

NORTH AMERICA CASIN HOLDINGS, INC.

September 15, 2017

Brent J. Fields
Secretary
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: File No. SR-CHX-2016-20; Self-Regulatory Organizations; Chicago Stock Exchange, Inc.; Notice of Filing of Proposed Rule Change in Connection with the Proposed Transaction involving CHX Holdings, Inc. and North America Casin Holdings, Inc. (Release No. 34-79474; File No. SR-CHX-2016-20)

Dear Mr. Fields:

North America Casin Holdings, Inc. ("NACH") submits this letter regarding the proposed rule change by The Chicago Stock Exchange, Inc. (the "Exchange" or "CHX") in connection with the proposed transaction ("Proposed Transaction") involving CHX Holdings, Inc. ("CHX Holdings") and NACH.

The Securities and Exchange Commission (the "Commission") issued its Order Scheduling Filing of Statement on Review with regard to the Proposed Rule Change Regarding the Acquisition of CHX Holdings, Inc. by North America Casin Holdings, Inc. (File No. SR-CHX-2016-20) on August 18, 2017, and ordered that by September 17, 2017, any party or other person may file any additional statement. We submit the following additional statement for the consideration of the SEC to confirm that various irresponsible and uninformed statements made in other comment letters are in fact incorrect, and to reaffirm the facts contained in the detailed filings provided by CHX in connection with the proposed rule change.

1. Ownership structure

The ownership structure of NACH is clear and has been described in detail to the Commission in various filing in connection with the proposed rule change.

Prior to the Closing of the transaction, North America Casin Group ("NA Casin Group"), which is a wholly-owned subsidiary of Chongqing Casin Group ("Casin Group"), is the only stockholder of NACH. Upon the closing of the transaction, NACH will be owned by a consortium of both Chinese and US investors. The identities of this group of stockholders have been completely and thoroughly disclosed in the filings made by

CHX with the Commission in connection with the rule change filings with the Commission.

2. Relationships among the NACH Stockholders

The only Related Persons among the investors that constitute the consortium that will own NACH as of the Closing are Castle YAC and NA Casin Group, as was disclosed in the filings by CHX in connection with the proposed rule change. There are no other Related Persons among the investors. Casin Group and Chongqing Jintian Industrial Co., Ltd. are not related to each other. They are privately owned companies established and owned by different individuals. Despite unfounded and irresponsible accusations to the contrary contained in certain comment letters, the simple fact is that these stockholders are not affiliated with one another or with the other stockholders.

3. Funding for the Transaction

The investors that will constitute the stockholders of NACH upon the closing have available to them the funds necessary to close the transaction. Those stockholders that are Chinese have obtained the approvals from State Administration of Foreign Exchange of China that are required in order to transfer those funds to the United States and to NACH. NACH will use these funds to pay the merger consideration payable in connection with the transaction, related transaction expenses and future expenses of NACH. Contrary to what certain comment letters have asserted, Casin has not used the equity of CHX or CHX Holdings as collateral for any financing or borrowing in connection with the transaction. As the Commission is well aware, upon the closing of the transaction, Casin will own only a minority interest in NACH. NACH will own 100% of CHX Holdings, Inc. and CHX Holdings Inc will own 100% of CHX. Casin will not have any direct equity interest in CHX or CHX Holdings, and therefore is not even in a position to pledge or grant a security interest in any equity of CHX or CHX Holdings.

4. Saliba Ventures Holdings, LLC

Saliba Ventures Holdings, LLC is an investor in the proposed transaction. Mr. Anthony Saliba is also a Board member of CHX. Saliba Ventures Holdings, LLC did not join the consortium of investors until after the Merger Agreement between NACH and CHX Holdings, Inc. was executed.

5. Goals of Casin and Impact on the National Security of the United States.

Casin Group and the other members of the consortium have purely commercial motivations for acquiring CHX. The Committee on Foreign Investment in the United States ("CFIUS") has reviewed the proposed transaction, including all the national security issues mentioned in the various comment letters previously submitted to the

Commission. CFIUS concluded that there were no unresolved national security concerns.

6. Background of Casin Group

Casin Group is a company of integrity that is financially strong. Casin Group has an operating history of more than 20 years and has passed the inspection of the Industrial and Commercial Bureau of China every single one of those years.

The businesses in which Casin Group is involved, including real estate development, environmental protection, infrastructure investment and financial services, are all fully competitive areas. The stockholders, Board members and officers of Casin Group and its subsidiaries have no involvement or association with any criminal activities or criminal groups. All accusations in this regard contained in the comment letters received by the Commission are completely groundless.

Casin Group has no dealings with political figures. Despite the irresponsible accusations contained in some comment letters, Casin Group has had no dealings with Bo Xilai, the former communist party official who has been found guilty of various criminal activities.

Casin Group is a well-known company with a good reputation in Chongqing. It has been the recipient of the Credit China 100 Award, the AAA Enterprise Credit Evaluation Award, and the China Best Employer Award. After the Wenchuan 8.0 earthquake in 2008, Casin Group was actively engaged in the post-earthquake construction in Longquanyi district of Chengdu. Casin Group built more than 4.5 million square feet of commercial and residential space for over 5000 earthquake victims. Casin Group is currently building 1.5 million square feet of space. Mr. Lu is also a well-known philanthropist. Casin Group has made large and continuing donations in education, poverty alleviation and environment improvement.

7. Ownership of Casin Group

Several of the comment letters reflect a highly outdated picture of the Chinese economy. The Chinese economy has been transformed in recent decades from a system in which virtually all enterprises of any size were state-owned, into a dynamic, private-sector driven economy. Privately-owned companies, like Casin Group, now occupy an important position in the national economy of China.

