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MATTHEW J. NEUBERT
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SECURITIES DIVISION
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ARIZONA CORPORATION COMMISSION

July 15, 2008

Michael J. Bilan, Esq.
Law Offices of Edward T. Swanson
1158 26th Street, #326
Santa Monica, CA 90403

RE: Infrared Systems International
A.R.S. § 44-1844(A)(5)

Dear Mr. Bilan:

On the basis of the facts set forth in your letter of July 9, 2008, and in reliance upon your opinion as counsel, the Securities Division will not recommend enforcement action for violation of the Securities Act of Arizona should the transaction take place as set forth in your letter.

As this position is premised upon the facts set forth in your letter, it should not be relied on for any other set of facts or by any other person. Please also note that this position applies only to the registration requirements of the Act; the antifraud provisions of the Act continue to be applicable.

We have attached a photocopy of your letter containing the facts upon which this position is based.

Very truly yours,

A handwritten signature in black ink, appearing to read "Matthew J. Neubert", is written over a horizontal line.

MATTHEW J. NEUBERT
Director of Securities

Attachment

MICHAEL J. BILAN
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9 July 2008

Arizona Corporation Commission
Securities Division
1300 West Washington, Third Floor
Phoenix, AZ 85007

Re: Infrared Systems International
Stock Dividend

Dear Sir or Madame:

Pursuant to Section 44-1826 of the Arizona Securities Act ("Act"), this request is submitted on behalf of Infrared Systems International, a Nevada corporation ("ISI"), the wholly-owned subsidiary of China Sxan Biotech, Inc., a Delaware corporation ("CSBI") (CSBI and ISI are sometimes collectively referred to herein as "companies"). CSBI proposes to distribute to its shareholders as a stock dividend all of the issued shares of Common Stock, \$0.001 par value per share ("Shares"), of ISI, for which such shareholders will pay no consideration. The boards of directors of CSBI and ISI have authorized the distribution of shares. Shareholder approval is not required and shareholder approval has not been sought.

On behalf of the companies, I hereby request that the Staff of the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") (a) concur in my view that the distribution of all of the Shares to the shareholders of CSBI will not constitute a sale under Section 44-18201.21 of the Act, (b) concur in my view that such distribution will qualify as an exempt transaction under Section 44-1844.A.5 of the Act or (c) confirm that the staff of the Division will not recommend that the Commission take any enforcement action if the stock

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dividend is distributed without qualification of the Shares under the Act.

1. Summary of Statutory and Regulatory Provisions to Which This Request Relates

Under Section 44-1801.21 of the Act, "'Sale' or 'sell' means a sale or any other disposition of a security . . . for value" Under Section 44-1844.A.5 of the Act, "The distribution by a corporation of capital stock or other securities to its stockholders or other security holders as a stock dividend or other distribution out of retained earnings" is an exempt transaction. The issuance of shares of a wholly-owned subsidiary by its parent company as a stock dividend is not deemed by the staff of the Arizona Corporation Division, Securities Division ("Division") to be an exempt transaction within the meaning of Section 44-1844.A.5.

2. Detailed Statement of the Relevant Facts

ISI was organized under the laws of the State of Nevada on April 11, 2006 as a wholly-owned subsidiary of CSBI. On May 24, 2007, CSBI entered into a Share Purchase and Merger Agreement with a third party pursuant to which CSBI entered into a reverse merger with Advance Technologies, Inc., a Nevada corporation ("AVTX"). The agreement further contemplated that at the same closing all of the current assets, consisting of optical technology and related licensing agreements and cash, and liabilities of CSBI would be assigned to ISI, at that time a wholly-owned subsidiary of AVTX. It was contemplated that, after registration of the Shares with the Securities and Exchange Commission ("SEC"), the stock of ISI would be distributed to the common stockholders of CSBI. In connection with the closing of such acquisition, CSBI assigned all of its pre-acquisition business and assets to ISI, and ISI assumed responsibility for all of the liabilities of CSBI that existed prior to the acquisition.

The 20,073,346 shares which are the subject of the stock dividend include (i) a maximum of 161,237 shares issuable if all holders of CSBI Series A Preferred Stock convert those shares into CSBI common stock prior to the record date of the distribution (of which 1,530 shares are issuable to directors and officers), (ii) an aggregate of 18,767,516 shares issuable to certain stockholders in

consideration for shares of CSBI common stock held by them, which shares they are obligated to surrender to ISI for cancellation, and (iii) an aggregate of 1,144,593 shares issuable to holders of CSBI common stock who are not obligated to surrender such shares to ISI for cancellation. As a result, immediately after the distribution and the cancellation of certain shares, there will be between 1,144,593 and 1,305,830 shares of common stock outstanding, of which up to 359,965 shares will be owned by directors and officers.

Following the stock dividend, it is anticipated that there will be between approximately 1,015 and 1,187 stockholders of record (depending on the number of holders of record of CSBI Series A Preferred Stock who convert such shares into CSBI common stock prior to the record date).

