifteen percent (15%) during the second year, fixed and paid monthly, and Sixteen percent (16%) during the third year, fixed and paid monthly in arrears ("The Monthly Interest").
- B. After the first anniversary, monthly payments of interest-only on the unpeid balance shall be due on the first day of each month for the prior month's interest until the maturity date, at which time the entire balance of principal and accrued and unpaid interest thereon shall be due and payable in full.
- C. Monthly payments will be computed on a 30-day month and a 360-day year.
- D. Interest from the date of closing to the end of the month in which the closing takes place shall be paid at the time of the closing.

Borrower	g.	Îrritiale

REPAYMENT:

The Loan may be repaid in full or in part without penalty, after the first anniversary of the Loan and there shall be no refund for any prepaid interest, points, fees and the like thereafter. The paid and unused portion of any Monthly Interest during the second and third years is refundable.

LEGAL MATTERS:

The interests of the Borrower and Lender are or may be different and may conflict, and the Lender's attorney represents only the Lender and not the Borrower and the Borrower is, therefore, advised to employ an attorney of the Borrower's choice licensed to practice in the State of New Jersey to represent the interests of the Borrower.

The Borrower shall be required to pay to the Lender's attorney, Carol C. Stern, Esq. of McCarter & English, L.P. the reasonable legal fees and expenses of Lender's attorney for services provided to Lender, in connection with this transaction. The legal fees of Lender's attorney shall be calculated on a time-spent basis, based upon the standard hourly rates of Lender's attorney generally charged to clients of that firm for similar matters. The legal fee of Lender's attorney, which Borrower will be required to pay hereunder, shall be actual and reasonable.

Borrower agrees that upon interpretations of the Loan amount and the scheduling of a Loan closing, to forward a check mime amount of Seven Thousand Five Hundred Dollars (\$7,500.00) to counselfor Meecorp on account of legal fees. The acceptance of any such amount by Meecorp or its attorney shall not constitute acceptance by Meecorp of the terms affects commitment letter or any other understanding regarding the Loan. In addition, Borrower agrees that upon notice from Lender it will also forward a patameter check to Lender's local counsel.

DOCUMENTATION:

Mescorp's commitment to provide the Loan is subject to the negotiation, execution and delivery of definitive Loan and security agreements, mortgages or deeds of trust, notes, and other documentation and customary certificates and legal opinions (collectively, the "Loan Documents"), which in each case will be in form, substance and enforceability satisfactory to Mescorp in its sole discretion. The Loan Documents shall contain conditions precedent, representations and warranties, covenants, events of default and other terms and conditions consistent with the terms hereof as shall be satisfactory to Mescorp in its sole discretion and deemed appropriate by Mescorp for a transaction of the type contemplated herein.

ACCEPTANCE OF COMMITMENT:

The commitment and all of its terms and conditions will become effective only upon delivery to this office of a signed copy of this commitment, duly accepted by the Borrower, accompanied with the commitment fee installment in the amount of Nine Hundred Thousand Dollars (5900,000.00) which is non-refundable and earned for, among other things, the commitment to provide funds and due diligence expenses.

Said fee is not refundable under any circumstances, except as agreed to herein.

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Notwithstanding anything to the contrary contained in this commitment, the Borrower agrees that the basis for the Loan is the as-is market value of the real estate Collateral in its present condition. As is Market Value is defined as the as is o appraisal date of the One Eluadred and Eighty (180) day sale of the real estate Collateral in the condition observed upon inspection and as it physically and legally exists without hypothetical conditions, assumptions, or qualifications, to a willing cash buyer. The Borrower understands that Meecorp will inspect the Collateral and Meecorp cannot and will not lend more than Ten Percent (10%) of the As-Is Market Value of the real estate Collateral only, which Meecorp shall determine in its sole discretion. If Meecorp's determination of the value of the property is disputed by Borrower, the Borrower and Meecorp shall mutually agree on a third party MAI appraiser, with proper credentials, contracted by Meecorp, and any fees for said appraiser to be reimbursed to Meecorp by Borrower pajor to the appraisal being performed and Meecorp will either at the option, offer a Loan (not to exceed in any event the Loan amount) of Ten Percent (18%) of the As-Is Market Sale Value of the real estate Collateral as determined by said appraiser or return the paid portion of the commitment fee.

This letter will become a commitment once signed by all parties and returned with the Nine Rundred Thousand Dollars (\$900,000.00) as outlined above. This commitment will expire August 1, 2003, time of the essence. Mescorp shall have no obligation with respect to the Bean unless and until this commitment letter is fully executed and received by Mescorp along with the required portion of the commitment fee.

RETURN OF COMMITMENT FEE:

Meecorp intends to bring participants into this transaction. If Meecorp is unable to do so of it's Meecorp does not perform its obligations under the terms of this commitment follow hatever reason, Meecorp shall only be obligated to refund the paid portion of the commitment fee, less reimbursement for expenses incurred by Lender on behalf of Borrower. SAID REFUND SHALL BE THE TOTAL EXTENT OF ANY LIABILITY OR OBLIGATION ON THE PART OF MEECORP UNDER ANY CIRCUMSTANCES. There will be no refund if Borrower does not accept the loan offer(s) made by Meecorp pursuant to this commitment or Borrower has not complied with all the conditions of this commitment.

OTHER:

Meecorp hereby acknowledges receipt of Twenty Five Thousand Dollars (\$25,000.00), which is non-refundable, for the preparation of this commitment.

EXPENSES:

Borrower agrees that the Loan shall be without cost to Meecorp. Borrower assumes liability for and will pay all-costs and expenses required to satisfy the conditions hereof and the making of the Loan. Such custs and expenses shall be paid at or prior to the Loan closing, or upon demand if the Loan does not close or if this

^{*} Appraisal Policies and Practices of Insured Institutions and Service Corporations, Federal Home Loan Bank Board. *Pinal Rule*, 12 CFR Parts 563 and 571, December 21, 1987.

commitment is terminated. Such obligation shall survive termination. Borrower will also provide airline tickets and hotel accommodations if necessary.

COVERNING LAW, ETC

This commitment may be executed in counterparts which, taken together, shall constitute one original. This commitment is for the benefit of the Borrower only, and may not be assigned except upon the prior written consent of Meecorp, which consent may be withheld for any reason or no reason. No party other than Borrower or a permitted assignee may rely upon the terms and conditions of this commitment. This commitment will be governed by and construed in accordance with the laws of the State of New Jersey without regard to the principles of conflicts of laws thereof. At lender's election, to be entered in its sole discretion, any logal suit, action or proceeding against borrower or lander arising out of or relating to this commitment or other loan documents shall be instituted in any federal or state court in the State of New Jersey.

waiver:

No failure on the part of Mescopp to exercise and no delay in exercising any rights under the Loan Documents shall oberate as a waiver thereof, nor shall any single or partial exercise by Mescopp of any right under the Loan Documents preclude any further exercise thereof, or the regrise of any other right. Each and every right or remedy granted under the Loan Documents or under any document delivered thereunder or in connection therewith or allowed to Mescopp in law or equity shall be deemed cumulative and may be exercised from time to time.

LIMITATION OF DAMAGES:

MEECORP SHATE HAVE NO LIABILITY TO BORROWER, OR ANY OTHER ENTITY OF PERSON, UNDER ANY THEORY OF LAW, OR EQUITY, IN THE EVENT THE COAM SHALL NOT CLOSE OR THE COMMITMENT SHALL BE TERMINATED FOR ANY AMOUNT IN EXCESS OF THE PAID PORTION OF THE COMMITMENT FEE LESS EXPENSES. BORROWER ACKNOWLEDGES THAT THIS LIMITATION OF DAMAGES CLAUSE IS REASONABLE. BORROWER AGREES NOT TO PURSUE ANY CLAUM IN EXCESS OF THE ABOVE SUM.

WAIVER OF TRIAL BY JURY:

BORROWER AND LENDER EACH HEREBY UNCONDITIONALLY AND IBREVOCABLY WAIVE ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY SUIT, COUNTERCLAIM, OR CROSS-CLAIM ARISING IN CONNECTION WITH OUT OF, OR OTHERWISE RELATING TO THIS COMMITMENT, THE OTHER LOAN DOCUMENTS, THE OBLIGATION, THE COLLATERAL, OR ANY BELATED TRANSACTION.

BORROWER UNDERSTANDS THAT MEECORP CANNOT AND WOULD NOT ENTER INTO THIS COMMITMENT WITHOUT BORROWER'S AGREEMENT

Borrower's Initials	
---------------------	--

TO THE LIMITATION OF DAMAGES, CHOICE OF FORUM AND WAIVER OF TRIAL BY JURY CLAUSES CONTAINED HERRIN.

Notwithstanding the above requirement to pay Nine Hundred Thousand Dollars (\$900,000.00) at the signing of the commitment, as consideration for the parties unconditionally and irrevocably waiving all right to trial by jury and the parties agreeing to the Choice of Forum clause, Meecorp will accept payment of the Nine Hundred Thousand Dollars (\$900,000.00) Commitment Fee in the following manner:

a) Three Hundred Thousand Dollars (\$300,000.00), paid at the time this commitment is signed, prior to our due diligence, which shall occur no later than the end of business, Wednesday, June 9th, 2002, time of the essence

b) Six Hundred Thomsand Dollars (\$600,000.00) to be paid at closing.

MEECORP CAPITAL MARKETS, LLC

BY:

Michael Edret, Managing Director

Borrower's Initials

COMMITMENT ACCEPTED MEGA PRODUCTION, INC.

BY:	DATE:	
	Alberto Mendina Lopez, title	
BY:	DATE:	
THE STATE OF THE S	Alberto Mendina Lopez, individually	A STATE OF THE PARTY OF THE PAR
BY:	Anthony Hurley, title	
BY:		
	Anthony Furley, individually	
		B\MEGAE2908CXXM.BP

Borrower's Initials____

SCHEDULE "A"

LOAN AMOUNT

\$ 30,000,000

USE OF PROCEEDS

BALANCE OF PROCEEDS TO BE DRAWN DOWN IN FUTURE TRANCHES, IF ANY

TO BE PROVIDED

EXIT FEE

(Non-Refundable)

5 **1.500,000**

MONTHLY PREPAID INTEREST - 1st year

5 3,925,000

CLOSING COSTS

UNKNOWN

BALANCE OF COMMITMENT FEE

THE PERSON OF TH

BROKERAGE FEES:

(To Red Dolphin Enterprises - 3%)

4-36 ERT 000,000

BALANCE AVAILABLE

FOR ACQUISITIONS—est.

\$ 23,025,000

\$ 30,000,000

<u>\$_30,000,000</u>

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Borrower's Initials

SCHEDULE "B"

These General Conditions are part of the attached commitment and deemed a part hereof as if set forth therein.

- Survey: The Borrower shall provide a survey certified to the Lender and its title company satisfactory to the title company on each piece of Collateral prepared by a surveyor licensed by the State showing the project to be free of encumbrances, overlapped and other survey defects, all in accordance with the Lender's survey requirements.
- 2. Insurance: The Borrower must furnish liability and hazard insurance in a sum not less than the replacement value of the Collaboral but in no event less than the amount of the Loan insured by a company or companies satisfactor had.
- 3. Title: The Lender shall receive a first lieft on the Collateral acceptable to its Counsel and Borrower shall provide a poid title insurance policy in an amount no less than the amount of the Loan insured by a title company or configuration setisfactory to Lender.
- 4. Flood Insurance: If any material safety-barry parcel of the Collateral is located in an area designated as being subject to a special flood hazard, Borrower shall obtain all available flood insurance. If insuranceign not available, and if such unavailability legally precludes the mortgage from covering such safected parcel, such parcel shall be removed from the Collateral and all Loan amagnet from culated.
- 5. Easements: All necessary easements for utilities, public road access, parking or otherwise shall be provided in prior to closing, if permitted by Lien Holder.
- Additional Collateral: As additional Collateral Borrower agrees to allow Lender to lien all
 inventory, machinery, equipment, accounts receivable and all other assets owned by
 Borrower.
- 7. Approval of Lender's Counsel: The title in the project and the form and substance of each and every document evidencing the Loan and the security thereof or incident thereto, must be satisfactory to and approved by Counsel to the Lender in its sole discretion.
- 5. Approval of Borrower's Counsel, Etc.: Borrower acknowledges that it has consulted with counsel of its choice and with such other experts and advisors as it deemed necessary in connection with the negotiation, execution, and delivery of this Commitment and the other Loan Documents. This Commitment and the other Loan Documents shall be construed without regard to any presumption or rule requiring that they be construed against the party causing them, or any part of them, to be drafted.
- Representations and Warranties of Borrower and Guarantor. Customary for transactions
 of this type, including, but not limited to, the following:

Borrewer's	Novádá a La	
REPORT OF THE PARTY OF THE PART	g or or or the second	

- a. Neither the Loan Documents not the performance by Borrower of its obligations thereunder violate any provisions of law, of Borrower's partnership agreement, corporate by-laws, or of any agreement which is binding upon Borrower or the Guarantons. No action or permission by any governmental commission, bureau or agency is required in connection with the execution or the performance of the Loan Documents by Borrower, and Borrower is not subject to filing, reporting or like requirements of any governmental commission, bureau or agency charged with control or supervision of environmental concern.
- All financial information furnished or disclosed to Meecorp by Borrower and Guaranters touching upon the financial condition of any of them is true and correct as of the date furnished, and there has been no omission of any material fact relating thereto, and there has been no material adverse change in the financial condition, operations or business of any of them since the date of such financial information.
 Borrower or Guarantors is not in default in the performance, observance or
- c. Borrower or Guarantors is not in default in the performance, observance or fulfillment of any of the obligations on conditions contained in any agreement or instrument to which it is a party, or with respect to any evidence of indebtedness or obligation for borrowed money which affects in any way the Collateral, nor does any condition exist which, upon the lapse of time or giving of notice, or both, would constitute an event of default under, or grounds for termination of, any such agreement or instrument.
- d. No actions, suits or an action of the best of Borrower's or Canarantities knowledge, threatened, in any court or before any federal, state, numericality against or affecting Borrower, the Guarantons, or any of its properties or rights which, if adversely determined would materially adversely affect the financial condition of Borrower or Guarantons or materially impair the right of either to carry on its business substantially as now conducted, nor is either in default with respect to any judgement, writ, injunction, decree, rule or regulation of any court or federal, state, municipal or governmental department, commission, board, bureau, agency or instrumentality.
- 10. Miscellaneous: Prior to the closing of the Loan and disbursement of funds, in each instance the Somwer must comply with the following:
 - (a) The Borrower is to produce such evidence as Lender may require to demonstrate current full compliance with all applicable zoning, health, environmental and safety laws, ordinances and regulations (including without limit approval of local, private or public sewage or water utility). The Borrower shall certify or supply other satisfactory evidence to the Lender at the time of the closing that there is no action or proceeding pending before any Court or Administrative Agency with respect to the validity of any laws, ordinances or regulations, and any certifications or permits issued thereunder, pertaining to the premises. The Borrower shall certify or supply

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other evidence satisfactory to the Lender that the Borrower is not a party to any existing or pending or threatened litigation, unless specifically noted herein.

- (b) All appropriate approvals must meet all applicable requirements of all governmental authorities having jurisdiction, including, but not limited to subdivision and site plan approvals, the Department of Environmental Protection and its several sub departments as they pertain to potable water supply, sewage discharge and sewage connection, use of septic tanks or alternatives. The Lander shall require prior to closing, evidence satisfactory to them and their Counsel of full compliance with all Environmental Clean-Up Responsibility Acts and that no action is pending or liens imposed under any Spill Compensation and/or Control Acts.
- (c) During the term of the Loan, there shall be no additional financing nor any transfer of title, not contemplated in the Loan Disguments without the prior written approval of the Lender which Lender will not purposely withhold.
- (d) Execution by the Borrower of such Lean Documents including, but not limited to, a mortgage and mortgage note, satisfactory in form and substance to the Lender and its Counsel, including a prohibition gainst the transfer of title of any of the Collateral not contemplated in the Loan Document, and if the Borrower is a corporation or partnership, a change in the management or controlling interest in the Borrower. Borrower may prepay the Lender at any time, in whole or in part, without penalty except for all of the Prepaid Interest which is considered earned whenever the Loanse earned.
- (e) This commitment is subject to the accuracy of all information, representations, exhibits and other materials submitted with or in support of the Loan request and there must be no adverse change in the set of facts prior to the disbursements of funds or during the term of the Loan. This commitment may be terminated by Mescorp and the Commitment Fee retained and earned by Mescorp in the event of the following:
 - (i) If the Borrower shall fail to comply with any of the terms or conditions hereof
 - (ii) In the event of a sale, conveyance or other disposition of any of the Collateral.
 - (iii) In the event of a materially adverse change in the financial condition of the Borrower or any Guarantor.
 - (iv) Any material misrepresentation of facts set forth herein or any omission by the Borrower or any Guarantor of any material fact.
 - (v) For any good faith reason.
- (f) In the event of any material default during the term of this Commitment, Mescorp may, at its option, require immediate payment of the balance of the Commitment Fee and Mescorp may terminate the Commitment and retain the paid portion of the Commitment Fee.

Borrower	e Trei	i i de	
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- (g) The Borrower has the obligation to disclose all material facts, past and present, related to the Borrower, Guarantons, the Collaboral, the transaction, etc.
- (h) The Borrower specifically acknowledges and agrees that Mescorp and/or Lender rely on counsel opinion letters relating to, among other items, usury. This commitment is subject to the express condition that structure will the Borrower be obligated or required to pay interest at a rate which could subject Mescorp and/or Lender to either civil or criminal liability as a result of being in excess of the maximum rate which the Borrower is pennitted by law to contract or agree to pay. If, by the terms of this commitment or the Loan Documents the Borrower is at any time required or obligated to pay interest at a rate in excess of such maximum rate, the rate of interest shall be deemed to be immediately reduced to such maximum rate and the portion, if any, of all prior interest payments in excess of such maximum rate aball be applied and shall be deemed to have been payments in reduction of the principal belance.
- Validity of Loan: The Loan and the closing thereof shall in all respects be legal and not violate any applicable law or other requirements of any governmental authority. The Borrower will submit to the Lender Toborg a current written opinion by the Borrower's legal Counsel, satisfactory to Lender to the effect, among other things, that all Loan Documents are valid and binding upon the Borrower and any other mortgagur and are enforceable in accordance with their terms and are legal and do not violate any local, state or federal laws including bother limited to, all usury laws. Once the Loan is closed and funded by the Lender the Loan shall be governed and construed pursuant to the laws of the State of New Jersey.
- 12. Governing Law: This Commitment and the other Loan Documents (except the Mortgage or Note, etc. forming the Mortgage Loan which shall be construed in accordance with the law of the state of the realty), shall be governed by and construed in accordance with the internal substantive laws of the State of New Jersey, without regard to the choice of law principles of such state.
- 13. Usury: It is expressly understood and acknowledged by the Borrower that Mescorp may not be familiar with the usury statutes in the CollateraPs jurisdiction and relies on counsel opinions delivered at closing. This commitment is subject to the express condition that at no time shall the Borrower be obligated or required to pay interest at a rate which could subject Mescorp or the Co-Lendens to either civil or criminal liability as a result of being in excess of the maximum rate which the Borrower is permitted by law to contract or agree to pay. If by the terms of this commitment or the note the Borrower is at any time required or obligated to pay interest at a rate in excess of such maximum rate, the rate of interest hereunder and/or under the note shall be deemed to be immediately reduced to such maximum rate and interest payable shall be computed at such maximum rate and the portion of all prior interest payments in excess of such maximum rate shall be applied and shall be deemed to have been payments in reduction of principal balance or, if the Loan has not closed shall be void, and if

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Meecorp deems it a hardship to close the Loan under the usury staintes, all fees paid to Meecorp shall be refunded and this commitment shall be null and void.

- Secondary Markets, Participation, and additional financing: Borrower acknowledges that 14 Lender intends to sell the Loan (after, or prior to funding) in whole or in part, and that such sale may be to a party which may pool the Loan with a number of other loans in order to issue one or more classes of mortgage backed pass-through certificates (the "Certificates") which may be rated by one or more national rating agencies, or to some other third-party investor. Lender shall have the right to disclose such information concerning this Commitment, the Loan and Borrower acknowledges that Lender intends to sell the Loan (after, or prior to funding) in whole or Borrower's business and operations, either before or after Closing, as may be necessary to sell or service the Loan and require Borrower to make available such other financial information as Lender may reasonably request. Lender, the subsequent holders of the Note, and the services of the Loan shall be permitted to share such information with the investment banking firms rating agencies, purchasers of the Certificates, accounting firms, law firms and other time-party advisory firms involved with the proposed Loan or the Certificates of to any other potential purchaser of the Loan or the participation interest therein. It is understood that the information provided by Borrower to Lender may ultimately be incorporated into the offering documents for the Certificates and thus various investors may also see some or all of the information and that subsequent information concerning the Loan and for Borrower may be provided to the parties named above after Closing. Lendergits assigns, the services of the Loan and all of the aforesaid third-party advisors and professional firms shall be entitled to rely on the information supplied by, or on behalf of Barrower. Borrower understand that the third-party investors may also be interested in providing financing of various other projects initiated or owned by Borrower. Borrower herebytagrees that no such direct discussions may take place and that Borrower is barred from entering into any transaction with Investors without Lender's express, written authorization, including the renewal of the Loan at maturity. Borrower understands and agrees that in addition to fees enumerated herein, Meecurp may receive a funder's fee or commission, or other compensation from third-party investors in connection with the sale of the mortgage loan, or may participate in the Loan in whole or in part, and may serve as loan servicing agent for Investor and receive fees for services rendered to such investor. Borrower hereby grants Meecurp with the right of First Refusal for any additional financing, of any kind, in connection with the Collaboral or the Borrower, at any future time.
- 15. Choice of Forum: Borrower consents to the jurisdiction of any state or federal count sitting in the State of New Jersey and that venue shall be proper in any such court to the exclusion of the courts in any other state or country. The Borrower further agrees that such designated forum is proper and convenient.
- 16. WAIVER OF TRIAL BY JURY: Burrower and Lender each hereby unconditionally and irrevocably waive any and all right to trial by jury in any suit, counterclaim, or cross-claim arising in connection with, out of, or otherwise relating to this Commitment, the other Loan Documents, the Obligation, the Collateral, or any related transaction.

	mr m = m = 49
Borrower's	Initials

- 17. No Oxal Modifications: Notwithstanding any course of dealing between the parties, no amendment, modification, rescission, waiver, or lease of any provision of this Commitment shall be effective unless the same shall be in writing and signed by the Borrower and Lender.
- 18. Complete Agreement: This Commitment, together with the other Loan Documents, constitutes the entire agreement and understanding among the parties relating to the subject matter of this Mortgage Loan, and supersedes all prior proposals, negotiations, agreements, and understanding relating to such subject matter. In entering into this agreement, Bornower acknowledges that it is relying on no statement, representation or agent of the Lender, except for the agreements of Lender set forth herein.
- 19. Survival of Commitment: Borrower and Lender hereby acknowledge and agree that this commitment shall not survive closing. Furthermore, notwithstanding the provisions of paragraph 16 above, the parties specifically acknowledge and agree that the terms and conditions of this Loan may be modified by mitigal agreement at any time up to and including the date of closing and that any such modifications shall be incorporated directly into the Loan Documents without the need to amend this Commitment.

