

## SECURITIES AND EXCHANGE COMMISSION

Self-Regulatory Organizations; Order Granting Application to Strike from Listing and Registration on the American Stock Exchange LLC (DiaSys Corporation, Common Stock, \$.001 par value) File No. 1-16285

February 24, 2006

On February 15, 2006, the American Stock Exchange LLC ("Amex" or "Exchange") filed an application with the Securities and Exchange Commission ("Commission"), pursuant to Section 12(d) of the Securities Exchange Act of 1934 ("Act")<sup>1</sup> and Rule 12d2-2(c) thereunder,<sup>2</sup> to strike the common stock, \$.001 par value ("Security"), of DiaSys Corporation ("Company") from listing and registration on Amex.

Amex listing standards provide, among other things, that Amex may consider removing the security of an issuer from listing and registration when: (i) the financial condition and/or operating results of the issuer appear to be unsatisfactory; (ii) the issuer has failed to comply with its listing agreements with the Exchange; or (iii) any other event shall occur or any condition shall exist which makes further dealings on the Exchange unwarranted.

In applying these standards, Amex considers delisting the securities of a company that has: (i) shareholders' equity of less than \$2,000,000 if the company has reported losses from continuing operations and/or net losses in two of its three most recent fiscal years (Section 1003(a)(i) of the Amex Company Guide ("Company Guide")); (ii) shareholders' equity of less than \$4,000,000 if the company has reported losses from continuing operations and/or net losses in three of its four most recent fiscal years (Section 1003(a)(ii) of the Company Guide); or (iii) shareholders' equity of less than \$6,000,000 if the company has reported losses from

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<sup>1</sup> 15 U.S.C. 78l(d).

<sup>2</sup> 17 CFR 240.12d2-2(c).

continuing operations and/or net losses in its five most recent fiscal years (Section 1003(a)(iii) of the Company Guide).

Amex stated in its application filed with the Commission that the Security no longer qualifies for continued listing and registration, for the following reasons:

1. The Company has incurred net losses as follows:

<u>Three months ended</u>	<u>Net (Loss)</u>
September 30, 2005	(\$240,500)
<u>Fiscal years ended</u>	<u>Net (Loss)</u>
June 30, 2005	(\$2,029,200)
June 30, 2004	(\$2,985,700)
June 30, 2003	(\$1,620,300)
June 30, 2002	(\$1,641,400)
June 30, 2001	(\$1,770,100)

2. For the three-month period ended September 30, 2005, the Company reported a shareholders' equity of \$1,240,000 and an accumulated deficit of \$18,360,000.

By letter dated February 23, 2005, in accordance with Section 1009 of the Company Guide, Amex advised the Company of its status in relation to the standards of the Exchange and offered the Company an opportunity to submit a business plan in support of its continued listing. Specifically, the Company was not in compliance with Section 1003(a)(ii) of the Company Guide. The Exchange's letter also advised the Company that it would need to regain compliance with the Exchange's continued listing standards by August 24, 2006. The Company submitted its plan ("Plan") by letter dated March 16, 2005. The Exchange accepted the Plan by letter dated March 24, 2005.

By letter dated November 4, 2005, in accordance with Section 1009 of the Company Guide, Amex advised the Company of its status in relation to an additional standard of the Exchange. Specifically, the Company was not in compliance with Section 1003(a)(i) of the

Company Guide. Subsequently, the Exchange determined that the Company failed to show progress consistent with the Plan and was not in compliance with Section 1003(a)(iii) of the Company Guide. Therefore, the Exchange determined that the Security did not qualify for continued listing. This determination, along with the Company's right to appeal, was communicated to the Company by letter dated January 30, 2006. The Exchange also notified the Company that in accordance with Sections 1203 and 1009(d) of the Company Guide, the Company could appeal the Exchange's determination no later than February 6, 2006 by requesting an oral or written hearing before the Exchange's Listing Qualifications Panel. The Company did not appeal the Exchange's determination within the requisite time period or thereafter.

The Commission, having considered the facts stated in Amex's application and having due regard for the public interest and protection of investors, orders that the application be, and it hereby is, granted, effective at the opening of business on February 27, 2006.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>3</sup>

Nancy M. Morris  
Secretary

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<sup>3</sup> 17 CFR 200.30-3(a)(1).