



Office of the Secretary

UNITED STATES OF AMERICA  
FEDERAL TRADE COMMISSION  
WASHINGTON, D.C. 20580

May 8, 2007

Salvatore A. Giampiccolo, Esq.  
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Carpenter, LLP  
40 West Ridgewood Avenue  
Ridgewood, New Jersey 07046

RE: Request of ZX Automobile Company of North America, Inc. for Stay of  
Application of the Franchise Rule

Dear Mr. Giampiccolo:

ZX Automobile Company of North America, Inc. ("ZXNA") has petitioned the Commission for a stay of the Franchise Rule, 16 C.F.R. Part 436. For the reasons stated below, the stay has been granted.

On January 22, 2007, the Commission approved amendments to the Franchise Rule, 16 C.F.R. Part 436, which will go into effect, on a voluntary basis, on July 1, 2007. Among other things, the amended Rule creates new exemptions for sophisticated investors that includes a large investment exemption, section 436.8(a)(5)(i). The large investment exemption applies when the "franchisee's initial investment, excluding any financing received from the franchisor or an affiliate and excluding the cost of unimproved land, totals at least \$1 million."

The Commission has reviewed the petition of ZXNA and determined that as of July 1, 2007, ZXNA will be able to take advantage of the large investment exemption from disclosure as set forth in the amended Franchise Rule. The Commission has determined that a stay of the Franchise Rule insofar as it applies to ZXNA, pending the effective date of the amended Franchise Rule, is appropriate and shall become effective this date. Accordingly, the Commission grants a stay of the application of the Franchise Rule to Petitioner.

By direction of the Commission.

Donald S. Clark  
Secretary