The undersigned does hereby accept this Commitment and doeshereby agree to keep and perform each and every item and condition herein before set forth and the elegated that the performance of such terms and conditions are obligations of the undersigned. The attinuey for the Borrower has reviewed this commitment and has explained all of its terms and ramifications to the Borrower and the Guarantor.

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	MEGA PRODUCTION, INC.		
BY:		DATE:	
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	Alberto Mendina Lopez, individually		
BY:		DATE:	
	Anthony Hurley, title	And the second s	And the second s
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	Anthony Hurley, individually		ing a species with the species of th
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Borrower's Initials

SCHEDULE 'C'

The Real Estate Collateral — The real property, improvements and all personal property on approximately \$26 contiguous acres of Atlantic Ocean waterfront raw land located in Montenegro Ward on Road Number 187 between the kilometers 10.3 to 12.3 in the municipality of Loiza in the island of Puerto Rico. The property features two kilometers of white sandy beaches, sand dunes ranging from 5-10 meters in height, approximately 60 acres sand deposits, marehland and mangrove swamp area. Borrower estimates the asis value 180-day built sell of the property, to be at-least \$300,000. The proceeds of the loan shall be used for real estate acquisitions and investments.

Personal Properties related to the Real Estate Collaboral. All but not limited to: (a) assignments, permissions, subordination agreements, grants, benefits of any kind, from and to local. State and Federal government in connection with the Real Estate and Bornwer, or any righer development and improvements on the Property. All permits have been granted, and in place, by all the appropriate authorities in respect to the development. (b) Assignment of all lease Agreements, if any; (c) All other tangible and intangible assets, including but not limited to Purchase and Sale Agreements, leases, architectural and engineering plans, surveys and studies, permits, licenses, sales deposits, trade marks, etc.; (d) A pledge of all Bofrower's stock, partnership interests or members' inferests.

B/MECASSOCIONIES

Borrower's Initials

M^cCarter&English,LLP

Back to Althemeys Home



Our Attorneys

Skilled Client Advocates

Partner

Commercial Real Estate Real Estate Transactions and Land Use Real Estate Finance

> Newark (973) 622-4444 FAX: (973) 624-7070 cstern@mccarter.com

Education and Background:

J.D., Rutgers University School of Law - Newark, NJ, 1980

B.A., Economics, Rutgers College, New Brunswick, NJ, 1977 Phi Beta Kappa

Memberships:

New Jersey State Bar Association

American Bar Association

Carol C. Stern

Carol C. Stern rejoined McCarter & English in 1987, after serving as Vice President and Senior Staff Attorney for City Federal Savings Bank, Somerset, New Jersey. Ms. Stern first became associated with McCarter & English in 1985.

Her primary areas of concentration include representation of major institutional lenders and letter of credit providers in complex real estate and commercial loan transactions and loan workouts involving income-producing property. In addition, she has served as bond counsel, underwriter's counsel and trustee's counsel in numerous private and publicly-offered tax-exempt industrial development bond; public utility revenue bond; and health care revenue bond transactions.

Admitted to practice:

New Jersey U.S. District Court for New Jersey



Client Access

Employee Access Privacy Statement Site Map Search

alberto252@hotmail.com

From:

To:

"Alberto Medina López" <alberto252@hotmail.com> "MEGACONCERTS" <MEGACONCERTS@aol.com>

Sent:

Friday, May 30, 2003 2:25 PM

Subject:

Meecorp's \$30 millions dollars proposed loan deal

Anthony:

As I mentioned to you today, after evaluating very carefully the Meecorp's Commitment Draft, it seem that it is a "trap".

And it is a "trap" because in the past Meecorp's term sheet, that we signed on May 23, 2003, they never mentioned that in order to get the loan we will need TO PAY AND GET the following elements PRIOR TO GET SUCH LOAN like:

PAY ALL INSURANCES (Hazard and Flood)
COVER ALL THE CLOSING COSTS (attorneys fees, registry fees and title insurance fees)
DISCLOSE THE PROPERTY'S EASEMENTS
PUT ADDITIONAL COLLATERAL OF MEGA and HURLEY
DEAL WITH PUERTO RICO'S USURY LAWS
WAIVE OUR RIGHT TO HAVE A TRIAL BY JURY
EXIT & COMMITMENT FEES WILL BE NON REFUNDABLE

In others simple words, PRIOR to get such \$30 millions dollars loan, Meecorp will require us that we PAY UP FRONT more than \$2,000,000 millions fees in addition to the \$900,000 non refundable commitment fees.

For those basic reasons, very respectfully, I understand that Meecorp LIED WIDELY, TAKING ADVANTAGE OF OUR NECESSITIES, and, it will have to refund IMMEDIATELY the received \$25,000 evaluations fees to Mr. Monach of Red Dolphin Enterprises LLC to avoid a lawsuit of Mr. Monach.

Please, I invite you that you read again such draft, and correct me if I am wrong.

Regards

Alberto Medina

703-868-4754

www.unlimitedinvestments.com



MEGA PRODUCTIONS, INC. 1401 SHEFFORD ROAD TOWSON, MARYLAND 21239



ANDRE D. HURLEY, PRESIDENT 301-785-4661

MEGACONCERTS @AOL.COM

FAX: 410-296-4052

June 4, 2003

Meecorp Capital Markets, LLC 2115 Linwood Avenue, Suite 301 For t Lee, NJ 07024 Phone (201) 944-9330 Fax (201) 944-9332

Re: Request for Revised Commitment

Mr. Brad Pullman:

The following issues of concerns:

I. REPORTING

Monthly operating statements are not acceptable. (p. 3)

Annual review of financial statements is not acceptable (p.3)

2. LEGAL MATTERS

Prepayment of Meecorp's legal counsel is not acceptable. Payment will be made at closing. (p. 4)

3. ACCEPTANCE OF COMMITMENT

Prepayment of any third party MAI Apraiser mutually agreed upon not acceptable. Payment will be made at closing. (pp. 4-5)

4. EXPENSES

Borrower agrees that the loan shall be without cost to Mcccorp. Borrower assumes liability for and will pay all costs and expenses required to satisfy the conditions hereof in the making of the loan. Such costs and espenses shall be paid at closing. If the loan does not close or if this commitment is terminated, such obligations shall not survive termination. (pp. 5-6)

Request for Revised Commitment p. 2

5. GOVERNING LAW, ETC.

This commitment will be governed by and construted in accordance with the laws of the state of New Jersey or Maryland with regard to the principles of applicable laws thereof. At lender's or borrower's election to be entered in its sole discretion, any legal suit, action or proceeding against borrower or lender arising out of or relating to this commitment or other loan documents shall be instituted in any federal or state court in the state of New Jersey or Maryland. (p. 6)

6. LIMITATION OF DAMAGES

Meecorp shall have no liability to borrower, or any other entity or person, under any theory of law, or equity, in the event the loan shall not close or the commitment shall be terminated, for any amount in excess of the paid portion of the commitment fee, less reasonable documented expenses as long as said is refunded within ten business days from conclusion of loan not closing or from date of commitment termination. Borrower acknowledges that this limitation of damages clause is reasonable. Borrower agrees not to pursue any claim in excess of the above sum. (p. 6)

7. WAIVER OF TRIAL BY JURY

Waiver of trial by jury not acceptable. (p.6)
Waiver of choice of forum not acceptable. (p.7)

Contrary to Meecorp's position that for consideration of the aforementioned waivers they will accept partial payment of the commitment fee., the term sheet issued prior by Meecorp "binds" Meecorp to accept one percent (1%) upon execution of the commitment and the balance from proceeds at closing. See term sheet p. 2 (p. 7)

8. COMMITMENT ACCEPTED

Mega Producttions, Inc.

Both parties will sign in the official capacities only. (p. 8)

9. SCHEDULE "A" LOAN AMOUNT

Brokerage fees (to Red Dolphin Enterprises) - 10% \$3,000,000.00 (p. 9)

10. SCDEDULE "B"

- Survey: Terms acceptable only if arrangements can be made for the surveyor to be paid out of closing proceeds. (p. 10)
- 2. Insurance: Terms acceptable only if arrangements can be made for liability and hazard premium to be paid out of the closing proceeds. (p. 10)
- 3. Title: Terms acceptable only if arrangements can be made for the title company to be paid out of closing proceeds. (p. 10)
- 4. Flood Insurance: Terms acceptable only if arrangements can be made for the flood insurance premium to be paid out of the closing proceeds. (p. 10)
- 5. Easements: Requirement unacceptable. (p. 10)

Request for Revised Commitment p. 3

6. ADDITIONAL COLLATERAL: Terms unacceptable. (p. 10)

8. APPROVAL OF BORROWER'S COUNSEL, ETC: Borrower acknowledges that it has consulted with counsel of its choice and with such other experts and advisors as it deemed necessary in connection with the negotiation, execution, and delivery of the Commitment and the other Loan Documents. This commitment and the other Loan Documents shall be construted with regard to the presumption that they be construted against the party causing them, or any part of them, to be drafted. (p. 10)

10. MISCELLANEOUS:

- (e) Termination Clause is acceptable but the paid portion of the commitment fee being retained and earned is unacceptable as is the requirement of the immediate payment of the balance of the commitment fee. (p.12)
- 11. VALIDITY OF LOAN: The Loan and the closing thereof shall in all respects be legal and not violate any applicable law or other requirements of any government authority. The Borrower will submit to the Lender at closing a current written opinion by the Borrower's legal Counsel, satisfactory to Lender, to the effect, among other things, that all Loan Documents are valid and binding upon the Borrower and any other mortgagor and are enforceable in accordance with their terms and are legal and do not violate any local, state or federal laws including, but not limited to, all usury laws. Once the loan is closed and funded by the lender, the loan shall be governed and construed pursuant to the laws of the state of New Jersey or Maryland. (p. 13)
- 12. GOVERNING LAW: This Commitment and the other Loan Documents (except the Mortgage or Note, etc. forming the Mortgage Loan which shall be construed in accordance with the law of the state of realty), shall be governed by and construed in accordance with the internal substantive laws of the state of New Jersey or Maryland, with regard to applicable legal principles of such state. (p. 13)
- 15. CHOICE OF FORUM: Borrower consents to the jurisdiction of any state or federal court sitting in the state of New Jersey or Maryland and that venue shall be proper in any such court to the exclusion of the courts in any other state or country. The Borrower further agrees that such designated forum is proper and convenient. (p. 14)

16. WAIVER OF TRIAL BY JURY: Not acceptable. (p. 14)

FINAL SIGNATURE: Will sign in official capacity only.

Alberto Medina

From:

"Alberto Medina" <alberto252@hotmail.com>

To:

"daniel_edrei" <daniel_edrei@meecorp.com>; "Ron Monach" <reddolphinllc@aol.com>; "Robert Pugar"

<XxTopGunnerxX9@aol.com>; "Robert Bodnar" <PittPanthersSuck@aol.com>; "brad_pullman"

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Cc:

"MEGACONCERTS" < MEGACONCERTS@aol.com>

Sent:

Thursday, June 05, 2003 5:08 PM

Subject:

Meecorp's \$30 millions dollars proposed loan deal

Dear Sirs:

After evaluating during one week very carefully and widely the Meecorp's Commitment Contract Draft, received on May 29, 2003, Megaproductions, Inc and I we have taken the unfortunate decision to reject it due to will be impossible to comply with it.

For your information, in the past Meecorp's term sheet, that we signed on May 23, 2003, they never mentioned that in order to get the loan we will need TO PAY AND GET UP FRONT the following elements like:

- PAY ALL INSURANCES (Hazard and Flood)
- COVER ALL THE CLOSING COSTS (attorneys fees, registry fees and title insurance fees)
- DISCLOSE THE PROPERTY'S EASEMENTS
- PUT ADDITIONAL COLLATERAL OF MEGA and HURLEY
- DEAL WITH PUERTO RICO'S USURY LAWS
- WAIVE OUR RIGHT TO HAVE A TRIAL BY JURY
- EXIT & COMMITMENT FEES WILL BE NON REFUNDABLE

In others simple words, PRIOR to get such \$30 millions dollars loan, Meecorp is requiring us that we PAY UP FRONT more than \$2,000,000 millions in costs, in addition to the \$900,000 **non refundable** commitment fees.

According to such term sheet, very respectfully, I understand that Meecorp should returned immediately the received \$25,000 evaluations fees from Mr. Monach of Red Dolphin Enterprises LLC.

Certainly, that is the best ethical step.

Regards

Alberto Medina

703-868-4754

www.unlimitedinvestments.com

Alberto Medina

From:

"Alberto Medina" <alberto252@hotmail.com>

To:

<PittPanthersSuck@aol.com>

Cc:

"Ron Monach" <reddolphinllc@aol.com>; "brad_pullman" <brad_pullman@meecorp.com>; "daniel_edrei"

<daniel_edrei@meecorp.com>; "MEGACONCERTS" <MEGACONCERTS@aol.com>; "Robert Pugar"

<XxTopGunnerxX9@aol.com>

Sent:

Thursday, June 05, 2003 7:40 PM

Subject:

Meecorp's \$30 millions dollars proposed loan deal

Rob

Today I received calls from Mr. Pullman and Mr. Monach. Tomorrow Meecorp's principals will celebrate a teleconference with us to clarify all misunderstandings.

The main point here is to clarify if, BEFORE WE PAY THE \$300,000 dollars REFUNDABLE commitment fees, Meecorp will accept to lend us the \$30 millions dollars under a VERY CLEAR and fair terms and conditions like:

Number One: We need to know exactly how much will be the total closing costs.

Number Two: All such closing costs will be payable from the loan's proceeds, never UP FRONT.

Number Three: We need to know how much money we will receive WITHOUT ANY ACCEPTABLE RESTRICTIONS UNDER

THE LAWS after discounting such closing costs.

Number Four: We need to know if Meecorp will eliminate the following requirements:

- PAY INSURANCES (Hazard and Flood)
- DISCLOSE THE PROPERTY'S EASEMENTS
- DISCLOSE MONTHLY AND YEARLY OPERATIONS REPORTS
- PUT ADDITIONAL COLLATERAL OF MEGA and HURLEY
- DEAL WITH PUERTO RICO'S USURY LAWS
- WAIVE OUR RIGHT TO HAVE A TRIAL BY JURY
- MAKE THE EXIT & COMMITMENT FEES NON REFUNDABLE

We will be in touch.

Cordially,

Alberto Medina

www.unlimitedinvestments.com

---- Original Message ----

From: PittPanthersSuck@aol.com
To: alberto252@hotmail.com
Cc: REDDOLPHINLLC@aol.com
Sent: Thursday, June 05, 2003 5:43 PM

Subject: Re: Meecorp's \$30 millions dollars proposed loan deal

Alberto.

It is very important that you call Ron Monach at 941-809-4284.

You have come this far in regards to the loan and it is in your best interest to contact him as soon as possible.

Thanks

Rob Bodnar

THE BORROWER

WHO WILL BE?

ME GA OR OTHER NEW ENTITY

Will BE WN5 or FN DC?

WHEN WILL BE ClosE THE SEA

THAT WE WILL CREATE

THE TIME FRAME

THE CLOSING SITE

Alberto Medina

From:

"Alberto Medina" <alberto252@hotmail.com>

To:

"MEGACONCERTS" < MEGACONCERTS@aol.com>

Cc:

"Ron Monach" <reddolphinllc@aol.com>; "Robert Pugar" <XxTopGunnerxX9@aol.com>; "Robert Bodnar"

<PittPanthersSuck@aol.com>; "daniel_edrei" <daniel_edrei@meecorp.com>; "brad_pullman"

<brad_pullman@meecorp.com>

Sent:

Thursday, June 05, 2003 8:37 PM

Subject: Meecorp Questionaire.doc

Meecorp's Questionnaire

What about?

Our Appraisal

Are you willing to accept it without require a new one?

Insurances

Business Plans

Operations reports

Easements disclosing

A new surveying map

Environmental and Engineering Reports

Additional Collateral from Mega and Hurley

Are you willing to eliminate those requirements?

Trial by jury rights

Are you willing that we keep those rights?

Legal Counselors Opinions – Both Parts

Are you willing to cover those expenses immediately right now?

Are you willing to take in consideration and accept our legal counselor's opinion as the 50% of the decision

power?

Exit and Commitment Fees

Before closing: DO YOU ACCEPT THAT WE)

Are you willing to put all the commitment fees in one escrow account?

Will be 100% refundable in case that us can not close the deal due to causes outside of our control?

After the closing, are you willing to put the exit fees in one escrow account?

Will be 100% refundable in case that we pay soon the loan after the 1st year lock up term?

Closing Costs

Before we pay the \$300,000 commitment fees, are you willing to inform us all the Registry, Title Searches, Translations, Notaries Public (in PR and NJ), Deed of Trust, Title Insurance Policy and others fees; and if you are willing to discount all such costs from the loan's proceeds?

6/5/2003

Meecorp's Questionnaire

What about?

Our Appraisal

Are you willing to accept it without require a new one?

Insurances
Business Plans
Operations reports
Easements disclosing
A new surveying map
Environmental and Engineering Reports
Additional Collateral from Mega and Hurley

Are you willing to eliminate those requirements?

Trial by jury rights

Are you willing that we keep those rights?

Legal Counselors Opinions – Both Parts

Are you willing to cover those expenses immediately right now? Are you willing to take in consideration and accept our legal counselor's opinion as the 50% of the decision power?

Exit and Commitment Fees

Before closing:

Are you willing to put all the commitment fees in one escrow account?

Will be 100% refundable in case that us can not close the deal due to causes outside of our control?

After the closing, are you willing to put the exit fees in one escrow account?

Will be 100% refundable in case that we pay soon the loan after the 1st year lock up term?

Closing Costs

Before we pay the \$300,000 commitment fees, are you willing to inform us all the Registry, Title Searches, Translations, Notaries Public (in PR and NJ), Deed of Trust, Title Insurance Policy and others fees; and if you are willing to discount all such costs from the loan's proceeds?

Alberto Medina

From:

"Alberto Medina" <alberto252@hotmail.com>

To:

"MEGACONCERTS" < MEGACONCERTS@aol.com>

Cc:

"Ron Monach" <reddolphinllc@aol.com>; "Robert Pugar" <XxTopGunnerxX9@aol.com>; "Robert Bodnar"

<PittPanthersSuck@aol.com>; "daniel_edrei" <daniel_edrei@meecorp.com>; "brad_pullman"

<brad_pullman@meecorp.com>

Friday, June 06, 2003 1:01 AM Sent: Ammended Meecorp Questionaire.doc Subject:

Meecorp's Questionnaire – June 6, 2003

What about?

Our Appraisal

Are you willing to accept it without require a new one?

Insurances

Business Plans

Operations reports - WE DON'T WANT A CONSTRUCTION LOAN, WE WANT A FREE USING

MONEY (CAN... AND THAT MEANS THAT ONCE WE RECEIVE THE FOURS Easements disclosing

A new surveying map

Environmental and Engineering Reports

WE WILL NOT OBLIGATED TO DISCLOSE HOW WE

Additional Collateral from Mega and Hurley

ABE USING THOSE FUNDS, LIKE ANY OTHER MORTGAGE

Are you willing to eliminate those requirements that could take one year and more than \$1,000,000 to get?

Trial by jury rights

Are you willing that we keep those rights?

Legal Counselors Opinions – Both Parts

Are you willing to cover those expenses immediately right now?

Are you willing to take in consideration and accept our legal counselor's opinion as the 50% of the decision power?

Exit and Commitment Fees

Before closing;

Do you accept that we put all the commitment fees in one bank escrow account to control his using?

Will be 100% refundable in case that we can not close the deal due to causes outside of our control?

After the closing:

Are you willing to put the exit fees in one escrow account?

Will be 100% refundable in case that we pay soon the loan after the 1st year lock up term?

Closing Costs

Before we pay the \$300,000 commitment fees, are you willing to inform us all such closing costs like the Registry, Title Searches, Translations, Notaries Public (in PR and NJ), Deed of Trust, Title Insurance Policy and others fees;

Are you willing to discount all such costs from the loan's proceeds?

The Borrower

Who will be? Megaproductions or other new entity that we will create for those effects?

The Closing Place

In order to save time and money, are you willing to close the deal in Washington DC putting the funds in one bank

escrow account that you will open there in Bank of America?

The Closing Time Frame

When we will close the deal?

THE PROCEDURE

DNIE WE DEPOSIT THE 300K IN THE ESCROW ACCOUNT,

WHAT ARE THE NEXT STEPS AND HOW MUCH

TIME THILL TAKE UNTIL THE CLOSING.

LAW5

UNSER WHAT LAWS WE WILL MAKE THE DEAL?
WHAT WILL BE THE APPLICABLE CAWS?
PR OR NJ?

Alberto Medina

From:

REDDOLPHINLLC@aol.com

Sent: To: Friday, June 06, 2003 10:43 AM alberto252@hotmail.com; MEGACONCERTS@aol.com

Cc:

XxTopGunnerxX9@aol.com; PittPanthersSuck@aol.com; daniel_edrei@meecorp.com;

brad pullman@meecorp.com

Subject:

Re: Ammended Meecorp Questionaire.doc

ALBERTO, I RECEIVED YOUR EMAIL ALONG WITH THE REST OF THE GROUP. I WANTED TO RESPOND TO YOUR CONCERNS ON A POINT BY POINT BASIS.