Before the stock dividend, there has been no public market for the Shares because none of the Shares are held by anyone other than CSBI. It is the intention of ISI to apply for quotation of the Shares on the OTC Bulletin Board operated by the Financial Industry Regulatory Authority. A registration statement on Form S-1 has been filed with the SEC covering the Shares to be distributed pursuant to the stock dividend. No consideration will be paid for the Shares by recipients of the stock dividend and no rights will be surrendered or relinquished; and the distribution will be pro rata based on the CSBI shareholder's ownership of CSBI shares. Fractional shares issuable will be rounded up to whole shares.

After the completion of the proposed stock dividend, ISI will become a publicly-held corporation whose stock will be registered under the Securities Exchange Act of 1934, as amended.

3. Detailed Discussion and Analysis of the Law as it Relates to the Facts

For the reasons set forth below, I do not believe that qualification of the Shares to be distributed in the proposed transaction is required under the Act in the public interest or for the protection of investors or the trading markets.

The distribution of the Shares as a stock dividend will not constitute a "sale" of securities because such

distribution is not a disposition of a security for "value," as defined in Section 44-1801.21 of the Act. The distribution will be a one-time stock dividend paid pro-rata to all shareholders of record on the record date for the distribution, the recipients will not be requested to make any investment decision because shareholder approval is not required under Delaware law for CSBI or under Nevada law for ISI, no recipient of Shares will pay any consideration for the shares received and no fees will be paid to any party other than for administrative acts to effect the distribution.

4. Statement of the Legal Authority for Granting the Request

Under Section 44-1821.B of the Act, the Director has been delegated authority to enhance the efficient administration of the Act and to make, amend and rescind rules and regulations reasonably necessary to carry out its provisions. Section 44-1846 authorizes the Commission to grant exemptions from registration of securities on a showing by the issuer satisfactory to the Commission that registration is not essential to the public interest or for the protection of investors. Section 44-1826 confers authority to entertain and respond to no-action requests.

5. Statement as to Reasons a No-action Letter is Appropriate

Although the proposed stock dividend is not deemed to fit within the terms of the transactional exemption provided by Section 44-1844.A.5 of the Act, which exempts a stock dividend of shares of the distributing company to its shareholders, the public policy embodied in the exemption would not be violated if the proposed stock dividend were to be effected without qualification of the Shares under the Act. All of the assets of CSBI have been assigned to ISI prior to the stock dividend. Therefore, after such stock dividend, the shareholders of CSBI will own the same percentage in ISI that they owned in CSBI and its assets. Accordingly, the stock dividend will have the effect of restoring the shareholders of CSBI to the same economic position they occupied prior to such assignment. ISI is not a shell corporation, but is an operating company for the remaining assets of CSBI after the acquisition transaction.

Furthermore, since the Shares will be registered by ISI under the Securities Act of 1933, as amended, there will be adequate information regarding the issuer of the Shares available to the trading markets, as well as the recipients of the Shares. Accordingly, the Division and the State of Arizona should have no reason based in public policy to require qualification of the Shares to be distributed in the proposed stock dividend.

The Staff of the Division has in the past issued no-action letters in line with the request contained herein regarding transactions involving substantially identical facts. Such letters are reported at CCH Blue Sky Law Reports, Para. 9644 and Para.9711.

6. *Statement Explaining any Adverse or Beneficial Effect on the Public Interest Resulting From the Granting of the Request*

I am not aware of any adverse effect on the public interest resulting from the granting of the request. A beneficial effect on the public interest would include reinforcing the general understanding of practitioners and issuers that the views of the Division regarding definitions and incidents of sale are similar to those of most other state securities administrators. Although the Act is not modeled on the Uniform Securities Law, the public will benefit from uniform treatment of transactions in issuance of securities, which will facilitate financial transactions and minimize inadvertent violations of applicable laws.

7. *Certification That, Within the Knowledge of the Person on Whose Behalf the Request is Made, the Transaction is not Directly or Indirectly the Subject of any Pending or Final Judicial, SRO or Administrative Proceeding*

On behalf of ISI, I hereby certify that, within its knowledge, the transaction described is not directly or indirectly the subject of any pending or final judicial, SRO or administrative proceeding.

8. *Certification That the Transaction Described has not Been commenced or, if the Transaction has Commenced, a Statement Concerning its Status*

On behalf of ISI, I hereby certify that the transaction described herein has not been commenced. A Registration Statement on Form S-1 has been filed with the SEC.

9. Acknowledgment by the Person on Whose Behalf the Request is Made That the Request, together With any Documents or Information Submitted and any Response from the Division, is Public Information That may be Released for Publication, Except as Otherwise Provided by Law

On behalf of ISI I hereby acknowledge that this request, together with any documents or information submitted and any response from the Division, is public information that may be released for publication, except as otherwise provided by law.

The Staff is also advised that the stock dividend will be accounted for as a charge to retained earnings.

It is anticipated that the Registration Statement filed with the SEC will become effective and a record date for the stock dividend will be established in July, with the desire to distribute the stock dividend as soon thereafter as permitted in accordance with Delaware law. Therefore, it would be helpful to have the response of the Commission as soon as practicably convenient for the Staff of the Division in light of such proposed schedule.

Enclosed is check in the amount of \$200 payable to the Arizona Corporation Commission in payment of the nonrefundable prescribed fee for the processing of this request.

If you have any questions with respect to any of the foregoing, please contact the undersigned. Thank you for your consideration.

Respectfully submitted,


Michael J. Bilan

CC: Edward T. Swanson, Esq.