- 1) MEECORP HAS ALREADY ACCEPTED YOUR APPRAISAL AS A BASIS FOR THEIR EVALUATION. MEECORP HAS A REQUIREMENT TO HAVE AN ADDITIONAL REVIEW COMPLETED BY ANOTHER INDEPENDENT APPRAISAL FIRM. THE COST FOR THIS APPRAISAL WILL BE TAKEN FROM CLOSING PROCEEDS AND/OR THE 300k COMMITMENT FEE.
- 2) INSURANCE- THIS IS PART OF ANY REAL ESTATE TRANSACTION AND WILL BE REQUIRED BY ANY LENDER. IT HAS BEEN AGREED THAT IT WILL BE PAID FROM THE CLOSING PROCEEDS.
- 3)BUSINESS PLAN- I DONT RECALL READING OR HEARING OF A REQUIREMENT FOR A BUSINESS PLAN, WHICH IN ALL HONESTY REALLY SURPRISED ME. MOST LENDERS (BANKS) ASK FOR A BUSINESS PLAN AS PART OF THE REGULATORY REQUIREMENTS ISSUED BY THE US GOVT.
- 4) OPERATIONS REPORTS- THIS IS A STANDARD REGULATORY REQUIREMENT ISSUED BY THE US GOVT. SINCE SEPT 11. ESPECIALLY BUT EVEN PRIOR TO THAT DISASTER TO INSURE THAT YOUR ACTIVITIES ARE NOT ILLEGAL.
- 5) EASEMENTS- THE LENDER IS GIVING YOU 30M AND PUTTING A LIEN ON THE PROPERTY. THEY MUST BE INSURED THAT THE GOVT. OF PUERTO RICO WILL NOT IMPLEMENT THEIR RIGHTS TO ESTABLISH IMPROVEMENTS OF THEIR OWN SUCH AS AN AIRPORT, UTILITIES ETC...
- 6) SURVEY- THIS IS STANDARD REAL ESTATE PROCEDURE. IT WILL BE PAID OUT OF CLOSING.
- 7) ENVIRONMENTAL AND ENGINEERING REPORTS- WE MUST MAKE SURE THAT NO CONTAMINATION IS EVIDENCED ON THE PROPERTY. THIS WILL BE PAID FROM CLOSING.
- 8) ADDITIONAL COLLATERAL- I HAVE ADVISED MR. HURLEY TO SET UP A SEPARATE COMPANY TO ACT AS THE BORROWER. THE NEW COMPANY WOULD BE SOLELY RESPONSIBLE FOR ANY LIABILITY. THERE WOULD BE NO OTHER COLLATERAL AVAILABLE TO MEECORP IN THIS CASE.
- 9) THESE ABOVE REQUIREMENTS CANNOT BE ELIMINATED!! THEY ARE PART OF ANY REAL ESTATE TRANSACTION AND IN THIS CASE WOULD COST LESS THAN 100K. THEY WILL ALL BE PAID FROM EITHER CLOSING PROCEEDS OR THE 300K.
- 10)TRIAL BY JURY- THIS WAIVER DOES NOT ELIMINATE YOUR RIGHT TO A TRIAL. THE DECISION WOULD BE MADE BY A JUDGE INSTEAD OF 12 AMATEUR FINACIAL PEOPLE. IT WOULD EXPEDITE A DECISION FOR THE PERSON WHO HAS THE BEST CASE.
- 11) MEECORP HAS AGREED TO COVER THE LEGAL EXPENSES
- 12) THE LEGAL COUNSEL OF MEECORP HAS THE FINAL SAY OVER THEIR LEGAL MATTERS. YOUR INPUT AND THAT OF YOUR ATTORNEY WILL BE HEARD, AND IF IT MADE SENSE THEN MEECORP WILL LISTEN. ULTIMATELY THE DECISION IS MEECORP'S.
- 13)BEFORE CLOSING: AN ESCROW IS NOT ACCEPTABLE. YOU HAVE ASKED THAT THESE ASSOCIATED CLOSING COSTS BE PAID FOR OUT OF THE 300K AND PROCEEDS. HOW CAN MEECORP PAID THE PEOPLE DOING THE WORK IF THE FUNDS ARE IN ESCROW?
- 14) THE FEES ARE REFUNDABLE IF MEECORP DOESNT DO THE DEAL OR DOESNT PERFORM. THIRD PARTY ISSUES ARE NOT THEIR CONCERN.
- 15) NO ESCROWS

- 16) THERE ARE NO PREPAYMENT PENALTIES, BUT THE FEE STRUCTURE REMAINS THE SAME
- 17) CLOSING COSTS- IT WILL BE DIFFICULT TO ASSESS THE EXACT COST OF THE ITEMS UP FRONT, BUT THEY WILL BE PAID FROM THE LOAN PROCEEDS.
- 18) IT IS RECOMMENDED THAT YOU SET UP A SEPARATE CORPORATION OR LLC TO DO THIS LOAN.
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- 20) WHEN THE ISSUES ARE RESOLVED.

From:

"Alberto Medina" <alberto252@hotmail.com>

To:

"Ron Monach" <reddolphinllc@aol.com>; "daniel_edrei" <daniel_edrei@meecorp.com>; "brad_pullman"

<brad_pullman@meecorp.com>

Cc:

"MEGACONCERTS" <MEGACONCERTS@aol.com>; "Robert Bodnar" <PittPanthersSuck@aol.com>;

"Robert Pugar" <XxTopGunnerxX9@aol.com>

Sent:

Friday, June 06, 2003 1:00 PM

Subject:

Meecorp's \$30 millions dollars proposed bridge loan deal

Dear Sirs:

According to our today's telephone conversation, celebrated in conference at 11:24AM, having clarified all the main points, serve this letter to inform your our intention (of Megaproductions and I) to sign and pay, in or before next Monday June 9, 2003, the final Meecorp's Commitment Contract with the required 1% Commitment Fees (U.S. \$300,000 dollars per conduct of Red Dolphin Enterprises LLC) in order to start all the proceedings to get the U.S. \$30,000,000 dollars bridge loan in or before July 31, 2003 pursuant the terms and conditions agreed in the term sheet signed on May 23, 2003.

Cordialy,

Alberto Medina

www.unlimitedinvestments.com

---- Original Message ----

From: <REDDOLPHINLLC@aol.com>

To: <alberto252@hotmail.com>; <MEGACONCERTS@aol.com> Cc: <XxTopGunnerxX9@aol.com>; <PittPanthersSuck@aol.com>;

<a href="mailto:<a

Sent: Friday, June 06, 2003 10:43 AM

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> >



meecorp capital markets, lic 2115 LINWOOD AVENUE, SUITE 301 FORT LEE, NEW JERSEY 07024 PHONE: (201) 944-9330 FAX (201) 944-9332 E-Mail daniel_edroi@mesoup.com

TO: Alberto Lopez Medina Anthony Hutley

FAX NUMBER: (410) 296-4052

PROM: Brad Pullman

TOTAL NUMBER OF PAGES (INCLUDING THE COVER-SHEET) 12

DATE: <u>June 6, 2003</u> TIME: <u>1:48PM</u>

RE: Mega Productions, Inc. Loan Commitment

Attached, please find the Loan Commitment for the Mega Productions, Inc. Bridge Loan in executable form. Kindly, sign and initial every page and send back to us along with the Commitment Fee before the end of business Monday, June 9, 2003, so that we may expeditiously proceed.

I look forward to working with you on this loan.

Cc: Ron Monack

Via Fax: (208) 955-4528

MEECOMY

MEECORP CAPITAL MARKETS, LLC 2115 LIMMOOD AVENUE, SUITE 301 FORT LEE, NEW JERSEY 07024 PHONE (201) 944-9330 FAX (201) 944-932 o-mail principal@maecorp.com

Furne 6, 2003

Mr. Anthony Hurley
Mr. Alberto Mendina Lopez
Mega Productions, Inc.
C/o Ronald Monach
Red Dolphin Enterprises, LLC
1030 Delacroix Circle
Nokomis, FL 34275

Re: 530,000,000 Loan Request

Gentlemen;

We are pleased to advise you of our commitment to provide financing. This supersedes all previous communications and correspondence, subject to the following terms and conditions.

LEWDER:

Mescorp Capital Markets, LLC. ("Mescorp" OR "Lender"), or any other lender designated by Mescorp. Mescorp reserves the right to assign or sell participation in all or part of the Loan as described hereunder.

BORKÓWER:

Mega Productions, Inc., a single asset entity.

1401 Shefford Road

Baltimore, Maryland 21239

Address and Fed ID# to be provided

GUARANTORS:

(1) Alberto Mendina Lopez
Address and SS# to be provided

(2) Anthony Hudey

Address and SS# to be provided

(3) All current and future major shareholders/Partners Addresses and SS#'s to be provided

COLLATERAL/ PROJECT:

A. A first lien on the Collaboral as described in Schedule "C"

B. A Pledge of all Borrower's stock (of every kind) or partnership interests and deposit of all stock certificates (or shareholders' interests) with Mescorp.

Borrower's	Tomodally a Re-
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REPORTING:

I. Annual Review Financial Statements by a reputable accounting firm, in form generally accepted for the industry, shall be submitted no later than sixty (60) days following each of Borrower's end of fiscal year.

AMOUNT OF LOAN:

A Loan of Thirty Million dollars (\$30,000,000.00) including prepaid interest ("Prepaid Interest"), fees of any kind and all costs (a) incurred by Meecorp or investor or, on behalf of Lender, internally or externally, by any third party or itsown staff, in connection with Lender's due diligence or underwriting of the Borrower of the Collateral or any other assets being considered as security for the Loan (the "Due Diligence Expenses"), or (b) arising out of the preparation, execution, and delivery of this Commitment and the transactions contemplated thereby, including, but not limited to reasonable fees and expenses of Lender's outside counsel (the "Legal Expenses") in accordance with Schedule A attached. The Loan Amount shall not be larger than the Ten percent (10%) of the As-Is Market Value of the Collateral as defined below.

TERMS

The term of the Loan shall be Three (3) years, with one (1) year lockout from date of closing (The Initial Term). The closing shall take place not later than July 31, 2003, time of the essence.

COMMITMENT

FEE:

Three percent (3%) of the Loan Amount, payable One percent (1%) upon the signing of this commitment

EXII FER:

Five percent (5%) of the Loan Amount. To be paid at closing from Loan proceeds.

INTEREST

- A. Interest at a rate of Thirteen and Three Quarters of One percent (13%%) per annum during the first year, prepaid in advance, Fifteen percent (15%) during the second year, fixed and paid monthly, and Sixteen percent (16%) during the third year, fixed and paid monthly in arrears ("The Monthly Interest").
- B. After the first anniversary, monthly payments of interest-only on the unpaid balance shall be due on the first day of each month for the prior month's interest until the maturity date, at which time the entire balance of principal and accrued and unpaid interest thereon shall be due and payable in full.
- C. Monthly payments will be computed on a 30-day month and a 360-day year.
- D. Interest from the date of closing to the end of the month in which the closing takes place shall be paid at the time of the closing.

REPAYMENT:

The Loan may be repaid in full or in part without penalty, after the first anniversary of the Loan and there shall be no refund for any prepaid interest, points, fees and the like thereafter. The paid and unused portion of any Monthly interest during the second and third years is refundable.

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LEGAL MATTERS:

The interests of the Borrower and Lender are or may be different and may conflict, and the Lender's afformey represents only the Lender and not the Forpvycy and the Bomower is, therefore, advised to employ an attorney of the Borrower's choice licensed to practice in the State of New Tersov to represent the interests of the Boxtower.

The Borrower shall be required to pay to the Lender's attorney, Carol C. Stem, Bsq. of McCarter & English, L.P. the reasonable legal fees and expenses of Lender's attorney for services provided to Lender in connection with this transaction. The legal fees of Lender's attorney shall be calculated on a time-spent basis, based tipon the standard hourly rates of Lender's attorney generally charged to clients of that firm for similar matters. The legal fee of Lender's attorney, which Borrower will be required to pay bereunder, shall be actual and reasonable.

DOCUMENTATION: Mescorp's commitment to provide the Loan is subject to the negotiation, execution and delivery of definitive Loan and security agreements, mortgages or deeds of trust, notes, and other documentation and customary certificates and legal opinions (collectively, the "Loan Documents"), which in each case will be in form, substance and enforceability satisfactory to Meecorp in its sole discretion. The Loan Documents shall contain conditions precedent, representations and warranties. covenants, events of default and other terms and conditions consistent with the terms bereof as shall be satisfactory to Mescorp in its sole discretion and deemed appropriate by Meecorp for a transaction of the type contemplated herein.

ACCEPTANCE OF COMMITMENT:

The commitment and all of its terms and conditions will become effective only upon delivery to this office of a signed copy of this commitment, duly accepted by the Borrower, accompanied with the commitment fee installment in the amount of Nine Hundred Thousand Dollars (\$900,000,000) which is non-refundable and earned for. among other things, the commitment to provide funds and due diligence expenses.

Said fee is not refundable under any circumstances, except as agreed to herein.

Notwithstanding anything to the contrary contained in this commitment, the Borrower agrees that the basis for the Loan is the as-is market value of the real estate Collateral in its present condition. As is Market Value is defined as the as is o appraisal date of the One Hundred and Eighty (1911) day sale of the real estate Collateral in the condition observed upon inspection and as it physically and legally exists without hypothetical conditions, assumptions, or qualifications, to a willing cash buyer". The Borrower understands that Meccorp will inspect the Collateral and Meccorp cannot and will not lend more than Ten Percent (10%) of the As-Is Market Value of the real estate Collateral only, which Meecorp shall determine in its sole

^{*} Appraisal Policies and Practices of Insured Institutions and Service Corporations, Federal Home Loan Bank Board, Final Rule, 12 CFR Parts 563 and 571, December 21, 1987.

> discretion. If Meecorp's determination of the value of the property is disputed by Borrower, the Borrower and Mescorp shall mutually agree on a third party MAI appraiser, with proper credentials, contracted by Mescorp, and any fees for said appraiser to be reimbursed to Meecorp by Borrower prior to the appraisal being performed and Meecorp will either at its option, offer a Loan (not to exceed in any event the Loan amount) of Ten Percent (10%) of the As-Is Market Sale Value of the real estate Collateral as determined by said appraiser or return the paid portion of the commitment fee.

> This letter will become a commitment once signed by all parties and returned with the Nine Hundred Thousand Dollars (5900,000.00) as outlined above. This commitment will expire August 1, 2003, time of the essence. Meecorp shall have no obligation with respect to the Loan unless and until this commitment letter is fully executed and received by Mescorp along with the required portion of the commitment fee.

RETURN OF

COMMITMENT FEE: Mescorp intends to bring participants into this transaction. If Meecorp is unable to do so or if Meecorp does not perform its obligations under the terms of this commitment for whatever reason, Meecorp shall only be obligated to refund the paid portion of the commitment fee, less reimbursement for expenses incurred by Lender on behalf of Borrower. SAID REFUND SHALL BE THE TOTAL EXTENT OF ANY LIABILITY OR OBLIGATION ON THE PART OF MEECORP UNDER ANY CIRCUMSTANCES. There will be no refund if Borrower does not accept the loan offer(s) made by Mescorp pursuant to this commitment or Borrower has not complied with all the conditions of this commitment.

OTHER:

Meecorp hereby acknowledges receipt of Twenty Five Thousand Dollars (\$25,000,00), which is non-refundable, for the preparation of this commitment.

EXPENSES:

Borrower agrees that the Loan shall be without cost to Meacorp. Borrower assumes liability for and will pay all costs and expenses required to satisfy the conditions hereof and the making of the Loan. Such costs and expenses shall be paid at the Loan closing, or upon demand if the Loan does not close or if this commitment is terminated. Such obligation shall survive termination. Borrower will also provide airline tickets and hotel accommodations if necessary.

GOVERNING LAW. EIC.

This commitment may be executed in counterparts which, taken together, shall constitute one original. This commitment is for the benefit of the Borrower only, and may not be assigned except upon the prior written consent of Mescorp, which consent may be withheld for any reason or no reason. No party other than Borrower or a permitted assignee may rely upon the terms and conditions of this commitment. This commitment will be governed by and construed in accordance with the laws of the State of New Jersey without regard to the principles of conflicts of laws thereof. At lender's election, to be entered in its sole discretion, any legal suit, action or proceeding against borrower or lender arising out of or relating to

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this commitment or other loan documents shall be instituted in any federal or state court in the State of New Jersey.

WAIVER:

No failure on the part of Meecorp to exercise and no delay in exercising any rights under the Loan Documents shall operate as a waiver thereof, nor shall any single or partial exercise by Meecorp of any right under the Loan Documents preclude any further exercise thereof, or the exercise of any other right. Each and every right or remedy granted under the Loan Documents or under any document delivered thereunder or in connection therewith or allowed to Meecorp in law or equity shall be desired cumulative and may be exercised from time to time.

LIMITATION OF DAMAGES:

MEECORP SHALL HAVE NO LIABILITY TO BORROWER, OR ANY OTHER ENTITY OR PERSON, UNDER ANY THEORY OF LAW, OR EQUITY, IN THE EVENT THE LOAN SHALL NOT CLOSE OR THE COMMITMENT SHALL BE TERMINATED, FOR ANY AMOUNT IN EXCESS OF THE PAID PORTION OF THE COMMITMENT FEE, LESS EXPENSES. BORROWER ACKNOWLEDGES THAT THIS LIMITATION OF DAMAGES CLAUSE IS REASONABLE. BORROWER AGREES NOT TO PURSUE ANY CLAIM IN EXCESS OF THE ABOVE SUM.

WAIVER OF TRIAL BY TURY:

BORROWER AND LENDER EACH HEREBY UNCONDITIONALLY AND IRREVOCABLY WAIVE ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY SUIT, COUNTERCLAIM, OR CROSS-CLAIM ARISING IN CONNECTION WITH, OUT OF, OR OTHERWISE RELATING TO THIS COMMITMENT, THE OTHER LOAN DOCUMENTS, THE OBLIGATION, THE COLLATERAL, OR ANY RELATED TRANSACTION.

BORROWER UNDERSTANDS THAT MEECORP CANNOT AND WOULD NOT ENTER INTO THIS COMMITMENT WITHOUT BORROWER'S AGREEMENT TO THE LIMITATION OF DAMAGES, CHOICE OF FORUM AND WAIVER OF TRIAL BY JURY CLAUSES CONTAINED HEREIN.

Notwithstanding the above requirement to pay Nine Hundred Thousand Dollars (\$500,000.00) at the signing of the commitment, as consideration for the parties unconditionally and trevocably waiving all right to trial by jury and the parties agreeing to the Choice of Forum clause, blescorp will accept payment of the Nine Hundred Thousand Dollars (\$500,000.00) Commitment Fee in the following manner:

a) Three Hundred Thousand Dollars (\$300,000,00), paid at the time this commitment is signed, prior to our due diligence, which shall occur no later than the end of business, Monday, June 9th, 2002, time of the essence

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borrower's	Ş	unitals	

Borrower's Initials___

Mega Productions, Inc. #187 Loiza, Puerto Rico

Loan Commitment fune 6, 2003 Page 6		
	b) Six Hundred Thousand Dollars (\$600,000.00)	to be paid at closing.
	MEECORP CAPIT	Simulaly, AL MARKETS, LLC
	BY:	48.00
	BY:Michael Editel,	Managing Director
	•	

COMMITMENT ACCEPTED MEGA PRODUCTION, INC.

BV:	Alberto Mendina Lopez, title	DATE:
BY:	Alberto Mendina Lopez, individually	DATE:
BY:	Anthony Fixtey, title	DATE:
BY:	Anthony Hurley, individually	DATE:

B\MEGA52903COM.BP

Borrower's Initials

SCHEDULE "A"

LOAN AMOUNT

\$ 30,000,000

USE OF PROCEEDS

BALANCE OF PROCEEDS TO BE DRAWN DOWN IN FUTURE TRANCHES, IF ANY TO BE PROVIDED EXII FEE \$ 1,500,000 (Non-Refundable) MONTHLY PREPAID INTEREST - 1* year \$ 3,975,000 CLOSING COSTS /UNKNOWN BALANCE OF COMMITMENT FEE 600,000 **BROKERAGE FEES:** (To Red Dolphin Enterprises - 3%) 900,000 BALANCE AVAILABLE FOR ACQUISITIONS—CSL \$ 23,025,000 <u>\$_30,000,060</u>

B\MEGASINICONLIP

\$ 30,000,000

Borrower's Initials....

SCHEDULE "B"

These General Conditions are part of the attached commitment and deemed a part bereof as if set forth therein.

- Survey: The Borrower shall provide a survey certified to the Lender and its title company satisfactory to the title company on each piece of Collateral prepared by a surveyor licensed by the State showing the project to be free of encumbrances, overlapped and other survey defects, all in accordance with the Lender's survey requirements.
- 2. Insurance: The Borrower must furnish liability and hazard insurance in a sum not less than the replacement value of the Collateral but in no event less than the amount of the Loan insured by a company or companies satisfactory to Lender.
- 3. Title: The Lender shall receive a first lien on the Collateral acceptable to its Counsel and Borrower shall provide a paid title insurance policy in an amount no less than the amount of the Loan insured by a title company or companies satisfactory to Lender.
- 4. Flood Insurance: If any material part of any parcel of the Collateral is located in an area designated as being subject to a special flood hazard, Borrower shall obtain all available flood insurance. If insurance is not available, and if such unavailability legally precludes the mortgage from covering such affected parcel, such parcel shall be removed from the Collateral and all Loan amounts recalculated.
- Easements: All necessary easements for utilities, public road access, parking or otherwise shall be provided for prior to closing, if permitted by Lien Fielder.
- 6. Additional Collateral: As additional Collateral Borrower agrees to allow Lender to lien all inventory, machinery, equipment, accounts receivable and all other assets owned by Borrower.
 - 7. Approval of Lender's Counsel: The title in the project and the form and substance of each and every document evidencing the Loan and the security thereof or incident thereto, must be satisfactory to and approved by Counsel to the Lender in its sole discretion:
 - 8. Approval of Borrower's Counsel, Etc.: Borrower acknowledges that it has consulted with counsel of its choice and with such other experts and advisors as it deemed necessary in connection with the regotiation, execution, and delivery of this Commitment and the other Loan Documents. This Commitment and the other Loan Documents shall be construed without regard to any presumption or rule requiring that they be construed against the party causing them, or any part of them, to be drafted.
 - Representations and Warranties of Borrower and Guarantor: Customary for transactions
 of this type, including, but not limited to, the following:

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- Neither the Loan Documents nor the performance by Borrower of its obligations thereunder violate any provisions of law, of Borrower's partnership agreement, corporate by-laws, or of any agreement which is binding upon Borrower or the Guarantors. No action or permission by any governmental commission, bureau or agency is required in connection with the execution or the performance of the Loan Documents by Borrower, and Borrower is not subject to filing, reporting or like requirements of any governmental commission, bureau or agency charged with control or supervision of environmental concern.
- b. All financial information furnished or disclosed to Meecorp by Borrower and Gnarantors touching upon the financial condition of any of them is true and correct as of the date furnished, and there has been no oudssion of any material fact relating thereto, and there has been no material adverse change in the financial condition, operations or business of any of them since the date of such financial information.
- C. Borrower or Guarantors is not in default in the performance, observance or fulfillment of any of the obligations or conditions contained in any agreement or instrument to which it is a party, or with respect to any evidence of indebtedness or obligation for borrowed money which affects in any way the Collaboral, nor does any condition exist which, upon the lapse of time or giving of notice, or both, would constitute an event of default under, or grounds for termination of, any such agreement or instrument.
- d. No actions, suits or proceedings at law or in equity are pending or, to the best of Borrower's or Guarantor's knowledge, threatened, in any court or before any federal, state, municipal or governmental department, commission, board, buteau, agency or instrumentality against or affecting Borrower, the Guarantors, or any of its properties or rights which, if adversely determined would materially adversely affect the financial condition of Borrower or Guarantors or materially impair the right of either to carry on its business substantially as now conducted, nor is either in default with respect to any judgement, writ, injunction, decire, rule or regulation of any court or federal, state, municipal or governmental department, commission, board, bureau, agency or instrumentality.
- 10. Miscellaneous: Prior to the closing of the Loan and disbursement of funds, in each instance the Borrower must comply with the following:
 - (a) The Borrower is to produce such evidence as Lender may require to demonstrate current full compliance with all applicable zoning, health, environmental and safety laws, ordinances and regulations (including without limit approval of local, private or public sewage or water utility). The Borrower shall certify or supply other satisfactory evidence to the Lender at the time of the closing that there is no action or proceeding pending before any Court or Administrative Agency with respect to the validity of any laws, ordinances or regulations, and any certifications or permits issued thereunder, pertaining to the premises. The Borrower shall certify or supply

Borrower	8	Initials	
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> other evidence satisfactory to the Lender that the Borrower is not a party to any existing or pending or threatened litigation, unless specifically noted herein.

- All appropriate approvals must meet all applicable requirements of all **(b)** governmental authorities having jurisdiction, including, but not limited to subdivision and site plan approvals, the Department of Environmental Protection and its several sub departments as they pertain to potable water supply, sewage discharge and sewage connection, use of septic tanks or alternatives. The Lender shall require prior to closing, evidence satisfactory to them and their Counsel of full compliance with all Environmental Clean-Up Responsibility Acts and that no action is pending or liens imposed under any Spill Compensation and/or Control Acts.
- During the term of the Loan, there shall be no additional financing nor any transfer (c) of title, not contemplated in the Loan Documents without the prior written approval of the Lender which Lender will not unresponsibly withhold.
- Execution by the Borrower of such Loan Documents including, but not limited to, a (d)mortgage and mortgage note, satisfactory in form and substance to the Lender and its Coursel, including a prohibition against the transfer of title of any of the Collateral not contemplated in the Loan Document, and if the Borrower is a corporation or partnership, a change in the management or controlling interest in the Borrower. Borrower may prepay the Lender at any time, in whole or in part, without penalty except for all of the Prepaid Interest which is considered earned whenever the Loan is repaid.
- This cummitment is subject to the accuracy of all information, representations, (e) exhibits and other materials submitted with or in support of the Loan request and there must be no adverse change in the set of facts prior to the disbursements of funds or during the term of the Loan. This commitment may be terminated by Meecorp and the Commitment Fee retained and earned by Meecorp in the event of the following:
 - (i)If the Borrower shall fall to comply with any of the terms or conditions
 - (ii) In the event of a sale, conveyance or other disposition of any of the
 - In the event of a materially adverse change in the financial condition of the (iiii) Borrower or any Guarantor.
 - Any material misrepresentation of facts set forth herein or any omission by (iv) the Borrower or any Guarantor of any material fact.
 - (V)For any good faith reason.
- **(f)** In the event of any material default during the term of this Commitment, Mescorp may, at its option, require immediate payment of the balance of the Commitment Fee and Mescorp may terminate the Commitment and retain the paid portion of the Commitment Fee

Borrower's	Initials_
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- (g) The Borrower has the obligation to disclose all material facts, past and present, related to the Borrower, Guaranters, the Collateral, the transaction, etc.
- (h) The Borrower specifically acknowledges and agrees that Mescorp and/or Lender rely on counsel opinion letters relating to, among other items, usury. This cummitment is subject to the express condition that at no time will the Borrower be obligated or required to pay interest at a rate which could subject Mescorp and/or Lender to either civil or criminal liability as a result of being in excess of the maximum rate which the Borrower is permitted by law to contractor agree to pay. If, by the terms of this commitment or the Loan Documents the Borrower is at any time required or obligated to pay interest at a rate in coress of such maximum rate, the rate of interest shall be deemed to be inumediately reduced to such maximum rate and the portion, if any, of all prior interest payments in excess of such maximum rate shall be applied and shall be deemed to have been payments in reduction of the principal balance.
- 11. Validity of Loan: The Loan and the closing thereof shall in all respects be legal and not violate any applicable law or other requirements of any governmental authority. The Borrower will submit to the Lender at closing a current written opinion by the Borrower's legal Counsel, satisfactory to Lender, to the effect, among other things, that all Loan Documents are valid and binding upon the Borrower and any other mortgagor and are enforceable in accordance with their terms and are legal and do not violate any local, state or federal laws including, but not limited to, all usury laws. Once the Loan is closed and funded by the Lender, the Loan shall be governed and construed pursuant to the laws of the State of New Jersey.
- 12. Governing Law: This Commitment and the other Loan Documents (except the Mortgage or Note, etc. forming the Mortgage Loan which shall be construed in accordance with the law of the state of the realty), shall be governed by and construed in accordance with the internal substantive laws of the State of New Jersey, without regard to the choice of law principles of such state.
- 13. Usury: It is expressly understood and acknowledged by the Borrower that Meecorp may not be familiar with the usury statutes in the Collateral's jurisdiction and relies on counsel opinions delivered at closing. This commitment is subject to the express condition that at no time shall the Borrower be obligated or required to pay interest at a rate which could subject Meecorp or the Co-Lenders to either civil or criminal liability as a result of being in excess of the maximum rate which the Borrower is permitted by law to contract or agree to pay. If by the terms of this commitment or the note the Borrower is at any time required or obligated to pay interest at a rate in excess of such maximum rate, the rate of interest hereunder and/or under the note shall be deemed to be immediately reduced to such maximum rate and interest payable shall be computed at such maximum rate and the portion of all prior interest payments in excess of such maximum rate shall be applied and shall be deemed to have been payments in reduction of principal balance or, if the Loan has not closed shall be void, and if Meecorp deems it a hardship to close the Loan under the usury statutes, all fees paid to Meecorp shall be refunded and this commitment shall be null and void.

Borrower's	Initials

- 14 Secondary Markets, Participation, and additional financing: Borrower acknowledges that Lender intends to sell the Loam (after, or prior to funding) in whole or in part, and that such sale may be to a party which may pool the Loan with a number of other loans in order to issue one or more classes of mortgage backed pass-through certificates (the "Certificates") which may be rated by one or more national rating agencies, or to some other third-party investor. Lender shall have the right to disclose such information concerning this Commitment, the Loan and Borrower acknowledges that Lender intends to sell the Loan (after, or prior to funding) in whole or borrower's business and operations, either before or after Closing, as may be necessary to sell or service the Loan and require Borrower to make available such other financial information as Lender may reasonably request. Lender, the subsequent holders of the Note, and the servicer of the Loan shall be permitted to share such information with the investment banking firms, rating agencies, purchasers of the Certificates, accounting firms, law firms and other third-party advisory firms involved with the proposed Loan or the Certificates or to any other potential purchaser of the Loan or the participation interest therein. It is understood that the information provided by Borrower to Lender may ultimately be incorporated into the offering documents for the Certificates and thus various investors may also see some or all of the information and that subsequent information concerning the Loan and/or Borrower may be provided to the parties named above after Closing. Lender, its assigns, the services of the Loan and all of the aforesaid third-party advisors and professional firms shall be entitled to rely on the information supplied by, or on behalf of, Borrower. Borrower understand that the third-party investors may also be interested in providing financing of various other projects initiated or owned by Borrower. Borrower hereby agrees that no such direct discussions may take place and that Borrower is barred from entering into any transaction with Investors without Lender's express, written authorization, including the renewal of the Loan at maturity. Borrower understands and agrees that in addition to sees enumerated becaus, Mescurp may receive a finder's fee or commission, or other compensation from third-party investors in connection with the sale of the mortgage loan, or may participate in the Loan in whole or in part, and may serve as loan servicing agent for investor and neceive fees for services readered to such investor. Borrower hereby grants Mescorp with the right of First Refusal for any additional financing, of any kind, in connection with the Collaberal or the Borrower, at any future time.
- 15. Choice of Forum: Borrower consents to the jurisdiction of any state or federal court sitting in the State of New Jersey and that venue shall be proper in any such court to the exclusion of the courts in any other state or country. The Borrower further agrees that such designated forum is proper and convenient.
- 16. WAIVER OF TRIAL BY JURY: Borrower and Lender each hereby unconditionally and irrevocably waive any and all right to trial by jury in any suit, counterclaim, or cross-claim arising in connection with, out of, or otherwise relating to this Commitment, the other Loan Documents, the Obligation, the Collateral, or any related transaction.
- 17. No Oral Modifications: Notwithstanding any course of dealing between the parties, no amondment, modification, rescission, waiver, or lease of any provision of this Commitment shall be effective unless the same shall be in writing and signed by the Borrower and Lender.

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- 18. Complete Agreement: This Commitment, together with the other Loan Documents, constitutes the entire agreement and understanding among the parties relating to the subject matter of this Mortgage Loan, and supersedes all prior proposals, negotiations, agreements, and understanding relating to such subject matter. In entering into this agreement, Borrower acknowledges that it is relying on no statement, representation or agent of the Lender, except for the agreements of Lender set forth herein.
- 19. Survival of Commitment: Borrower and Lender hereby acknowledge and agree that this commitment shall not survive closing. Purthermore, notwithstanding the provisions of paragraph 16 above, the parties specifically acknowledge and agree that the terms and conditions of this Loan may be modified by mutual agreement at any time up to and including the date of closing and that any such modifications shall be incorporated directly into the Loan Documents without the need to amend this Commitment.

The undersigned does hereby accept this Commitment and does hereby agree to keep and perform each and every item and condition herein before set forth and do acknowledge that the plantumance of such terms and conditions are obligations of the undersigned. The atturney for the Borrower has reviewed this commitment and has explained all of its terms and ramifications to the Borrower and the Guarantor.

ACCEPTED:

MEGA PRODUCTION, INC.

B Y:	Alberto Mendina Lopez, title	DATE:	enoversystematical and any or to weather the .
BY:	Alberto Mendina Lopez, individually	DATE:	volitores estado da estado de estado
8 Y:	Anthony Harley, title	DATE:	and the same that the same angular distriction of the same and sam
BY:	Anthony Hurley, individually	DATK	EV PARKE & GOODS CONTRACT

Borrower's In	httals
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SCHEDULE 'C'

The Real Estate Collateral - The real property, improvements and all personal property on approximately 826 contiguous acres of Atlantic Ocean waterfront raw land located in Montenegro Ward on Road Number 187 between the kilometers 10.3 to 12.3 in the municipality of Loiza in the island of Puerto Rico. The property features two kilometers of white sandy beaches, sand dunes ranging from 5-10 meters in height, approximately 60 acres sand deposits, marshland and mangrove swamp area. Borrower estimates the as-is value 180-day bulk sell of the property, to be at-least \$300,000,000. The proceeds of the loan shall be used for real estate acquisitions and investments.

Personal Properties related to the Real Estate Collaboral -All but not limited to: (a) assignments, permissions, subordination agreements, grants, benefits of any kind, from and to local, State and Federal government in connection with the Real Estate and Borrower, or any other development and improvements on the Property. All permits have been granted, and in place, by all the appropriate authorities in respect to the development. (b) Assignment of all lease Agreements, if any; (c) All other tangible and intangible assets, including but not limited to Punchase and Sale Agreements, leases, architectural and engineering plants, surveys and studies, permits, licenses, sales deposits, trade marks, etc.; (d) A pledge of all Borrower's stock, partnership interests or members' interests.

B\MEGA\$2900CCONLSD

iorrower's Initials

MEECORPEANIM

rnescorp capital markets, lic 2115 IJNWOOD AVENUE, SUITE 301 FORT LEE, NEW JERSEY 07024 PHONE: (201) 944-9330 FAX (201) 944-9332 E-Mail david_edro@mescorp.com

TO: Alberto Lopiez Medina. Anthony Hurley

FAX NUMBER: (410) 295-4052

FROM: Brad Pullman

TOTAL NUMBER OF PAGES (INCLUDING THE COVER SHEET) 16

DATE: <u>June 6, 2003</u> TIME: <u>1:45PM</u>

RE: Mega Productions, Inc. Loan Commitment

Attached, please find the Loan Commitment for the Mega Productions, Inc. Bridge Loan in executable form. Kindly, sign and initial every page and send back to us along with the Commitment Fee before the end of business Monday, June 9, 2003, so that we may expeditiously thorsed.

I look forward to working with you on this loan.

Cc: Ron Monack

Via Fax: (208) 955-4528

MEECORP

MEECORP WIRE INSTURCTIONS:

Account Name:

MEECORP CAPITAL GROUP Clearing Account

Account #: 040 742 970

Wire To:

Valley National Bank 3 University Plaza Hackensack, New Jersey 07601

ABA #: 021 201 383

Phone #: 201 488-4948

2115 LINWOOD AVENUE, FORT LEE, NJ 07024 PHONE (201) 944-9330 FAX (201) 944-9332 E-MAIL principal@neecorp.com

From:

<REDDOLPHINLLC@aol.com>

To:

<alberto252@hotmail.com>

Cc:

<megaconcerts@aol.com>; <XxTopGunnerxX9@aol.com>; <pittpantherssuck@aol.com>

Sent:

Monday, June 09, 2003 1:34 PM

Subject:

Dear Mr. Lopez,

It is 1:26pm on Monday the 9th of June, 2003. You received a draft of the loan commitment from Meecorp Capital almost two weeks ago. You were given ample time to have your attorney look at the document, and I thought this was accomplished prior to our conference call with Meecorp on June 6th, 2003. The conference call on the 6th of June 2003 was concluded with the understanding that your requests and compromises to the changes issued in the draft commitment were complete and all inclusive. The subsequent issuance of the revised draft on Friday, the 6th of June 2003 gave you two days to review the agreed upon changes. Where do you stand with regards to the execution of the document? Today is the deadline for the execution of this document as issued by Meecorp Capital! Please advise as I have Twenty Five Thousand Dollars issued on your behalf, because you sign a term sheet with identical terms. I would not have issued 25k if you were having second thought about the loan. I find it deeply disturbing that you would allow me too lose my money, after trusting you and your partner. Ron Monach

From:

"Alberto Medina" <alberto252@hotmail.com>

To:

"daniel_edrei" <daniel_edrei@meecorp.com>

Cc:

"Ron Monach" <reddolphinllc@aol.com>; "Robert Pugar" <XxTopGunnerxX9@aol.com>; "Robert Bodnar" <PittPanthersSuck@aol.com>; "MEGACONCERTS" <MEGACONCERTS@aol.com>; "brad_pullman"

<brad_pullman@meecorp.com>

Sent:

Monday, June 09, 2003 4:59 PM

Subject:

Meecorp's \$30 millions dollars proposed loan deal

Dear Sirs:

Serve this letter to inform you that after our legal counselors evaluating very widely and carefully the last received version of the Meecorp's Commitment Contract, received on June 6, 2003 at 1:45PM, following the recommendations of them, WE WILL NOT proceed to sign it.

Despite the good "verbal" intentions of Mr. Daniel Edrei (Director of Meecorp) to issue the U.S. \$30 millions dollars loan, THAT WE AGREED, according to our legal counselors, to get such loan will be impossible due to the big legal loopholes stated in such contract.

Certainly, Meecorp want that us (Megaproductions and I) sign such contract, depositing a non refundable U.S. \$300,000 dollars, using "verbal" understandings that are very different of the "written" clauses, terms and conditions stated in it, knowing that before the Law and Courts the last "word" is the written word.

According to our legal counselors, the waiving of our "trial by jury" rights, putting in the Meecorp's hands A HALF BILLIONS PROPERTY at 10% Loan To Value Rate is not only inappropriate, IS AN INSULT, that only one in law inexpert person could approve.

Moreover, classifying the payment of the U.S. \$25,000 evaluation fees and the U.S. \$900,000 commitment fees AS A NON REFUNDABLE FEES was unethical due to such commitment contract included requirements and conditions non stated in the preliminary "term sheet".

Certainly, we deserve a better treatment, like any other multimillionaire businessmen, even, the return to Mr. Ron Monach of such U.S. \$25,000 evaluation fees that under our understanding are completely REFUNDABLE, but if Meecorp do not want to reimburse it we are able to do it.

Very Respectfully,

Alberto Medina Requester

www.unlimitedinvestments.com

From:

"Alberto Medina" <alberto252@hotmail.com>

To:

<REDDOLPHINLLC@aoi.com>

Cc:

"MEGACONCERTS" <MEGACONCERTS@aol.com>; "Robert Pugar" <XxTopGunnerxX9@aol.com>; "Robert

Bodnar" <PittPanthersSuck@aol.com>; "daniel_edrei" <daniel_edrei@meecorp.com>; "brad_pullman"

<brad_pullman@meecorp.com>

Sent:

Monday, June 09, 2003 5:14 PM

Subject:

Re: money

Dear Mr. Monach:

Don't worry. Your money is safe.

If Meecorp is unable to return your money let us know in order to pay you it in the following days.

To proceed in that sense, following requirements of our accountants, I will appreciate that you send us "in original" a letter from your bank certifing the wire transfer of such sum to Meecorp.

Regards

Alberto Medina

www.unlimitedinvestments.com

---- Original Message -----

From: < REDDOLPHINLLC@aol.com>

To: <alberto252@hotmail.com>

Cc: <<u>megaconcerts@aol.com</u>>; <<u>XxTopGunnerxX9@aol.com</u>>;

<pittpantherssuck@aol.com>

Sent: Monday, June 09, 2003 4:31 PM

Subject: money

> I understand you have chosen not to do the transaction with Meecorp. How do you propose to compensate me for the loss of my 25k. I said to you quite plainly that if you were not going to do the transaction, dont throw away my funds. You assured me that you would move forward and sign the commitment letter. Please have your attorney present a legal opinion as to how that commitment letter differed so materially from the term sheet as to cause you to back out of the transaction. You signed the term sheet, giving cause for all to believe you were doing the transaction with Meecorp. You had subsequent phone calls and agreed to changes in the commitment. Please take this time to work out this issue with me. I would like this to end on a good note. Ron Monach

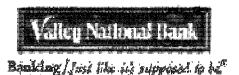
MEECORPFAXTM

meecorp capital markets, IIC
2115 LINWOOD AVENUE, SUITE 301
FORT LEE, NEW JERSEY 07024
PHONE: (201) 944-9330 Ext. 105 FAX (201) 944-9332
E-Mail: brad_Pullman@meecorp.com
www.meecorp.com

Ce:
FAX NUMBER: (208) 955-4528
FROM: Brad Pullman
TOTAL NUMBER OF PAGES (INCLUDING THE COVER SHEET) 4
DATE: (./24/03 TIME: /0:28
RE: /On. The jewed an abusine And illiterally Email from Alberto Modina this Morning. I would have to Say I believe that this deal is dead. I am sending use Copies of All three wire transfer receipts from our Bank.

MSG# 37824613-805-1

Page 001 Of 001



Customer FAX number:	(201)944-9332
Customer name:	MEECORP CAPITAL GROUP*
VNB account number:	0040742970
Date of wire transfer:	05/28/03
Amount of wire transfer:	\$5,000.00
Wire reference number:	CLEARING ACCOUNT
Sender reference number:	030528014189
Sender information:	AVRIO GROUP
	1030 DELACROIX
	CTRCLE
	SARASOTA FL 00000
	ST ARMANDS FT SETTLEMENT
	ATTN: WIRE SERVICES
•	SARASOTA, FL FL-4273
ORG to BNF info:	A STATE OF THE PROPERTY OF THE

Should you have any questions regarding this transaction pleasecontact our Customer Service Department at 1-(800) 522-4100.

Cantid endology Naze

The information contained in this recaimile is confidential information intended only for the use of the individual or entiry named above. If the reader of his consequences had been included recipient, you are true by notified that any distantiantion, distribution or copy of this communication is sweetly problemed. If you have received this communication in error, please trung stelly notify us by relephone and remove the original message to me at the address before via the U.S. Tostal Service. Thank Yes.



MSG# 37343851-005-1

Page 901 Of 991



Customer FAX number:	(201)944-9332
Customer name:	MEECORP CAPITAL GROUP*
VNB account number:	0040742970
Date of wire transfer:	05/27/03
Amount of wire transfer:	\$10,000.00
Wire reference number:	Secretary and the secretary of the secretary and
Sender reference number:	030527033789
Sender information:	RED DOLPHIN ENTERPRISES LLC
	1962 HIGH POINT DR
	SARASOTA FLORIDA 34236
	A A A A A A A A A A A A A A A A A A A
ORG to BNF info:	REF: RED DOLFIN FOR LOPEZ PROPERTY

Should you have any questions regarding this transaction pleasecontact our Customer Service Department at 1-(800) 522-4100.

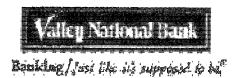
Cantidentiality Note

The information contained in this thesimile is confidential information intended only for the use of the individual or unity named above, if the reactor of this massage is not the intended recipient, you are hereby notified that any discontinuition, distribution of copy of this communication is strongly prohib and if you have received this communication in error, please timed such your prohib and return the original message to me at the address below via the U.S. Tustal Service. Thank You.



MSG# 37343854-885-1

Page 001 Of 001



Customer FAX number:	(201)944-9332
Customer name:	MEECORP CAPITAL GROUP*
VNB account number:	0040742970
Date of wire transfer:	05/27/03
Amount of wire transfer:	\$10,000.00
Wire reference number:	
Sender reference number:	030527033989
Sender information:	RED DOLPHIN ENTERPRISES LLC
	1962 HIGH POINT DR
	SARASOTA FLORIDA 34236
	Administration of the control of the
	. 22.5576
	A Additional Control of the Control
ORG to BNF info:	REF: RED DOLPHIN FOR LOPEZ PROPERTY

Should you have any questions regarding this transaction pleasecontact our Customer Service Department at 1-(800) 522-4100.

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The information constined in this thesimile is confidential information intended only for the use of the individual or entry named above, if the reacter of this massage is not the intended recipient, you are hereby notified that any dissemination, distribution or copy of this communication is strictly probabled; I you have received this communication in error, please framed study natify us by telephone and return the original message to me at the address below via the U.S. Postal Service. Thank You.



Pepper Hamilton LLP

Suite 1600 1201 Market Street P.O. Box 1709 Wilmington, DE 19899-1709 302.777.6500 Fax 302.656.8865

302.777.6512 naylorj@pepperlaw.com

September 16, 2003

VIA REGISTERED MAIL

Mr. Alberto Medina Lopez 4911 Sugar Maple Lane Dumfries, VA 22026

Mega Productions, Inc. 4911 Sugar Maple Lane Dumfries, VA 22026

Re: Red Dolphin Enterprises, LLC v. Mega Productions, Inc. and Alberto Medina Lopez, C.A. No. 03C-08-110

Enclosed is a copy of the process and complaint served on the Delaware Secretary of State in the above-referenced matter in which you have been named as a defendant. Under Delaware's long-arm statute, such service is as effectual to all intents and purposes as if it had been made upon you personally within Delaware. See 10 Del. C. § 3104.

Very truly yours,

Joseph S. Waylor

JSN/bst Enclosures

cc: Ron Monach

Philadelphia

Washington, D.C.

Detroit

New York

Pittsburgh

SUPERIOR COURT CIVIL CASE INFORMATION STATEMENT (CIS)

COUNTY: (N K S	CIVIL ACTION NUMBER: 03C-08-
Civil Case Code		Civil Case Type Debt/Breach of Contract De FOR CODE AND TYPE) 2003 AUL 12 FR 4: 00
Caption:		Name and Status of Party filing document:
Red Dolp	hin Enterprises, LLC	Red Dolphin Enterprises, LLC
	Plaintiff,	
V.		Document Type:(E.G.; COMPLAINT; ANSWER WITH COUNTERCLAIM) Complaint
Mega Pro	ductions, Inc. and	Non-Arbitration (CERTIFICATE OF VALUE MAY BE REQUIRED)
Alberto	Medina Lopez	Arbitration X Mediation Neutral Assessment
datadatan managan pu	Defendants.	DEFENDANT (CIRCLE ONE) ACCEPT REJECT JURY DEMAND YES NO
		TRACK ASSIGNMENT REQUESTED (CIRCLE ONE) EXPEDITED STANDARD COMPLEX
ATTORNEY NAME(S): JOSEPH S. NAYLOR	IDENTIFY ANY RELATED CASES NOW PENDING IN THE SUPERIOR COURT BY CAPTION AND CIVIL ACTION NUMBER INCLUDING JUDGE'S INITIALS
ATTORNEY ID(S):	#3886	
FIRM NAME:	PEPPER HAMILTON LLP	EXPLAIN THE RELATIONSHIP(S):
ADDRESS:	1201 North Market Stre Suite 1600 Wilmington, DE 19801	et
TELEPHONE NUMBER	R: 302-777-6500	OTHER UNUSUAL ISSUES THAT AFFECT CASE MANAGEMENT:
FAX NUMBER:	302-656-8865	
E-MAIL ADDRESS:	naylorj@pepperlaw.com	
		(IF ADDITIONAL SPACE IS NEEDED, PLEASE ATTACH PAGE)

THE PROTHONOTARY WILL NOT PROCESS THE COMPLAINT, ANSWER, OR FIRST RESPONSIVE PLEADING IN THIS MATTER FOR SERVICE UNTIL THE CASE INFORMATION STATEMENT (CIS) IS FILED. THE FAILURE TO FILE THE CIS AND HAVE THE PLEADING PROCESSED FOR SERVICE MAY result in the dismissal of the complaint or may result in the answer or first responsive pleading being stricken.

IN THE SUPERIOR COURT OF THE STATE OF DELAWARE

IN AND FOR NEW	CASTLE COUNTY	2003 AUG 12	PH 4:00

)
) C.A. No. 03C-08
)

COMPLAINT

- 1. Defendants on or about April 30, 2003, executed and delivered to plaintiff a promissory note in the principal amount of \$325,000 (the "Note"). A true and correct copy of the Note is attached hereto as "Exhibit A."
- 2. Plaintiff subsequently advanced the Defendants \$25,000 in principal under the Note.
- 3. Repayment of that amount is due by the Defendants, and the Defendants have defaulted on their repayment obligation under the terms of the Note.
- 4. Defendants presently owe the plaintiff \$25,000, plus interest, attorneys' fees, and costs as provided in the Note.

WHEREFORE, Plaintiff prays that judgment be entered against Defendants, jointly and severally, on the Note as follows:

- (a) unpaid principal balance \$25,000;
- (b) attorneys' fees to be determined;
- (c) pre-judgment interest to be determined;
- (d) post-judgment interest to be determined;
- (e) court costs to be determined;
- (f) and for such and further relief as may be deemed just and proper under the circumstances.

Joseph S. Naylor
PEPPER HAMILTON LLP
1201 Market Street
Wilmington, DE 19899-1709

(302) 777-6500

Attorney for Plaintiff Red Dolphin Enterprises, LLC

Dated: August 12, 2003

IN THE SUPERIOR COURT OF THE STATE OF DELAWARE

IN AND FOR NEW CASTLE COUNTY

RED DOLPHIN ENTERPRISES, LLC	
Plaintiff,	
v.)	C.A. No. 03C-08-110 CLS
MEGA PRODUCTIONS, INC. and ALBERTO MEDINA LOPEZ) Defendants.	RECEIVED
THE STATE OF DELAWARE, TO THE SHERIFF, YOU ARE COMMANDED:	AUG 2 5 2003 9:35

To summon the above named defendants so that, within 20 days after service hereof upon defendant, exclusive of the day of service, defendants shall serve upon Joseph S. Naylor, plaintiff's attorney, whose address is Pepper Hamilton LLP, 1201 Market Street, Suite 1600, Post Office Box 1709, Wilmington, DE 19899-1709, an answer to the Complaint.

To serve upon defendants a copy hereof and of the Complaint.

Dated: SHARON D. AGNEWS.

Prothonotary

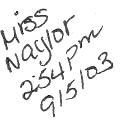
Per Deputy

TO THE ABOVE NAMED DEFENDANTS:

In case of your failure, within 20 days after service hereof upon you, exclusive of the day of service, to serve on the plaintiff's attorney named above an answer to the complaint (and, if an affidavit of demand has been filed, an affidavit of defense), judgment by default will be rendered against you for the relief demanded in the complaint (or in the affidavit of demand, if any).

SHARON D. AGI Prothonotary

Per Denuty



Sheriff's Return



Served the within Summons and copy of the following complaint:

SUMMONS, COMPLAINT AND EXHIBITS

this day, Monday, August 25, 2003, personally upon HARRIET SMITH WINDSOR, Secretary of State of the State of Delaware, by leaving with her a true and correct copy of the said Summons for the defendant:

MEGA PRODUCTIONS, INC. AND ALBERTO MEDINA LOPEZ

and a copy of the Complaint for the said defendant, together with the sum of \$ 4.00 Dollars, as prescribed by Section 3104 of Title 10 of the Delaware Code of 1978.

So Answers,

Jim Higdon

Sheriff of Kent County

The State of Maryland

Executive Department

Annapolis,

4/1/2002

Aurea T. Courtney

Baltimore County

Oo

of

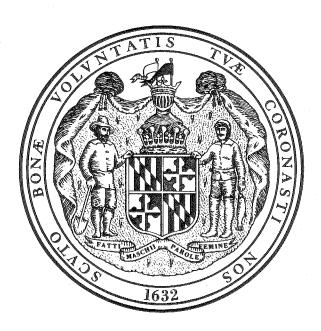
Be it Known. That reposing great trust and confidence in your knowledge, integrity and love of justice, you are hereby appointed a

Notary Public of the State of Maryland

in and for Baltimore County aforesaid, to do equal right and justice in every case in which you shall act, under this Commission, and to hold and execute the said office justly, honestly and faithfully.

This Commission Expires

4/1/2006



Given under my hand and the Great Seal of Maryland, at the City of Annapolis, on the day and date first above written.

Par N. Blevole

By the Governor.

Secretary of State



SAINT VINCENT AND THE GRENADINES **INTERNATIONAL BUSINESS COMPANIES ACT, 1996**

Section 12

Certificate of Incorporation

ONE WORLD INVESTMENT MANAGEMENT CORPORATION

NAME OF INTERNATIONAL BUSINESS COMPANY

12674 IBC 2005

INTERNATIONAL BUSINESS COMPANY NUMBER

I HEREBY CERTIFY THAT THE ABOVE-MENTIONED INTERNATIONAL BUSINESS COMPANY, THE ARTICLES OF INCORPORATION OF WHICH ARE ATTACHED HERETO, WAS INCORPORATED UNDER THE INTERNATIONAL BUSINESS COMPANIES ACT, 1996 ON

25th August, 2005

DATE OF INCORPORATION





ONE WORLD INVESTMENT MANAGEMENT CORPORATION.

ORGANIZATIONAL MINUTES OF THE FIRST MEETING OF THE DIRECTORS IN TERMS OF THE COMPANY'S ARTICLES OF INCORPORATION.

PRESENT

Robert Thomas Taylor

(Chairman)

Michael Gene Daniel

(Secretary)

QUORUM

A quorum being present, the Chairman declared the meeting

duly constituted.

STATUTORY MATTERS:

It was noted:

- that the Company had been incorporated in Saint Vincent and the Grenadines as an International Business Company on the 25th August 2005 as company number 12674 IBC 2005.
- 2. that in accordance with Section 30(1) of the International Business Companies Act 1996 and of the Articles of Incorporation, the subscriber to the Articles of Incorporation had appointed (1) Robert Thomas Taylor and (2) Michael Gene Daniel as the first Directors of the Company.
- 3. that the Registered Office of the Company will be Suite 104, 97B Granby Street, P.O. Box 1639, Kingstown, St. Vincent, West Indies.
- 4. that DENNINGS (TRUSTEES) LIMITED, Suite 104, 97B Granby Street, P.O. Box 1639, Kingstown, St. Vincent, West Indies is the registered agent of the company.

It was resolved the:

- 1. in accordance with the Articles of Incorporation, the authorized capital of the Company of US\$50000 and is made up of one class of shares divided into 50,000 Class A Ordinary Voting Shares each with a par value of US\$1.
- 2. subscriptions had been received for 50,000 Class A Ordinary Voting Shares in the capital of the Company to be issued and the subscribers had requested that the said shares be issued as follows:

Certificate Number	Name	Number of Shares
	Alberto Medina Lopez Anthony Emund Hurley Mary Elizabeth Hicklin	25,000 Class A Ordinary Voting Shares 12,500 Class A Ordinary Voting Shares 12,500 Class A Ordinary Voting Shares

3.	the seal, an impression of which is affixed hereto, be and hereby is adopted as the
	common seal of the Company and signed by the Chairman.

Signed this 26th day of August, 2005		Chairma
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SAINT VINCENT AND THE GRENADINES **INTERNATIONAL BUSINESS COMPANIES ACT, 1996**

Section 12

Certificate of Incorporation

INTERNATIONAL INVESTMENTS (HOLDINGS) LTD

NAME OF INTERNATIONAL BUSINESS COMPANY

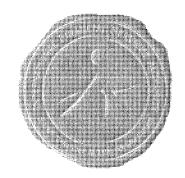
12672 IBC 2005

INTERNATIONAL BUSINESS COMPANY NUMBER

I HEREBY CERTIFY THAT THE ABOVE-MENTIONED INTERNATIONAL BUSINESS COMPANY, THE ARTICLES OF INCORPORATION OF WHICH ARE ATTACHED HERETO, WAS INCORPORATED UNDER THE INTERNATIONAL BUSINESS COMPANIES ACT, 1996 ON

25th August, 2005

DATE OF INCORPORATION





ST VINCENT AND THE GRENADINES

INTERNATIONAL BUSINESS COMPANIES ACT 1996

COMPANY LIMITED BY SHARES

ARTICLES OF INCORPORATION

Of

INTERNATIONAL INVESTMENTS (HOLDINGS) LTD

12672 IBC 2005

Incorporated on: 25th August 2005

Registered Agent and Office:
DENNINGS (TRUSTEES) LIMITED
P O BOX 1639
KINGSTOWN
ST VINCENT & THE GRENADINES

Tel: +1 784 451 2645 Fax: +1 784 485 6591

E-mail: <u>dennings@vincysurf.com</u> Web: <u>www.stvincentoffshore.net</u>

INTERNATIONAL INVESTMENTS (HOLDINGS) LTD.

ORGANIZATIONAL MINUTES OF THE FIRST MEETING OF THE DIRECTORS IN TERMS OF THE COMPANY'S ARTICLES OF INCORPORATION.

PRESENT

Robert Thomas Taylor

(Chairman)

Michael Gene Daniel

(Secretary)

QUORUM

A quorum being present, the Chairman declared the meeting

duly constituted.

STATUTORY MATTERS:

It was noted:

- 1. that the Company had been incorporated in Saint Vincent and the Grenadines as an International Business Company on the 25th August 2005 as company number 12672 IBC 2005.
- 2. that in accordance with Section 30(1) of the International Business Companies Act 1996 and of the Articles of Incorporation, the subscriber to the Articles of Incorporation had appointed (1) Robert Thomas Taylor and (2) Michael Gene Daniel as the first Directors of the Company.
- 3. that the Registered Office of the Company will be Suite 104, 97B Granby Street, P.O. Box 1639, Kingstown, St. Vincent, West Indies.
- 4. that DENNINGS (TRUSTEES) LIMITED, Suite 104, 97B Granby Street, P.O. Box 1639, Kingstown, St. Vincent, West Indies is the registered agent of the company.

It was resolved the:

- in accordance with the Articles of Incorporation, the authorized capital of the Company of US\$50 million and is made up of two classes of shares divided into 2,550,000 Class A Ordinary Voting Shares and 2,450,000 Class B 10% Cumulative Preference shares. All shares have a par value of US\$10.
- 2. subscriptions had been received for 2,550,000 Class A Ordinary Voting Shares in the capital of the Company to be issued and the subscribers had requested that the said shares be issued as follows:

Certificate Number	Name	Number of Shares
-1-	ONE WORLD INVESTMENT MANAGEMENT CORPORATION	2,550,000 Class A Ordinary Voting Shares

3.	the seal, an impression of which is affixed hereto, be and hereby is adopted as the
	common seal of the Company and signed by the Chairman.

Signed this :	26th day of August, 20	05 Chairm	120
CARSHER ON GHENDAY	evin day of Pruzust, so	o Chairin	14

INTERNATIONAL INVESTMENTS (HOLDINGS) LTD

An Investment Company Incorporated in St. Vincent and the Grenadines

PRIVATE PLACEMENT MEMORANDUM

September 1, 2005

OFFER OF

2,450,000, 10% CUMULATIVE PREFERENCE SHARES

PLEASE NOTE THAT IN ACCORDANCE WITH THE ARTICLES OF INCORPORATION OF THE COMPANY, SHAREHOLDERS DO NOT HAVE THE RIGHT TO REDEEM ON DEMAND. THE DIRECTORS MUST APPROVE ANY REQUEST FOR REDEMPTION, AND UNTIL SO APPROVED, SUCH REQUEST IS INEFFECTIVE.

97 B Granby Street
P.O. Box 1639
Kingstown
St. Vincent and the Grenadines

QUALIFIED INVESTORS ONLY NEED APPLY

I. SUMMARY

This summary is necessarily general in nature and is qualified in its entirety by the remainder of this Private Placement Memorandum and the documents referred to therein.

How to Use This Private Placement Memorandum

This Private Placement Memorandum is intended to provide prospective investors with the information needed to make an informed decision as to whether or not an investment in one or more of the Share Classes of the Company is desirable.

The Private Placement Memorandum begins with some general information about the Company, which is then explained in greater detail further in the document.

Definitions

The following words have special meaning in this Private Placement Memorandum:

- "Administrator" refers to Capital Administrators and Portfolio Managers Inc or such other entity or person that may be appointed as administrator (which term also includes "administrative agent") by the Directors from time to time.
- "Business Day" is any day (except Saturdays, Sundays and public holidays) on which banks in the United States of America and St. Vincent and the Grenadines are open for normal banking business.
- "By-Laws" refers to the By-Laws of the Company as originally framed or as from time to time amended.
- "Capital" refers to the sum of the aggregate par value of all outstanding shares with par value of the Company and shares with par value held by the Company as treasury shares plus;
 - 1. the aggregate of the amounts designated as capital of all outstanding shares without par value of the Company and shares without par value held as treasury shares; and
 - 2. the amounts as are from time to time transferred from surplus to capital by a resolution of directors.
- "Class" refers to any Class of shares of the Company and "Classes" should be construed accordingly.
- "Dealing Day" is a day on which Participating Shares maybe sold to or redeemed by investors.

- "Dealing Price" is the price at which Participating Shares may be purchased or redeemed at their Net Asset Value per Share (to which an initial purchase charge may be added for subscriptions if applicable).
- "Dollars" refers to the official currency of the United States of America and "\$" or "USD" or "Dollar" shall be construed likewise.
- "Investment Manager" refers to One World Investment Management Corporation or such other entity or person that may be appointed as investment manager by the Directors from time to time.
- "Investment Advisor" refers to any person to whom the Investment Manager sub-delegates the investment management function.
- "Market Capitalization (Market Cap)" refers to the value of a company as measured by the number of shares outstanding multiplied by the market price per share.
- "Net Asset Value (NAV)" is the total net assets of any Class of Participating shares divided by the number of Participating Shares outstanding in respect of that Class.
- "Participating Shares" are non-voting, redeemable, profit participating 10% cumulative preference shares in the Capital of the Company and "Participating Shareholders" are the holders thereof.
- "Person" is an individual, a corporation, a trust, the estate of a deceased individual, a partnership, an unincorporated association of persons or any other entity.
- "Redemption Day" is the day appointed by the directors, for the redemption of Participating Shares that have been approved (by the directors) for redemption..
- "Redemption Price" is the price at which the shares of the Company shall be redeemed in accordance with the Private Placement Memorandum and the By-Laws.

"Resolution of Directors"

- I. A resolution approved at a duly convened and constituted meeting of directors of the Company or of a committee of directors of the Company by the affirmative vote of a simple majority of the directors present at the meeting who voted and did not abstain; or
- II. A resolution consented to in writing by all directors or all members of the committee, as the case may be, except that where one director is given more than one vote, he shall be counted by the number of votes he casts for the purpose of establishing a majority.

"Resolution of the Members"

- I. A resolution approved at a duly constituted meeting of members of the Company by the affirmative vote of;
 - (a) a simple majority of the votes of the shares entitled to vote thereon which were present at the meeting and were voted and not abstained; or
 - (b) a simple majority of the votes of each Class or series of shares which were present at the meeting and entitled to vote thereon as a Class or series and were voted and not abstained and of the simple majority of the votes of the remaining shares entitled to vote thereon which were present at the meeting and were voted and not abstained; or a resolution consented to in writing by an absolute majority of the votes of the shares entitled to vote thereon; or
- II. An absolute majority of the votes of the Class or series of shares entitled to vote thereon as a Class or series and of an absolute majority of the votes of the remaining shares entitled to vote thereon.

"Securities" are shares and debt obligations of every kind, and derivatives, options, warrants and rights to acquire shares or debt obligations.

"Share Classes" means the two individual Share Classes that make up the Company, namely: Class A Ordinary Voting Shares and Class B Non Voting 10% Cumulative Preference Shares and "Class" refers to any one of them

"Ordinary Shareholder" is a person who holds Class A Ordinary Shares in the Company.

"Surplus" is the excess, if any, at the time of the determination, of the total assets of the Company over the aggregate of its total liabilities, as shown in its books of account, plus the Company's capital.

"The Articles" refers to the Articles of Incorporation of the Company as originally framed or as from time to time amended.

"The Act" refers to the International Business Companies Act 1996, including any modification, extension, re-enactment or renewal thereof and any regulations made thereunder.

"The Company" refers to International Investments (Holdings) Ltd.

"The Seal" is any seal, which has been adopted as the Seal of the Company.

"Treasury Shares" refers to shares that were previously issued but were repurchased, redeemed or otherwise acquired by the Company and not cancelled.

"Valuation Date" is the last Friday of each of December, March, June and September in each year or if such Friday is not a Business Day, the next succeeding Business Day or if such day shall fall in another calendar month, the immediately preceding Business Day.

"Written" or any term of like import includes words typewritten, tele-faxed, telexed, printed, painted, engraved, lithographed, photographed or represented or reproduced by any mode of representing or reproducing words in a visible form. Save as aforesaid any words or expressions defined in the Act, shall bear the same meaning in the By-Laws and this Private Placement Memorandum.

Whenever the singular or plural number, or the masculine, feminine or neuter gender is used in the By-Laws or the Articles it shall equally, where the context admits, include all others.

A reference in the By-Laws or in this Private Placement Memorandum to voting in relation to the shares shall be construed as a reference to voting by members holding the Class A shares except that it is the votes allocated to the shares that shall be counted and not the number of members who actually voted and a reference to shares being present at a meeting shall be given a corresponding construction.

General Information

The Company is a newly organized limited liability investment company incorporated in St. Vincent and the Grenadines on 25th August 2005 The authorized capital of the Company is USD 50,000,000 and consists of 5,000,000 shares divided into:

Quantity	Class	Description	Par Value
2,550,000	A	Ordinary Voting Shares 10% Cumulative Redeemable Shares	\$ 10.00
2,450,000	B		\$ 10.00

The Company will primarily engage in making investments in real estate.

Shares in the Company are available to a select group of investors who are fully familiar with the risks and rewards associated with its operations.

The minimum investment to be made by each investor into the Company is \$100,000.

Investment Strategy

The primary asset held by the Company is 413 Acres of ocean front land or real property located in the municipality of Loiza, Puerto Rico USA. This property is referred to as the "Juan Perez Parcel", and is currently valued at \$225 Million. The Investment Manager currently holds Voting Shares in the Company to the value of \$115 million.

The objective in this Offering is to raise \$110 million by offering the 10% Preference Shares to outside investors.

The Company will sell shares equal to the amount of the MAI Appraised value of the land offering a 10% annual return generated to holders of the Preference Shares. Profits will be earned through "tax sale acquisitions", "foreclosure acquisitions" and through "hard money loans" provided by the Company to companies with preferred projects at 18% interest and 12 points at closing with all borrowers pre-paying the 1st year's interest and with "hard money" not exceeding a loan period of 24 months.

Execution:

- 1. To raise \$110 million through worldwide sale of shares through advertisement
- 2. 20% of the net subscriptions received will be disbursed to the Investment Manager in consideration for its foregoing 49% land interest in Juan Perez Parcel.
- 3. The remaining 80% of all net subscriptions raised will be placed in an escrow account for tax sale acquisitions, foreclosure acquisitions and hard money loans.
- 4. Each investor will be informed that the acquisitions and the making of hard money loans will start immediately in smaller increments and escalating to larger increments as the sale of shares escalate and that their 10% annual return will be paid twelve months after the date any such shares were purchased.
- 5. The Loan to Value (LTV) on raw land, construction loans, and loans to commercial business, etc. will be 50% Loan to Value.

Example: A borrower who wishes to obtain a 'hard money loan" from the Company by seeking to borrow \$10 million will have to have an asset worth \$20 million and be able to give the Company a first lien position against that asset. At closing, the Company will receive in fees the 12% in points, which equals \$1.2 Million. In addition the borrower will pre-pay 18% for the 1st year's interest, which equals \$1.8 Million. This represents a total amount to be paid by the borrower at closing of \$3 million. The borrower will leave the closing with \$7 million in hand and the second year's interest of 18% due on the first anniversary date of the loan and the principal loan amount due of \$10 million to be paid in full at the end of the 2 year period. The Company will then have a 1st lien position against a \$20 million hotel, shopping mall, ski resort, casino, or other structure built by the borrower with the proceeds of the loan etc.

Note: All Projects funded by the Company will be" preferred projects" on which the Company would have first right of foreclosure.

6. a. Out of \$110 million intended to be raised by this offering, \$88 million or 80% stays in escrow for the purposes of making tax sale and foreclosure acquisitions and hard money loans.

- b. The return to investors 10% annually based on round figures of \$110 million shall be approximately \$11 million.
- c. Hard Money loans ranging from 6 months to 24 months will generate profits of approximately \$26.4 million annually.

Example: \$88 million loaned out at 18% and 12 points at closing will generate annual profits of approximately \$26.4 million for the Company.

d. The Principals have received \$22 million out of the \$110 million sale of shares. The Company retains \$88 million for Hard Money loans out of the original sale of shares. The Company will profit \$26.4 million annually with \$11 million to be returned to investors and \$15.4 million annually represents a net profit for the Company. Numerous mortgages held by the Company will be discounted and quickly sold in the secondary market for liquidation.

DEFAULT RATIO:

Inclusive in this scenario is an 8:1 default ratio, which means that out of every eight loans at \$ 0.50 on a dollar with only strongly preferred projects funded, the Company will for example foreclose on one and own that \$20 million hotel (or other structure) with only a \$7 million cash layout as explained herein.

BONUS RETURN:

Inclusive also in this scenario is that the Juan Perez Parcel Land Asset - 413 acres is within 5 miles of Old Downtown San Juan and within 5 minutes of Puerto Rico International Airport. It is also the only remaining beachfront property in close proximity of San Juan, Puerto Rico located on the North Atlantic. This asset owned by the Company will continue to appreciate in value while tax sale and foreclosure acquisitions, foreclosures from loans and loan profits will continue to escalate the value of the Company, especially as PFZ Properties Inc. is in the initial stages of breaking ground for a \$2.5 billion Condominium/ Timeshare/Shopping Mall/Resort adjacent to Juan Perez Parcel. This also automatically increases substantially the value of the Company and shareholders' interest in the Juan Perez Parcel.

APPRECIATION

This investment opportunity which is real estate secured represents a" tax shelter" for investors while realizing an investor a 100%+ return over a ten year period. Moreover the shareholder's interest in the Company will triple or quadruple over a ten year period.

Example: 1. Raw land value of \$225 million will appreciate 10% annually making the raw land value \$450 million over a ten year period.

- 2. The \$26.4 million annual gross profits generated through loan interest and points will be equally matched through tax sale and foreclosure acquisitions and through foreclosures and liquidations or additional land holdings increasing the value of the Company by \$264 million over a ten year period.
- 3. The \$15.4 million annual net profits generated through loan interest and points increases the value of the Company by \$154 million to an excess of \$864 million- \$1B over a ten year period.

Borrowing

The Company may borrow money for organizational and administrative purposes, including the payment of redemptions up to a maximum of 10% of the Net Asset Value of the Company, after providing for redemptions.

Mortgaging

It is the intention of the Company to leverage the Company's real estate portfolio by acquiring tax sale and foreclosure properties and by assuming or incurring mortgage indebtedness.

Property Valuations

The value of the Shares is derived from the collective value of all of the Company's assets. The Value of these assets will be verified four (4) monthly, on the last Friday of September, December, March and June of each calendar year by the appointed auditor to the Company relying on reports of a qualified land surveyor. Although changes in property values are less volatile than changes in the value of marketable securities, it is conceivable that changes in the value of properties could occur that would not be reflected in either the adjusted values of the properties or in the eventual value of shares being offered for sale or redemption.

Under certain circumstances, therefore, an investor could face the risk of buying or selling shares at values that do not reflect their true worth.

Leverage

Leveraging is a method of structuring the financing of real estate property by assuming or incurring mortgage indebtedness. It increases the potential for capital gains and increased income but it conversely increases the possibility of sustaining income and capital losses.

Illiquidity

Shares are not listed or traded on any exchange and may not be transferred without the consent of the Directors. Furthermore the Directors may in certain circumstances suspend redemptions of Shares. It may therefore be difficult for a Shareholder to sell or realize Shares or obtain reliable information about their value or the extent of the risks attached thereto. In addition, certain investments and investment positions in which the Company invests may themselves be illiquid.

Directors

The Directors of the Company will determine, manage and implement its general policies. The members of the Board of Directors are elected by the Class A Shareholders.

The Board of Directors will initially be comprised of two persons, as follows:.

Mr. Robert Thomas Taylor, Director

Mr. Taylor has more than twenty years experience in general management with particular specialization in business analysis and long-range strategic planning. He is skilled in leading teams of diverse background to make sound business decisions based on analyses of short- and long-term business needs; and in determining, developing and securing funding for successful business growth. Mr. Taylor served many years in the Washington DC Metropolitan Police and in the US Army.

By way of education, Mr. Taylor attended Norfolk State University where he majored in Business Administration. He also attended the University of the District of Columbia where he earned a BS degree in Finance and Economics. Additionally, Mr. Taylor attended Quantico University from where he obtained 4 National Certificates in Housing and Management. Studies.

Mr. Michael Gene Daniel, Director

Mr. Daniel possesses more than twenty-five years experience in operations management, production and quality control programs for the production of multi-million dollar defense systems installed on aircraft carriers. He is skilled in developmental procedures for securing project funding and real estate investments, and experienced in investment banking, discount brokerages services, loan processing and monitoring.

Mr. Daniel spent several years (1980-2005) as Production Manager at the US Department of Defense, and four years in the United States Air Force.

By way of education, Mr. Daniel attended both Saint Mary's University, San Antonio, Texas, and the University of Maryland. He specializes in Business Management. Additionally, Mr. Daniel has been a Licensed Real Estate Agent since 1994. He obtained a Mortgage Brokers License in 2003.

Powers of Directors

The By-Laws of the Company provide that the Directors shall not be liable to the Company for any acts or omissions in the performance of their duties in the absence of willful misconduct, gross negligence or fraud or as otherwise required by law, and contain provisions for the indemnification of the Directors by the Company, to the extent permitted by law, against liabilities to third parties arising in connection with the performance of their services.

The Directors have the power and authority at any time to waive any of the conditions,

restrictions or requirements, and change any of the time periods, set forth in this Private Placement Memorandum, except that the Directors may not waive or change the Company's investment policies of the Company without the prior approval of a majority of the Class A Shareholders. The Directors may act through an executive committee consisting of one or more members of the Board.

The holders of the Class A Shares may change the composition of the Board of Directors from time to time and may add members who may be affiliated or unaffiliated with the Company. The Directors will meet at least once a year and the Company will reimburse the members of the Board of Directors for reasonable expenses incurred in connection with their attendance at meetings and the performance of their other duties. The Company will indemnify each member of the Board of Directors for liabilities incurred as a director unless such liabilities arise from gross negligence, fraud or willful misconduct of the director.

Professional Valuers

Lands and other real estate held in the name of the Company will be valued on a periodic 6 monthly basis by Global Valuation, Inc., a firm of valuers and surveyors licensed in the State of Florida, USA. The professional valuation provided by this firm will be relied upon by the Administrator for the purposes of computing the NAV of the Company.

Other financial and intangible assets held by the Company will be valued in accordance with International Accounting Standards.

Auditors

The financial statements of the Company will be audited on a periodic basis by Cash Bookkeeping & Tax Services, a firm of CPA auditors licensed in the State of Maryland, USA. A copy of the auditor's letter of engagement will be made available to the Administrator within 7 days of the date of appointment of the auditor.

Other Information

This Private Placement Memorandum has not been approved by any regulatory authority. No such authority passed upon the merits of this offering. The Private Placement Memorandum speaks only as of the date on the cover page. The delivery of the Private Placement Memorandum as of any later date does not imply that the Private Placement Memorandum is complete or correct as of the date.

It is not an offer to sell shares of the Company, or any of its Share Classes in any jurisdiction in which such an offer or sale would be unlawful

The Company is not registered as an investment company under the U.S. Investment Company Act of 1940 and neither the investment manager nor the administrator, is registered as a

Investment Manager under the U.S. Investment Managers Act of 1940. The shares of the Company will not be registered under the U.S. Securities Act of 1933.

Prospective investors are responsible for informing themselves as to the legal requirements and tax consequences of investing in the Company or any of its shares in the jurisdiction of their citizenship, residence or domicile.

Investors who require information about the Company (or any of its Share Classes) in addition to that contained in this Private Placement Memorandum should contact the directors, by sending a facsimile to the registered office of the Company listed on the cover page of this Private Placement Memorandum.

An investment in the Shares of the Company is subject to various risks, which are fully discussed in this Private Placement Memorandum.

No person is authorized to give any information regarding the Shares that is inconsistent in any respect with the statements in this Private Placement Memorandum.

Liquidation

Should the Company be voluntarily or compulsorily liquidated, the assets available for distribution among the Shareholders shall be applied in the following priority:

- A. Repayment of the NAV to Participating Shareholders
- B. Repayment to shareholder of the par values of the shares held in the following order:
 - (a) Participating Shares
 - (b) Ordinary Shares
- C. Any surplus assets of any Class shall be distributed among the holders of Participating Shares of that Class in relation to the numbers of Participating Shares held by them in such Class.

Principal Risk Factors

An investment in the shares of the Company is subject to various risks. This section of the Private Placement Memorandum summarizes certain risks. Amongst other things, risks are related to, the general economic conditions and the changing liquidity and volatility of the real estate and financial markets.

However, this Private Placement Memorandum does not purport to identify all of the risks of investing in the shares of the Company nor provide a complete description of the risks that it does identify. Prospective investors should consult with their own investment counsel before purchasing shares, and they are encouraged to ask the Directors to provide them with any additional risk factor information they may require.

Most markets are subject to the effects of volatility, high rates of inflation, uncertain currency movements, currency controls and complex tax laws that can adversely affect securities' returns. Markets can also be affected by changes in economic policy and legislation.

Articles of Incorporation, By-Laws, & Other Provisions

The Company is governed by its Articles of Incorporation and By-Laws. The following is a summary of certain provisions of the Articles of Incorporation, By-Laws, and other provisions that apply to the Company:

- A. In determining the liabilities of the Company, the Directors may calculate administrative and other expenses of a recurring nature on an estimated figure for yearly or other periods in advance and accrue the expense in equal proportions over the period.
- B. No shares in the Company may be redeemed without the prior approval of the board of Directors.
- C. If redemption is suspended, the redemption shall occur on the first Redemption Date following the termination of the suspension period.
- D. The Directors shall manage the business and affairs of the Company. A Directors' resolution shall be approved by the affirmative vote of a simple majority of the Directors who voted and did not abstain. The Chairman of the Board of Directors will at all times have a casting vote.

Liability of Shareholders

The private property of Shareholders whose shares are fully paid shall not be subjected to the payment of corporate debts to any extent.

Shares Certificates

At the written request of a Shareholder a Share certificate may be issued for his/her Shares. The cost of any certificates may, at the option of the Directors, be charged to such Shareholder.

All issued Shares in the capital stock of the Company shall be entered in the share register or computer database, which shall be kept by the Directors, or a person designated thereof by the Directors.

Transfer of Shares

Every transfer or transmission of an investor's Shares shall be entered in the share register or computer database, which shall be kept by the Directors, or a person designated by the Directors. No transfer of Shares will be effective unless the transfer is in compliance with all the provisions of the Articles of Incorporation, the By-Laws and where appropriate, this Private Placement Memorandum.

Preemptive Right

No Shareholder of the Company shall have, in his/her capacity as such shareholder, any preemptive right to purchase or subscribe for any Class of Shares of stock which the Company may issue or sell out of the number of Class of Shares authorized by the Articles of Incorporation or By-Laws, as from time to time amended.

Redemption Right

No Shareholder of the Company shall have a right to have his Shares redeemed on demand. Shares in the Company may be redeemed only at the discretion of, and with the approval of the Directors.

Management

The following provisions apply to the operational management of the Company:

- 1) The Directors are authorized to enter into such contracts as are permitted under the laws of St. Vincent and the Grenadines.
- 2) The Directors are authorized to transfer in trust all or any part of the assets of the Company to one or more trustees located in any jurisdiction.
- 3) The Directors may be suspended or discharged by the general meeting of Shareholders entitled to vote at any time.
- 4) The Company is represented in all matters, including court matters, by each of the Directors.
- 5) The Directors are authorized to appoint one or more attorneys-in-fact and to determine their power and the way in which they shall represent the Company and sign on its behalf.
- 6) Any Director may resign at any time by giving written notice of such resignation to the Chairman or, if none, to all of the other Directors then in office.
- 7) The Directors may hold their meetings at such place or places, within or outside St. Vincent and the Grenadines, as a majority of its members may from time to time determine, provided, however that in no event such meetings shall be held within the United States or the United Kingdom or Canada.
- 8) .Minutes shall be kept of all the meetings of the Directors, which shall be signed by the Chairman, or any other person thereunto authorized by the Directors.

Meeting of Shareholders

All general meetings of Shareholders will be held in St. Vincent and the Grenadines or such

other places, as the Directors shall determine. The annual general meeting of Shareholders shall be held within nine (9) months after the end of the financial year of the Company.

General meetings of Shareholders may be called at any time by the Directors or by written request of Shareholders holding at least five percent (5%) of the total number of Class A Shares then issued and outstanding.

Each Class A Share shall confer on the holder thereof the right to cast one vote at the general meeting of Shareholders.

H. THE OFFERING.

General

The offerings and the respective investment strategy to be employed in respect of each Class, and the risk factors associated therewith are set out below:

The Offering

The initial offering period for all Class B will commence on the date of this Private Placement Memorandum and will terminate on June 30, 2006 unless earlier terminated or extended for a period up to one month or any other date the Directors may determine.

After the Initial Offering Period, all Classes of Shares will continue to be offered on the basis of this Private Placement Memorandum on each Valuation Date at a subscription price equal to the Net Asset Value of the Shares at that date.

The Shares are being offered directly by the Company. The Investment Manager reserves the right to employ sales agents who may or may not be affiliates. The Shares are offered only on the basis of the information in this Private Placement Memorandum.

Subscription for Shares

EACH SUBSCRIBER MUST SUBSCRIBE AT LEAST \$100,000 INTO THE COMPANY.

Initial subscriptions for all Classes of Shares must be made to the Company in care of the Administrator by the execution and delivery of a Subscription Agreement in the form attached to this Memorandum. Investors should submit the completed Subscription Agreement, together with payment by wire transfer of the subscription amount for each Class of Shares purchased.

During the initial offering period all subscription monies received will be wired directly to the Company's bank account. If the offering is not completed for any reason or if any subscription is rejected, subscription moneys received from the affected subscriber or subscribers will be returned without interest within 15 Business Days.

After the initial offering period, Shares will continue to be offered on the basis of this Private Placement Memorandum. The subscription price for each Share Class will be equal to the Net Asset Value per Share at the relevant Valuation Date. Subscription Agreements may be

submitted to the Administrator by fax on condition that the signed original Subscription Agreement is then forwarded to the Administrator within 15 calendar days (and any subscription is subject to cancellation if the original Subscription Agreement is not so received). Neither the Company nor the Administrator accepts any responsibility for any errors in or liability arising from any such fax transmission. A faxed copy of the Subscription Agreement and confirmation of cleared funds in payment of the related subscription amount must be received by the Administrator at least two Business Days before the Valuation Date. Any Subscription Agreement or subscription amount received thereafter will be invested on the following Valuation Date.

No subscription for Shares will be binding on the Company or the Administrator, until accepted by or on behalf of the Company, by the Directors or the Administrator. The Directors reserve the right to withdraw or modify the offering of the Shares and to reject any subscription to purchase Shares, in whole or in part, for any reason. No Shares will be issued while calculation of the Net Asset Value is suspended.

Only registered shares will be issued. At the written request of a Shareholder a share certificate may be issued for his/her shares. All issued shares in the Capital of the Company shall be entered in the share register or computer database, which shall be kept by the Directors or the Administrator. Issuance and any transfer will be effected only by entry in the share register or computer database. Accepted applicants for Shares will receive an Acceptance of Subscription notice detailing the number and Class of Shares issued, the date of issuance and, after the initial offering period, the relevant subscription price. The Company and its Administrator and other agents and representatives will be entitled to treat the registered owner of all Classes of Shares as the owners thereof for all purposes.

Holders of stock in a public company and owners of debt instruments or government securities may transfer those securities to the Company in exchange for the equivalent value of Shares therein at the current market value net of any transaction costs.

Redemption of Shares

SHARES MAY ONLY BE REDEEMED WITH THE APPROVAL AND CONSENT OF THE DIRECTORS.

Requests for redemption must first be submitted to the directors for approval. Where the directors agree to approve the redemption of a Shareholder's Shares, the directors will submit the approved redemption request to the Administrator. In cases where the directors reject the request for redemption, it will be returned to the Shareholder.

Redemption proceeds will generally be delivered to the Shareholder within ten Business Days following the applicable Redemption Date.

The proceeds of redemption may, depending on the Net Asset Value applicable on the date of redemption, be higher or lower than the price paid at the time of subscription or acquisition.

Payment of the redemption proceeds will be made by the Administrator or its agents in USD (or its equivalent in another freely convertible currency). Proceeds will normally be dispatched no later than ten Business Days after the Dealing Day on which redemption is effected.

Telegraphic Transfers will be effected at the expense of the Shareholder(s) and wired net of charges, and will **ONLY** be made to the bank account from which the original subscription was received.

The Directors may temporarily suspend the determination of the Net Asset Value and in consequence the issue and redemption of Participating Shares may be affected as described under the section herein headed "Suspension of Net Asset Value".

Compulsory Redemptions

The Company can effect a compulsory redemption of Participating Shares at its absolute discretion. The Directors may exercise their power to effect redemptions of Participating Shares which are held by a holder whose direct or indirect beneficiary ownership thereof might place the Company, in breach of any applicable law, regulation or requirement of any jurisdiction, otherwise adversely affect or prejudice the tax status, residence or good standing of the Company, or otherwise cause the Company to suffer financial or legal disadvantage and to assure compliance with the limitations and restrictions on the ownership of Participating Shares set forth in this Private Placement Memorandum.

The amount paid by the Company for any Participating Shares redeemed by way of a mandatory redemption shall be the Net Asset Value per Participating Share of that Class determined on the relevant Valuation Date less a redemption fee of 1%. Furthermore, the holder may also be subject to those charges as set out in the section pertaining to Ordinary Redemptions.

III. FUNCTIONARIES, FEES AND CHARGES

Directors

The Directors, as empowered by the By-Laws of the Company will determine, manage and implement the general policies of the Company. The holders of the Voting Shares elect the Directors.

The Company has delegated its day-to-day investment management operations to the Investment Manager.

Investment Manager

The Company has entered into an Investment Management Agreement with **One World Investment Management Corporation**, a company incorporated in St Vincent and the Grenadines, to render investment management services and to manage all of the assets of the Company in accordance with the stated investment objectives and policies.

Under the terms of the investment management agreement, the Investment Manager is explicitly allowed to sub-delegate its functions to an Investment Advisor.

Administrator

The Company has entered into an Administration Agreement with Capital Administrators and Portfolio Managers Inc, a fully licensed fund administration company in St Vincent and the Grenadines to render administration and accounting services to the Company.

Fees, Compensation and Expenses

Up Front Sales Fee

All subscriptions for Shares will attract a fee of 5% on the gross value of the subscription. The remaining 95% of the subscribed amount will be invested in Shares for the credit of the investor.

Management Fee

Under the Investment Management Agreement, the Investment Manager is entitled to receive from the Company, a management fee equal to 1% on an annual basis, of the assets under management.

The Management Fee is paid regardless of whether or not any profits are achieved by the Company.

Performance Fee

The Investment Manager is entitled to receive a performance fee of 10% of the New Net Trading Profits of the Company. For these purposes "New Net Trading Profits" means realized plus unrealized gains (or losses) and all interest earned less realized and unrealized losses, brokerage, commissions, exchange fees and interest paid.

Administration Fee

Pursuant to the Administration Agreement, the Company shall pay the Administrator, a monthly (in arrears) administration fee of US\$3,000 or 15 basis points (if higher) of the assets under management, in consideration of the services set out in the agreement.

Expenses

The Company will pay at the normal commercial rate, or according to agreements signed, the fees charged by its custodians, auditors and legal advisers, marketing expenses, bank charges,

brokerage, and governmental charges, any fees and expenses incurred in registering and maintaining the registration of the Company with all governmental agencies, and any other operating expenses of the Company.

In addition, the Company is required to pay all further costs and expenses to be incurred in its organization and operation including Directors' Fees. The formation costs of the Company and other organizational and offering expenses are not expected to exceed USD \$7200 and will be amortized over a 12-month period.

IV. CALCULATION OF NET ASSET VALUE PER PARTICIPATING SHARE

The Net Asset Value is determined monthly for the Participating Shares in accordance with the By-Laws and this Private Placement Memorandum, based on the value of the investments and other assets less liabilities of the Company as at the close of business on the relevant Valuation Day. The net result is divided by the total number of Participating Shares outstanding in regard to such Class, to yield the Net Asset Value for that Class.

In calculating the value of the assets and the amount of the liabilities of each Class, income and expenditure are treated as accruing from day to day and the following rules shall be applied in conformity with the By Laws:

- (a) the value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received shall be deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof shall be arrived at after making such discount as the Administrator may consider appropriate in such case to reflect the true value thereof;
- (b) where investments of the Company are both listed on a stock exchange and dealt in by market makers outside the stock exchange on which the investments are listed, then the Administrator will determine the principal market for the investments in question and they will be valued at the latest available price in the market;
- (c) securities dealt in on any other regulated market will be valued in a manner as near as possible to that described in this Private Placement Memorandum;
- (d) if no price quotation is available the value of such securities will be based on the reasonably foreseeable sales price determined by the Investment Manager prudently and in good faith;
- (e) all other assets and liabilities will be valued at their respective fair values as determined in good faith by the Investment Manager in accordance with generally accepted valuation principles.

All assets and liabilities not expressed in USD are translated into USD by reference to the appropriate rates in the foreign exchange market for the relevant currency.

V. SUSPENSION OF NET ASSET VALUE

Pursuant to the powers contained in the By-Laws, the calculation of the Net Asset Value per Participating share and the issue and redemption of Participating Shares may be suspended by the Directors during:

- (a) any period when any one of the investment programs, principal markets or stock exchanges on, or in which a substantial portion of the investments of the Company from time to time are quoted or is calculated is closed, otherwise than for ordinary holidays, or during which dealings thereon are restricted or suspended;
- (b) the existence of any state of affairs which constitutes an emergency as a result of which the disposal or valuation of assets owned by the Company would be impracticable;
- (c) any breakdown in the means of communication normally employed in determining the price or value of any of the investments or the current price or value on any market or stock exchange;
- (d) any breakdown in the means normally used to determine the NAV per Participating Share;
- (e) any period when the Company is unable to repatriate money for the purpose of making payments on the redemptions of Participating Shares or during which any transfer of funds involved in the realization or acquisition of investments or payments due on redemption of Participating Shares cannot in the opinion of the Directors be effected at normal rates of exchange;
- (f) any period when the net asset value of any investment in an underlying entity may not be determined accurately;
- (g) any period commencing on the date on which notice is given of the meeting of Shareholders at which a resolution to wind-up the Company is proposed.

Notice of the suspension will be given in written form to the Shareholders advising them of the suspension and they may withdraw their applications for subscription and/or redemption by giving written notice to the Company provided that the notice is received before the end of the suspension period.

VI. TRANSFER OF SHARES

The Shares are not listed on any exchange and there is no trading market for any of the Shares nor is such market expected to develop soon. The Shares are transferable only with the prior

written consent of the Directors. Such consent may be withheld at their discretion, but not unreasonably so.

The Directors will normally consent to the transfer of the Shares if the proposed transferee executes a document containing the information set forth in the Subscription Agreement and the selling Shareholder and the proposed transferee supply to the Company such representations, certificates, legal opinions and other documents and instruments as may be requested by the Company.

VII. REPORTS TO SHAREHOLDERS

The Net Asset Value per Share will be calculated as previously described and written confirmations setting out the value of the shares in the Company will be sent to shareholders on a quarterly basis.

VIII. DESCRIPTION & RIGHTS OF SHARES

- (a) Ordinary Shares are currently held by the Investment Manager, a company incorporated in St. Vincent and the Grenadines. The Ordinary Shares do not carry the right to participate in dividends (if any). The holders of Ordinary Shares have the right to receive notice of, and to attend and vote at a meeting of shareholders of the Company. In a winding-up of the Company the Ordinary Shares carry the right to a return of the paid-up par value thereon after the return of the paid-up par value of the Participating Shares.
- (b) Participating Shares carry a right to dividends at a rate of 10% per annum, andwhere, in any particular year a payment of less than 10% is made, the unpaid balance shall be carried forward to be paid in the following year in addition to the 10% for that following year. The holders of Participating Shares are not entitled to receive notice of, attend or vote at meetings of Shareholders. In a winding-up each holder of Participating Shares has a preferential right to the return of the NAV of his / her holding, and thereafter, a right to share in any surplus assets after return of the paid-up par value on Ordinary Shares.
- (c) Variation of Class Rights If at any time the authorized capital is divided into different Classes or series of shares different from those then existing, the rights attached to any then existing Class or series (unless otherwise provided by the terms of issue of the shares of that Class or series) may, whether or not the Company is being wound up, be varied with the consent in writing of the holders of not less than three-fourths of the issued shares of that Class or series and of the holders of not less than three-fourths of the issued shares of any other Class or series of shares which may be affected by such variation.

HOLDERS OF PARTICIPATING SHARES DO NOT HAVE THE AUTOMATIC RIGHT TO REDEEM THEIR SHARES. ALL SHARE REDEMPTIONS ARE SUBJECT TO THE PRIOR APPROVAL OF THE DIRECTORS

The By-Laws empower the Directors to restrict the beneficial ownership of Participating Shares by any person if such holding is in breach of applicable law or detrimental to the Company and provision is made for the compulsory repurchase of Participating Shares where it appears to the Company that the beneficial owner of such Participating Shares is a person precluded from holding such Shares.

There are no options or any special rights outstanding relating to any Participating Shares other than those mentioned.

IX. TAX CONSIDERATIONS

The tax and other matters described in this Private Placement Memorandum do not constitute, and should not be considered as legal or tax advice to prospective Shareholders.

Shareholders

A Shareholder who is not a resident or deemed a resident of St. Vincent and the Grenadines and who, during the relevant taxable year, has not engaged in a trade or business in St. Vincent and the Grenadines, either personally or through a representative or agent in St. Vincent and the Grenadines, will not be subjected to St. Vincent and the Grenadines income tax with respect to any dividend received on the Shares of the Company including dividend distributions upon liquidation of the Company or with respect to any gains realized upon the sale, redemption or exchange of Shares.

No withholding on account of any St. Vincent and the Grenadines taxes is required by the Company with respect to any dividend distributions made to a Shareholder or on any gains realized by such Shareholder upon the sale redemption or conversion of the Shares.

Individual Shareholders who are not residents of St. Vincent and the Grenadines are not subject to any St. Vincent and the Grenadines gift, estate or inheritance taxes by reason of the ownership of Shares of the Company.

Company

The Company will be exempt from all income taxes in St. Vincent and the Grenadines and a Shareholder will also be exempt from all income taxes on dividends and other payments received from the Company provided the Shareholder is not a resident of St. Vincent and the Grenadines. Neither the Company nor its investors are liable to any capital gains taxes, capital transfer taxes, estate duties or inheritance duties in St. Vincent and the Grenadines.

The statements made in this Private Placement Memorandum are not intended to be a complete analysis of the tax consequences relating to an investor in the Participating Shares.

The Company and its Directors can in no way be held responsible for the personal tax liabilities of any Shareholder as a consequence of applying for Participating Shares, or, investing in the Participating Shares.

The Company intends to generate its income globally. Therefore, it will not be deemed engaged in the conduct of a U.S. trade or business and, therefore, should not be subject to the regular U.S. federal corporate income tax. The Company may be liable to certain taxes where it carries out its investment and trading activities. Furthermore, the amounts and effect of withholding and other taxes on the Company will depend on the types of investments made by it and the laws and regulations of countries where investments are made.

Subscription Instructions

Please complete, date and execute the attached Subscription Agreement and deliver the signed version, by fax or e-mail and express mail, to:

One World Investment Management Corporation

1776 "I" Street, NW Suite 900

Washington, DC 20006

Fax: 202-756-1301

Email: oneworldinc@aol.com

Please send subscriptions by wire transfer for the full subscription amount to:

Bank of:

Wachovia Bank

2030 E. Joppa Road

Baltimore, Maryland 21234

410-663-6250

ABA#:

055003201 (Routing Number)

Swift:

PNBPUS33

For Credit To:

International Investments

Account No:

2000014443826

For further credit to the account of: International Investments Holdings Ltd

Please note that the investor is responsible for bearing all bank charges associated with making wire transfers.

In completing the Subscription Agreement, please insert all applicable information and ensure that the agreement is signed.

If a subscription is not accepted or if the offering is terminated, all funds deposited or wired and all other documents delivered by you to the Company will be returned to you.

SUBSCRIPTION AGREEMENT

INTERNATIONAL INVESTMENTS (HOLDINGS) LTD

Name of Subscriber:	
Address:	
Telephone:	
Fax:	
E-mail	

Please insert the number of shares subscribed for each in each Class and the total corresponding subscription amount.

Class of Shares	Issue Price (USD)	Number of Shares Subscribed for	Total Subscription Amount
В	\$10.00		
Less 5%	Sales Fee		
• • • • • • • • • • • • • • • • • • • •			

Dear	Sirs
1 11-21	7116

WHEREAS

A. the undersigned (the "Subscriber") desires to subscribe to the non-voting Class(es) of Shares (the "Shares") indicated above at a par value of USD 10.00 per share in the Company, a corporation organized under the laws of St. Vincent and the Grenadines at a subscription price indicated above prior to commencement of operations of the Company and;

- B. thereafter at a Net Asset Value per Share (as defined in the Private Placement Memorandum) as to the effective date of purchase at the closing at which the subscription is accepted by the Company, and
- C the Company is willing to offer Shares to Subscriber in the manner and subject to the terms and conditions set forth in this Subscription Agreement and in the Private Placement Memorandum of the Company dated 1 September 2005, as may be amended from time to time.

NOW, THEREFORE, the Company and the Subscriber do hereby agree as follows:

- Subject to the acceptance hereof by the Company, the Subscriber does hereby subscribe for the Shares specified in the table above having a total subscription value of USD______, during the initial offering period and at each Class's NAV per Share thereafter.
- 2. The Subscriber represents and warrants to the Company that:
 - (a) it has the legal capacity and authority and is permitted by applicable law to execute and deliver this Subscription Agreement and it is acquiring the Shares for its own account, or on behalf of a third party or third parties, for investment and not with a view to resale, transfer or other disposition thereof in whole or in part;
 - (b) it has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of its acquisition of Shares:
 - (c) it has received a copy of, read, and understood the Private Placement Memorandum, has carefully read the "Risk Factors" section of the Private Placement Memorandum, and understands that there are substantial risks involved in an investment in the Share Classes;
 - (d) it has had an opportunity to review the Company's Articles of Incorporation, By-Laws and other provisions as summarized herein and has had the opportunity to ask questions and receive answers concerning the Shares, and the terms and conditions of this offering and to obtain such additional information as it considers necessary to appropriately evaluate an investment in the Share Classes;
 - (e) its acquisition of Shares is based solely upon the Private Placement Memorandum, the Company's Articles of Incorporation, By-Laws and other provisions and its own analysis of the benefits to it of an investment in the Share Classes and Subscriber is and will be able to bear the economic risk of its investment in the Shares;
 - (f) all legal and tax advice, registrations, declarations or filings with, or consents, licenses, approvals or authorizations of, any legislative body,

governmental department or other governmental authority, necessary or appropriate in connection with its investment in the Share Classes have been obtained or complied with, and, if the Subscriber is not an individual, the person signing this Subscription Agreement on its behalf has full power and authority to do so;

- (g) it understands that the Company was recently organized and has a limited operating history;
- (h) it understands that its capital contribution cannot be withdrawn from the Company except by way of redemption of Shares in accordance with the terms outlined in the Private Placement Memorandum, that a portion of its investment may be invested in securities that are illiquid, and that it has no right to demand distribution from the Company, other than by redemption of Shares; and
- (i) it understands that the Directors of the Company, at their sole discretion, at any time, may require a Shareholder to withdraw all or a part of his/her capital contribution at any Valuation Day on 10 days' written notice, and that if any of Subscriber's representations, warranties, agreements or certifications contained herein are untrue, the Directors of the Company, at their sole discretion, may require a retroactive redemption of all or part of Shares held by the Subscriber.
- 3. The Subscriber hereby acknowledges and agrees that:
 - (a) the Shares have not been registered under the United States Securities Act of 1933, as amended (the "Securities Act") or the laws of any other jurisdiction; and
 - (b) the Shares may not be transferred to any person without the prior consent of the directors of the Company.
- 4. The Subscriber understands that it will be informed by the Company whether this subscription for Shares has been accepted and the date on which such Shares will be issued (the "Subscription Date").
- 5. The Subscriber understands that the Company may require other documentation in addition to this Subscription Agreement. The Company reserves the right to request such documentation prior to deciding whether or not to accept this subscription.
- 6. The Subscriber acknowledges that the Company reserves the right to reject this and any other subscription for Shares in whole or in part, in any order, at any time prior to a Subscription Date, notwithstanding prior receipt by the Subscriber of notice of acceptance of its subscription. Subscriptions are subject to allotment before and after acceptance. If the Shares are oversubscribed, the Company will determine at its discretion which subscriptions shall be accepted.

- 7. If this subscription is rejected or if the sale of Shares is not consummated for any reason (in which event this subscription shall be deemed to be rejected), the Company shall within 15 Business Days return any monies transferred by the Subscriber (without interest) along with this Agreement and any other documents delivered by the Subscriber.
- 8. This Agreement and the rights, powers, and duties set forth herein shall bind and inure to the benefit of the heirs, executors, administrators, legal representatives, successors, and assigns of the parties hereto. This Agreement represents the entire agreement of the parties with respect to the subject matter hereof and may not be changed or terminated orally. No waiver by any party of any breach of any term of this Agreement shall be construed as a waiver of any subsequent breach of that term or any other term of the same or of a different nature. The representations, warranties, agreements, and indemnification obligations of the Subscriber contained in this Subscription Agreement shall survive the execution hereof and the purchase of the Shares.
- 9. If any legal action or any arbitration or other proceeding is brought for the enforcement of this Agreement or because of an alleged dispute, breach, default, or misrepresentation in connection with any of the provisions of this Agreement, the successful or prevailing party or parties shall be entitled to recover reasonable attorneys' fees and other costs incurred in that action or proceeding, in addition to any other relief to which they may be entitled.
- 13. The parties agree that any action or proceeding arising, directly, indirectly, or otherwise, in connection with, out of, related to, or from, this Agreement, any breach hereof, or any transaction covered hereby, shall be resolved, whether by arbitration or otherwise, exclusively by the laws of St. Vincent and the Grenadines. Accordingly, the parties consent and submit to the exclusive jurisdiction of the courts of St. Vincent and the Grenadines. The parties further agree that any such action or proceeding brought by either such party to enforce any right, assert any claim, or obtain any relief whatsoever in connection with this Agreement shall be commenced by such party exclusively in the courts of St. Vincent and the Grenadines.
- 14. The Subscriber understands that a misrepresentation or breach of any warranty or agreement made by the Subscriber could subject the Company to significant damages and expenses. The Subscriber hereby agrees to indemnify, defend, and hold harmless the Company from and against any loss, liability, damage, cost, or expense (including legal fees and expenses in the defense or settlement of any demands, claims, or lawsuits) actually and reasonably incurred arising from the Subscriber's misrepresentation or breach of any warranty or undertaking in this Agreement.
- 16. The details of the bank from which subscription monies will be sent and to which redemption proceeds will be forwarded are as follows:

Name of Bank:		
Address:		
Telephone:		
Fax:		
Telex:		
Account Beneficiary		
Account No.:		
The information contained in this par facsimile notice to the Company at the	agraph may be changed upon two weeks wi	ritten or
•	Investments (Holdings) Ltd	
P.O. I	7B Granby Street Box 1639, Kingstown eent and the Grenadines	
Fax	: +1 784 485-6591	
right to request at any time any and	on contained in this Agreement, the Compan I all additional information it requires to justify to sign this Agreement and the legality or wired.	udge the
CORPORATE SUBSCRIBE	R INDIVIDUAL S	UBSCRIBER

Name of Corporate Subscriber, Trust or Partnership Subscriber

Signature	Signature
Print Name	Print Name
Title	
Date	Date

REQUEST FOR DIRECTORS APPROVAL TO REDEEM

INTERNATIONAL INVESTMENTS (HOLDINGS) LTD

PLEASE NOTE THAT IN ACCORDANCE WITH THE ARTICLES OF INCORPORATION OF THE COMPANY, SHAREHOLDERS DO NOT HAVE THE RIGHT TO REDEEM ON DEMAND. THE DIRECTORS MUST APPROVE ANY REQUEST FOR REDEMPTION, AND UNTIL SO APPROVED, SUCH REQUEST IS INEFFECTIVE.

The Directors
International Investments (Holdings) Ltd
P.O. Box 1639
Kingstown
St. Vincent and the Grenadines

Fax number: +1 784 485-6591

Dear Sirs:

The undersigned hereby seek the approval of the Directors for either:

1. redemption of the shares specified in Column I,

<u>OR</u>

2. payment of the amount specified in Column II of the table below:

	I	П
Class of Shares	Number of Shares Being Redeemed	Required Redemption Proceeds
В		
TOTAL		

Name of Corporate Shareholder, Trust or

Partnership	
Signature	Signature
Print Name	Print Name
Title	
Date	Date
APPROVAL OF DIRECTORS TO REDEEM	1 HEREBY APPROVED
On 200X	
With Redemption to take place on	200X
Signed by Director:	
Date:	

THE DIRECTORY

PROFESSIONAL VALUER/SURVEYOR

Global Valuation, Inc.

Thomas G. Spears, ASA President & CEO
State Certified General Appraiser #RZ 0001243

Michael G. Horton, MAI
State Certified General Appraiser #RZ 0001755

3727 SE Ocean Boulevard, Suite 200

Sewall's Point, FL 34996

Tel: (772) 215-5738, Fax (772) 463-0493

www.globalvaluation.com

DIRECTORS

- (1) Robert Thomas Taylor
- (2) Michael Gene Daniel

ADMINISTRATOR & INVESTMENT MANAGER

Capital Administrators and Portfolio Managers Inc.

97B Granby Street, Suite 104

P.O. Box 1639, Kingstown

St Vincent and the Grenadines

Fax + 1 784 485 6591

INVESTMENT MANAGER

One World Investment Management Corporation.

97B Granby Street, Suite 104

P.O. Box 1639

Kingstown

St Vincent and the Grenadines

Fax + 1 784 485 6591

BANKERS

Wachovia Bank

2030 E. Joppa Road

Baltimore, Maryland 21234 USA

Tel: 1-410-663-6250

AUDITORS

Cash Bookkeeping & Tax Services

D.L. Smith, President 8115 Fenton Street., Suite #201 Silver Spring, Maryland 20910

Tel: 301-588-1200 Fax: 301-588-4293

PURCHASE AND SALE OF A FIFTY PERCENT
In the City of Bothmone, Manyland, United
States of America, on the 23rd day of September,
2005
NOW APPEAR
AS PARTY OF THE FIRST PART: ALBERTO MEDINA
LOPEZ (Social Security Number 583-29-1032), of legal age,
single, property owner and resident of Bayamón, Puerto Rico,
temporarily living at BALTIMORE, MARYMAND, United States of
America, hereinafter, "The Seller"
AS PARTY OF THE SECOND PART: INTERNATIONAL
INVESTMENTS (Holdings) L.T.D., a company registered at
Saint Vincent and The Grenadines, represented here by MR.
ROBERT THOMAS TAYLOR, Social Security Number 230-66-
5928, of legal age, married, Executive and resident of St. Vincent
and The Grenadines, who is authorized for such representation as
per a Resolution dated , signed and
sealed by Robert Thomas Taylor as sole representative of the
Company, a certified copy of which is annexed herewith,
hereinafter, "The Buyer"
STATE
FIRST: The "Seller" is the owner in fee simple absolute title
"'pleno dominio") of a fifty percent (50%) condominium in the
real property described in Spanish as follows:

Am.L R.J.J

---RUSTICA: Estancia denominada "Juan Pérez", sita en el Barrio la jurisdicción de Loíza, compuesta de Montenegro de Ochocientos Cincuenta Cuerdas (850 c) de terreno. Colindante al Norte, con el mar; por el Sur, con la Hacienda de Don Teodoro Chevremont; por el Este, con terrenos de Hacienda Pública; y por el Oeste, con la Hacienda denominada Piñones."--------Consta inscrita al folio sesenta y cinco (65) del tomo dos (2) de Loíza, Registro de la Propiedad de Carolina, Sección Tercera, finca número cincuenta y siete (57), inscripción octava y última.---------TITLE--------SECOND: The "seller" acquired his title in the described property by virtue of reversion of title from Pedro Malavé Encarnación, as per deed number sixty seven (67) dated July twelve (12), two thousand one (2001) at Ponce, Puerto Rico before Notary Public Raúl Rivera López.-------On the twenty eight (28th) of July, two thousand four (2004), the Seller sold a fifty percent (50%) condominium to Anthony Edwin Hurley and his wife Mary Hicklin Hurley.-------- The property is charged with a mortgage in guarantee of the principal sum of One Thousand Dollars (\$1,000.00) over a two story house in favor of "Convento de Nuestro Padre Juan Francisco" and with another mortgage in guarantee of the principal sum of One Thousand Dollars (\$1,000.00) in favor of the "Venerable Orden Tercera de San Francisco" with interest at five percent (5%). On both of these mortgages has expired the statue of limitation for foreclosure purposes and a petition to cancel them is being presented to the Property Register.---------PURCHASE AND SALE--------THIRD: Having previously agreed thereon, the "Seller" hereby

AML

appurtenant rights, privileges and improvements, under the following terms and conditions:-------One: The purchase price for the condominium is the amount of Two Hundred Ninety Five Thousand Dollars (\$295,000.00) which amount "Seller" acknowledges having received before this date to his entire satisfaction and for which amount "Seller" issues "Buyer" a most formal receipt.-----Property taxes and assessments on the Property ---Two: corresponding to any period up to and including the date of execution of this document shall be for the account of "Seller", those corresponding to any period thereafter shall be for the account of "Buyer" and "Seller" as per their corresponding condominiums.-----FOURTH: The parties has been advised that from the date of the preparation of the title search done by Luis Reyes Vázquez &

Associates, their may have been presented, and may be presented

up to the time that this document is filed in the Registry of the

Property, documents that may affect or alter the title and/or

encumbrances of the property. The parties, aware of these

possibilities and risks, agree to execute this instrument on this

date, and the "Seller" agree to indemnify the "Buyer" in the event

of any such occurrence that may affect the title hereby transferred

to the "Buyer" or the recording of said title with any liens and/or

sells, transfers and conveys a condominium of his fifty percent

(50%) or one half of the property unto the "Buyer", with all its

AML RS.2 located in a flood zone, and in a restricted and protected area of marshland and mangrove and then any owner and occupant of said Property, whether present or future, is bound by law to observe and comply with all requirements and provisions of the regulations applicable to zones susceptible to flooding and development or constructions in those zone, under advice that the failure to comply with said regulations may result in legal action pursuant to the provisions of Section Three (3) of Act Eleven (11) of March eighth (8th), nineteen hundred eighty eight (1988), Title Twenty Three (23) of the Laws of Puerto Rico Annotated, Section Two Hundred Twenty Five parenthesis 'g' [225 (g)] or other applicable laws and rules. The appearing parties acknowledge having been duly advised of this requisite and they bind

encumbrances other than the ones hereby related which liens

(mortgages) the "Buyer" accept to pay (if necessary) or confront.--

---FIFTH: The appearing parties are aware that the Property is

AML.

themselves to the strict compliance in the event said provisions are

applicable.----

SEVENTH: The parties has been advised that it is their duty to
visit the Center for the Collection of Municipal Income
(CENTRO DE RECAUDACIONES DE INGRESOS MUNICIPALES) or
CRIM (for its acronym in Spanish) and file the petition that is
required so that the Property acquired, by this deed be registered
there for tax purposes so that they can benefits of any exemption
applicable
ACCEPTANCE AND EXECUTION
The appearing parties accept this document as drafted and
confirm that the same has been drawn in accordance with their
instructions and wishes and that the same includes their
agreements
At UPPER MARLBORD, MARYLAND, United States of
America, this 23 ^{RP} day of SEPTEMBER, 2005.
ALBERTO MEDINA LOPEZ
International Investment (Holdings) LTD Represented by: ROBERT THOMAS TAYLOR
Sign and sworn to before me, a Notary Public, this 33rd day of September, 2005. MUCLUL Albur NOTARY PUBLIC

ANN MICHELE JENKINS
NOTARY PUBLIC STATE OF MARYLAND
Mi commission expire on My Commission Expires June 16, 2008

CERTIFICATE OF CORPORATE RESOLUTION

INTERNATIONAL INVESTMENTS (HOLDINGS) LTD

I, Roll of legal age,	hert Thomas 56	Taylor and resider	(Social at of	Security N	Jumber and	230 - The	:66-5928) Genadines of
West Indies, as	sole respon	sible official	of INTE	RNATIO	NAL	INVE	ESTMENTS
(Holdings) LT	TD, a company	registered at Sa	iint Vincer	it and the	Grenad	lines.	

CERTIFY: On the 23rd day of September , 2005, in an extraordinary meeting of the Company, it was approve the following:

RESOLUTION

"To authorize Mr. Robert Thomas Taylor to represent the Company in the purchase for the price and conditions he decides in favor of the Company the real state described in Spanish as follows:

---"RUSTICA: Estancia denominada "Juan Pérez", sita en el Barrio Montenegro de la jurisdicción de Loíza, compuesta de Ochocientos Cincuenta Cuerdas (850.00 c) de terreno. Colindante al Norte, con el mar; por el Sur, con la Hacienda de Don Teodoro Chevremont; por el Este, con terrenos de Hacienda Pública; y por el Oeste, con la Hacienda denominada Piñones."

---Consta inscrita al folio sesenta y cinco (65) del tomo dos (2) de Loíza, Registro de la Propiedad de Carolina, Sección Tercera, finca número cincuenta y siete (57), inscripción octava y última.

This authorization includes the signing of all the documents neccesary for purchase according to any applicable law, to pay the price and expenses of such transaction.

In witness whereof, I issue the present under my signature and seal of the Company.

At Upper Marions, United States of America, this 23 day of September 2005

INTERNATIONAL INVESTMENTS (HOLDINGS) LTD

D ...

Sworn and subscribed before me a Notary Public, this

Jara

day of

september, 2005.

(scal)

NOTARY PUBLIC

ANN MICHELE JENKINS
NOTARY PUBLIC STATE OF MARYLAND
My Commission Expires June 16, 2008

STATE OF MARYLAND, Prince George's County, Sct.

	I, Rosalyn E. Pugh, Clerk of the Circ	rcuit Court for Prince George's County,
	Maryland, a court of record, do hereby cer	ertify that Ann Michele Jenkins
a h	A A was a commissioned/appointed and qualifi	ified Notary, Prince George's County, MD , 2004
	dencing on theday ofune	,
	mony Whereof, I have hereun	into set my hand and affixed the seal of the Court 2005
	day of September 23	, 2005
		Jasalya E Sugli
		Clerk of the Circuit Court for
		Prince George's County, Maryland

STATE OF MARYLAND, Prince George's County, Sct.

I, Rosalyn E. Pugh, Clerk of the Circuit Court for Prince George's County,
Maryland, a court of record, do hereby certify that Ann Michele Jenkins

Was a commissioned/appointed and qualified Notary, Prince George's County, MD

Cencing on the 30thday of June _____, 2004 _____.

timony Whereof, I have hereunto set my hand and affixed the seal of the Court day of September 23 , 2005 .

Clerk of the Circuit Court for Prince George's County, Maryland

GMAC REAL ESTATE

Alberto Medina Lopez 4911 Sogar Maple Lane Dumfries VA 22026

Dear Mr. Lopez,

Your associate, Mr. Hurley, has engaged GMAC Real Estate, International Properties Group for the express purpose of obtaining interim financing and the sale, lease, development, Joint venture, or partitioning for lease of the property owned by One World Investment Management Corporation and its subsidiaries: International Investment Holdings, LTD and Diversified Investment Holdings, LTD. As a stock holder we would require your notarized signature assuring your agreement to the mortgaging, pledging, hypothecating, sale, lease, and or development of the property.

We would like to thank you for your consideration and would urge you to proceed to get the copy signed before a notary and forwarded to our office. I have enclosed a federal express envelope for your convenience.

We look forward to working with you and appreciate your valued and appreciated business. If I or any of my associates can be of any service please don't hesitate in calling.

Sincerely,

Stephen Katz Hospitality Group GMAC Real Estate

International Properties Group

505 8th Avenue

Suites 803-804

New York, NY 10018

646-442-3803 direct

212-265-8751 facsimile

914-403-8370 mobile

skatz@ipgmac.com

nyfinanceguy@yahoo.com



International Properties Group, Inc. 505 8th Avenue, Suite 804
New York, NY 10018

Attention: President of GMAC Real Estate IPG

Re: The "Property": 826 Acres of vacant oceanfront land@state 187, Loiza, Puerto Rico, USA

Dear Sir or Madam:

We hereby give GMAC Real Estate IPG. (IPG) the exclusive right and authority to secure for us financing for the Property. This exclusive authorization shall be in effect from the date hereof, however, we shall have the right to withdraw this authorization at any time, upon thirty (30) days written notice but not before six (6) months from the date hereof.

In consideration of your services in securing financing for the Property, we agree to pay you a commission in an amount equal to 1.25% of the amount of the loan(s), except in the event the financing is provided by the institutions listed in Schedule A attached hereto then the commission will equal to 1% of the amount of the loan(s).

It is specifically understood that if financing is secured for the Property your commission shall be earned upon our acceptance of such commitment, upon terms and conditions as may be acceptable to us in our sole discretion, and is payable at the closing of the loan.

In order to coordinate efforts to effect a transaction, satisfactory to us during the period of your engagement, in the event we receive any offers or inquiry concerning the Property, we shall promptly inform IPG of the prospect's interest. We shall provide you, and any prospective lender or investor, with all appropriate, available information and material concerning the Property.

Upon the termination of this agreement, you shall furnish us with a list setting forth the terms of the negotiations then pending from the prospective lenders for the Property and in the event that we shall within six (6) months thereafter obtain and accept a Commitment for financing from any of the sources named on such list, the compensation set forth above shall be paid to you.

We agreed that all prior understanding and agreements are fully expressed herein and are merged into this writing, and we agree that you have not made and do not make any representations that IPG will be a lender for or investor in the Property or that you guarantee or have guaranteed that our acceptance of any Financing Commitment obligates you to perform any provisions of such Financing Commitment.

We agree to reimburse you for all reasonable out-of pocket expenses you incur for the marketing of the property. You will inform us on a periodic basis as to the itemized expenses that you have incurred and we will reimburse you on receipt of such itemization. In the event expenses exceed \$1,000, we will reimburse you for such expenses only on our prior written approval.

If this is accordance with your understanding, kindly confirm your acceptance and agreement by signing and returning the enclosed duplicate of this letter.

Very truly yours,



	Dated:	
	Anthony E. Hurley One World Investments Management Corporation International Investment Holdings, LTD and Divers	, President & CEO and its subsidiaries: ified Investment Holdings
in the second se	Allet Weding Li	State of UR County of Prince willian Nov 15, 2006 County Cobusteen Agril 30, 2010 , OWNER
	Dated:	
	Mary Elizabeth Hicklin	, OWNER
	Dated: George F. Donohue GMAC Real Estate IPG	,President



REAL ESTATE BROKERAGE AGREEMENT EXCLUSIVE

Anthony E. Hurley, President & CEO, Alberto Medina Lopez, Mary Elizabeth Hicklin, One World Investments Management Corporation and its subsidiaries: International Investment Holdings, LTD and Diversified Investment Holdings, LTD all domiciled in St. Vincent & the Grenadines

BROKER agrees to diligently and in accordance with all applicable regulations and laws to seek to find a buyer for the property. This exclusive listing shall expire 150 days after commencement.

The minimum selling price of the property shall be:

\$ 200,000,000 (Two Hundred Million U.S. Dollars)

BROKER may place a sign during the term of this listing on the property stating that it is the broker herein, and OWNER agrees to allow the sign to be kept during the term of the listing and to allow BROKER access to the same for maintenance. During a period when a closing is pending, the BROKER may continue to place a sign indicating the same.

OWNER agrees to pay a commission of six percent percent (6 %) of the sales price, if (1) you procure a buyer who is ready, willing and able to purchase the premises upon the terms stated above; (2) you procure a buyer to whom OWNER in fact sells or trades the property; (3) during the terms of the listing, the property is sold through a buyer procured by others.(4) The property is developed for any residential or commercial usage. A commission as provided shall be due if BROKER procures a buyer that purchases the property on other terms acceptable to the OWNER.

If the property is sold or otherwise conveyed to a prospect first submitted by BROKER within 4 months of the expiration of the listing period, the commission provided for herein shall be due and payable.

Should a purchaser procured by BROKER default, and if any deposit, escrow or earnest money is forfeited by OWNER, OWNER shall pay fifty percent (50%) of the same to the BROKER as compensation, but in no event, an amount in excess of the commission earned on the transaction had it closed.

OWNER represents and warrants that it has disclosed all defects in the property to the BROKER and BROKER acknowledges an opportunity to fully inspect the premises.

Page 1 of 2



Dated:	
Anthony E. Hurley One World Investments Management Corporational Investment Holdings, LTD and Dive	, President & CEO on and its subsidiaries: ersified Investment Holdings
Dated: NOVEMBER 15, 2006 Mulling for Alberto Medina Lopez	State of UA County of Prince William Nov 15, 2006 Ceme Kobusteen April 30, 2010 , OWNER
Dated:	
Mary Elizabeth Hicklin	, OWNER
Dated:	
George F. Donohue	,President

PROMISSORY NOTE

FOR VALUE RECEIVED, \$200,000.00 USD the undersigned, International Investments Holdings, LTD., hereby acknowledges the discount purchase of 100,000 Class B 10% Cumulative Referenced Shares by shareholder Kevin Sorem and promises TO PAY to the shareholder or as otherwise directed in writing by the shareholder, the par value of US\$ 10.00 each for redemption of said shares for a total of \$1,000,000.00, calculated and payable out of proceeds from the auctioning by JP King Auctioneers of the \$450,000,000 (826 acre) Puerto Rico land asset known as the Juan Perez Parcel currently owned equally by the two holding companies, International Investments Holdings, LTD and Diversified Investments Holdings, LTD.

The shareholder may assign all of its right, title and interest in, to and under this promissory note. All payments required to be made hereunder shall be made by International Investments Holdings, LTD without any right of set-off or counterclaim.

This note supercedes and makes null and void any and all notes issued to shareholder by International Investments Holdings, LTD. prior to this date of May 18, 2006.

Date:	May	18	2006	

Agreed and Accepted by:

Kevin Sorem, Shareholder

International Investments Holdings, LTD,

12672 IBC 2005

Robert Taylor, Director

Witness

Witness

PROMISSORY NOTE

FOR VALUE RECEIVED, \$200,000.00 USD the undersigned, Diversified Investments Holdings, LTD., hereby acknowledges the discount purchase of 100,000 Class B 10% Cumulative Referenced Shares by shareholder Kevin Sorem and promises TO PAY to the shareholder or as otherwise directed in writing by the shareholder, the par value of US\$ 10.00 each for redemption of said shares for a total of \$1,000,000.00, calculated and payable out of proceeds from the auctioning by J P King Auctioneers of the \$450,000,000 (826 acre) Puerto Rico land asset known as the Juan Perez Parcel currently owned equally by the two holding companies, International Investments Holdings, LTD and Diversified Investments Holdings, LTD.

The shareholder may assign all of its right, title and interest in, to and under this promissory note. All payments required to be made hereunder shall be made by Diversified Investments Holdings, LTD without any right of set-off or counterclaim.

This note supercedes and makes null and void any and all notes issued to shareholder by Diversified Investments Holdings, LTD. prior to this date of May 18, 2006.

Date:	May	18.	2006

Agreed and Accepted by:

Kevin Sorem, Shareholder

Diversified Investments Holdings, LTD

12673 IBC 2005

Robert Taylor, Director

Witness

Witness

INTERNATIONAL INVESTMENTS INC. 1401 SHEFFORD RD. BALTIMORE, MD 21239	1683 65-920/550 BRANCH 95829
PAY TO THE Alberto Medina Lopez 1\$	10 6 000 · co
Ten Shousand and op/or Do	OLLARS & Security Features Deland on Beel.
Wachovia Bank, N.A. Wachovia Bank, N.A. Paymont in Coper out of operational of the Coper out of operational out of oper	sle pp

Delaware

PAGE 1

The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF INCORPORATION OF "ONE WORLD CORPORATION", FILED IN THIS OFFICE ON THE THIRD DAY OF MAY, A.D. 2007, AT 10:19 O'CLOCK A.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE SUSSEX COUNTY RECORDER OF DEEDS.

4345763 8100 070513511 Varriet Smith Hindson

Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 5646278

DATE: 05-03-07



July 2, 2007

Mary E. Hicklin-Hurley President and CEO One World Corporation. 1776 "I" Street, NW, Suite 900 Washington, DC 20006

RE:

Four Hundred Thirteen Acres Vacant Oceanfront Land Between Kilometer Marker 10.3 and 11.3 State Road 187 – Municipality of Loiza Commonwealth of Puerto Rico, USA

Ms. Hicklin-Hurley:

In accordance with our Appraisal Services Contract, we have completed an appraisal of the above referenced property. The property was inspected and all necessary investigations and analysis were made by Global Valuation, Inc.

The subject property is briefly described as a 413-acre vacant parcel of oceanfront land located between Kilometer marker 10.3 and 11.3, State Road 187, Municipality of Loiza, Commonwealth of Puerto Rico USA. The property has antique zoning rights that dates back to 1883 and supersedes all current zoning. This has a tremendous positive affect on the market value and marketability of the subject property because the owners are allowed to develop a wide variety of commercial projects including a Resort Hotel and Casino. The property features over one-half mile of Atlantic Ocean frontage and wide white sandy beach. All public utilities (except sewer) are at the property and it has an excellent location just 10 miles east of Metropolitan San Juan. The property is easily accessible via State Road 187 which runs through the property.

Planned is the One World Resort and Casino, a World-Class Five Star destination resort community with hotel, residences, casino, beach club, spa and an 18 – hole championship golf course and club. The overall density is 500 units or only 1.2 units per acre.

The scope of this assignment is to estimate the market value of the fee simple interest in the subject property "AS IS" and the prospective aggregate of retail values (ARV) "AS COMPLETED".

This is a Real Property Appraisal prepared in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP) as promulgated by the Appraisal Standards Board of the Appraisal Foundation. The Appraisal Report is prepared under the "Self-Contained Appraisal Report" option. The Appraisal Foundation is authorized by the United States Congress as the source of appraisal standards and appraiser qualifications. The report complies with all of the standards established in Title XI of the "Financial Institutions Reform Recovery Enforcement Act of 1989 (FIRREA).



August 6, 2008

Mr. Anthony E. Hurley Executive Directors Adviser One World Corporation 1776 "I" Street, NW, Suite 900 Washington, DC. 20006

Dear Mr. Hurley:

In accordance with our Appraisal Services Contract, we have completed an appraisal of the subject property described below. The property was inspected and all necessary investigations and analysis were made by Global Valuation.

The subject property is legally described as Parcel No. 788, District Cadestral No. 5, Sabana Buey, Municipality of Bani, Peravia Province, Dominican Republic. The property boundaries contain 15,414,037 square meters or approximately 3,809-acres and feature over five (5) miles of ocean frontage with about three (3) miles of white sand beaches. The Tourism Ministry has approved the Master Plan for development with two (2) Golf Courses, 8,074 Hotel Rooms and Villas and a Marina with 250-Wet Slips. All the governmental approvals and permits are in place to commence development immediately.

Planned is "Los Corbanitos Golf and Beach Resort", a Master Planned Resort Community which consists of 2,300 Residential Units and 1,700 Hotel Rooms and Suites; Two (2) Golf Courses and Clubhouse; a 250-Slip Marina and a European Style Marina Village. The overall density is only (4,000 units / 3,809 ac) 1.05-units per acre, a very low density for a destination resort community.

The scope of work is to estimate the Market Value of the fee simple interest in the subject 3,809-Acres of Vacant Oceanfront Land "AS IS" and the prospective Aggregate of Retail Values "ARV AS COMPLETED".

This is a Real Property Appraisal prepared in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP) as promulgated by the Appraisal Standards Board of the Appraisal Foundation. The Appraisal Report is prepared under the "Self-Contained Appraisal Report" option. The Appraisal Foundation is authorized by the United States Congress as the source of appraisal standards and appraiser qualifications. The report complies with all of the standards established in Title XI of the "Financial Institutions Reform Recovery Enforcement Act of 1989 (FIRREA).

Government of the District of Columbia

Department of Insurance, Securities and Banking

Thomas E. Hampton Commissioner		MA17,2009
IN THE MATTER OF:)	ADMINISTRATIVE ORDER
ONE WORLD CORPORATION, MARY HICKLIN-HURLEY, and ANTHONY HURLEY, Respondents))))	ORDER NO. <u>SB-09-01</u>

SUMMARY ORDER TO CEASE AND DESIST AND NOTICE OF OPPORTUNITY FOR HEARING

In accordance with the provisions of the District of Columbia Administrative Procedure Act, D.C. Official Code § 2-501 *et seq.*¹, the Rules of Practice and Procedures for Hearings in the District of Columbia, 17 DCMR § 8100 *et seq.* and Section 602 of the Securities Act of 2000, D.C. Official Code § 31-5606.02(a)(1), One World Corporation, Mary Hicklin-Hurley, and Anthony Hurley (hereinafter "Respondents) are hereby ordered to cease and desist from offering unregistered securities in or from the District of Columbia, in violation of D.C. Official Code § 31-5603.01.

I. JURISDICTION

D.C. Official Code § 31-5606.02(a) grants the Commissioner of the Department of Insurance, Securities and Banking ("Department") the power to issue, without a hearing, a summary order directing the Respondents to cease and desist from engaging in acts or practices which constitute, or will constitute, a violation of any provision of the Act or any rule or order.

¹ All statutory references to the D.C. Official Code shall be to the 2001 edition.

AMERICAN BAR ASSOCIATION SECTION OF BUSINESS LAW

COMMITTEE ON STATE REGULATION OF SECURITIES REPORT OF THE SUBCOMMITTEE ON ENFORCEMENT, LITIGATION AND ARBITRATION

NASAA 92nd ANNUAL CONFERENCE

September 13 - 15, 2009

DENVER, COLORADO

R. Michael Underwood
Chair, Subcommittee on Enforcement,
Litigation and Arbitration
Fowler White Boggs, P. A.
101 N. Monroe Street, Suite 1090
Tallahassee, FL 32301-1547
Telephone: (850) 681-4238

Fax: (850) 681-3388

Email: michael.underwood@fowlerwhite.com

Richard Slavin
Vice-Chair, Subcommittee on
Enforcement, Litigation and Arbitration
Cohen and Wolf P.C.
1115 Broad Street
Bridgeport, CT 06604-4234
Telephone: (203) 368-0211

Fax: (203) 394-9901

Email: rslavin@cohenandwolf.com



September 13, 2009

Alan M. Parness, Esquire
Chair, American Bar Association
Committee on State Regulation of Securities
Cadwalader, Wickersham & Taft LLP
One World Financial Center
New York, NY 10281

Dear Alan:

I am pleased to submit the 2009 Report of the Subcommittee on Enforcement, Litigation and Arbitration. This report is the result of labor by lawyers from across the United States and focuses on administrative enforcement actions and related proceedings by state securities regulators. I expect next year's report to reflect the Subcommittee's newly broadened mandate and address private securities litigation and arbitration as well.

State regulators uniformly advise our reporters of the increasing complexity of securities enforcement actions: more investors, more products and, clearly the most pronounced trend in enforcement, more jurisdictions. Multi-state "task forces" have negotiated settlements now totaling into billions of dollars in connection with auction-rate securities. As our committee meets, news has just come that the Merrill Lynch unit of Bank of America will pay up to \$26.5 million in a settlement with a "multi-state task force" stemming from its use of unregistered representatives to sell securities. Other joint enforcement actions that combine state, federal and self-regulatory agencies are now commonplace.

Members of the Committee on State Regulation of Securities are invited to join our Subcommittee to share their insights, no longer just about law enforcement, but about all aspects of securities litigation and arbitration.

Sincerely,

R. Michael Underwood Chair, Subcommittee on Enforcement, Litigation and Arbitration

FOWLER WHITE BOGGS P.A.

the entry of and Administrative Consent Order against the entities for their failure to maintain adequate systems to reasonably ensure compliance with Blue Sky laws which resulted in the sale of unregistered securities in violation of the D.C. Official Code.

The Commissioner of DISB ordered Morgan Stanley to cease and desist from violating the D.C. Securities Act in connection with the sales of unregistered securities, and ordered it to pay eighteen thousand two hundred and ten dollars to the District of Columbia as a civil monetary penalty.

The Administrative Consent Order reveals that in 2005, upon the hiring of a new compliance employee, Morgan Stanley discovered deficiencies in some order entry systems that permitted the execution of transactions for certain types of securities without checking to determine whether the transactions complied with applicable Blue Sky Laws. Morgan Stanley investigated the issue, provided the results to a multi-state task force, and self reported the Blue Sky problem to all effected state and federal regulations.

Morgan Stanley identified the transactions which were in violation of the Blue Sky laws and offered rescission to customers with terms and conditions that were consistent with the Securities Act of 2000. Morgan Stanley has since adopted policies and procedures designed to ensure compliance with all legal and regulator requirements regarding Blue Sky laws.

On May 6, 2009, the Commissioner of DISB ordered One World Corporation ("OWC"), Mary Hicklin-Hurley ("Mary"), and Anthony Hurley ("Anthony") to immediately cease and desist from offering or selling unregistered and non-exempt securities in the District of Columbia, and from directly or indirectly aiding or assisting other individuals or entities from offering or selling unregistered and non-exempt securities from the District of Columbia.

Neither OWC, Mary, nor Anthony is registered to offer securities in or from the District of Columbia. Nonetheless, through the internet, telephone, email, and advertisements in the Washington Post they sought investments to acquire property in the Dominican Republic by offering a one hundred percent return on a five hundred thousand dollar minimum investment. The securities they offered were not registered in the District of Columbia and were not exempt from registration.

Reporter:

Richard Slavin Cohen and Wolf, P.C. 320 Post Rd. West Westport, CT 06880 (203) 341-5310

(203)341-5311(facsimile) RSlavin@Cohenandwolf.com

The foregoing Cohen and Wolf, P.C. partners and associates who are members of the Securities Practice Group, participated in compiling these reports: David A. Ball, Ari J. Hoffman, Lauren G. Walters, David A Morosan, and Joseph B. Schwartz