Since the reform and opening up policy, which was instituted by Deng Xiaoping beginning as early as 1978, China has been encouraging the development of private companies and enterprises to help create economic growth and employment. By the first quarter of 2013, the number of private companies in China was estimated at 10.97 million, accounting for almost 80% of all the companies in China. Among these private companies, many are global leaders, such as the Alibaba Group, which listed its shares on The New York Stock Exchange in 2014.

Casin Group is a completely privately owned company and was founded by Mr. Lu Shengju. Casin Group is one of the top 50 real estate companies in Chongqing and one of the top 10 environment protection companies in Chongqing. After two decades of development, Casin Group has grown into an influential corporate group with businesses in finance, environment protection and real estate development. The stockholders of Casin Group have remained stable since its founding, with 74.36% of Casin Group being owned by Mr. Lu and the balance being owned by other persons involved in the management of Casin Group. There are no other stockholders. The allegation contained in a comment letter that Casin is 40% owned and controlled by Chinese government officials is completely false.

Casin Development is a publicly traded company that is a subsidiary of Casin Group and controlled by Casin Group. Casin Development operates in the real estate sector and is listed on the main board of the Shenzhen Stock Exchange.

After a capital injection of 1 billion RMB (approximately USD154 million) on September 28, 2015, Casin Group became the majority shareholder of Casin Development. Casin Development now has a total of 1.1 billion shares outstanding with a market value of 7.2 billion RMB (approximately USD1.1 billion).

8. Casin Group's Management Capabilities

Certain comment letters have argued that Casin does not have the management capability to become an investor in CHX. As a threshold matter, the business plan for CHX is dependent upon the retention of its current management team, who will continue to manage CHX after the transaction is completed. Casin Group will be one of a number of investors in a consortium, and will not be conducting the day-to-day operations of CHX. Management of the operations of CHX will remain in the experienced hands of its management team, a group that is well known to the Commission and the market generally.

Casin Group has a wealth of experience investing in and managing companies in the financial services sector. Financial services is one of the major businesses in which that Casin Group is involved.

Casin Group's investments in financial services include the following:

- (a) an investment in Chongqing Rural Commercial Bank in 2007;
- (b) an investment in Ancheng Property & Casualty Insurance Co. Ltd, (a company of which International Finance Corporation is also a stockholder), in 2011;
- (c) an investment in Evergrande Life Insurance Co. Ltd. (of which Great Eastern SG is also a stockholder) in 2013;

- (d) an investment in Shijiazhuang Huirong Rural Cooperative Bank in 2014;
- (e) an investment in Sino-Australian International Trust in 2015, and
- (f) an investment in HuaTai Insurance Group in 2016.

These investments by Casin Group have enabled it to develop abundant experience in the ownership and management of financial services companies. Casin Group is capable of supporting the business development of CHX as a supportive and well-qualified stockholder. As one of several proposed stockholders of NACH, Casin Group will participate in the relevant matters of the CHX in the capacity of a stockholder, providing advice and assistance to its strategy and growth, and will actively fulfill its stockholder obligations. As noted above, CHX will continue to be managed by its current management team. Casin Group is committed to contributing to the development of CHX with its financial and human resources, especially by providing assistance in establishment of a representative office in China and assisting CHX in its market development in China and South East Asia.

As demonstrated by the list of prior investments above, Casin Group has the experience and personnel to manage overseas investments. Many Casin employees are experienced with overseas investment and fluent in English, including overseas graduates and professionals hired by its subsidiaries based in Hong Kong, Shanghai, and Beijing as well as working from its headquarters. Executives of Casin Group all have English-speaking assistants. Mr. Jay Lu, the founder of Castle YAC Enterprises, LLC, is currently studying for his Master's Degree in Finance at Johns Hopkins University.

To summarize, Casin Group is a large, well-known and highly successful company in China. Mr. Lu is its Chairman, founder and controlling stockholder. Anyone wanting to learn more about Chongqing Casin is encouraged to review our website at <http://www.cqcasin.com>.

9. Casin Development

One comment letter has argued that Casin Development is not a successful company and argued that it has been mismanaged by Casin Group and is in financial difficulty. These accusations are false.

Casin Development has a strong asset base and a healthy business. Although Casin Development's net profit decreased recently due to business conditions, for the first half of 2017, Casin Development's revenue is RMB 400 million (approximately USD61.54 million USD) and its net profit was RMB14.91 million (approximately \$2.29 million USD). As of the end of the first half of 2017, Casin Development's net assets stood at 1.7 billion RMB (approximately USD260 million). (Interested readers are invited to review the Company's announcement on the Shenzhen Stock Exchange website, if they desire more detail).

Due to its announcement of a major asset transfer initiated by Casin Group, Casin Development applied to the Shenzhen Stock Exchange to suspend its share trading in accordance with trading rules and made the relevant public disclosures. Details of the suspension, which took effect on May 2, 2017, can be found on the Shenzhen Stock Exchange website. Casin Development is planning to purchase Casin Environmental Protection Co. Ltd. and other companies in the environmental protection sector.

As the restructuring is quite complex and time-consuming, the suspension, which has been approved by its Board of Directors and China Securities Regulatory Commission, in accordance with applicable laws and regulations, is a method, commonly used in China, to avoid equity market volatility and protect the interest of the public investors. Upon the completion of the transfer of assets to Casin Development, Casin Development will have added a completely new business line to its operations and will have enhanced its capabilities.

10. Allegations Related to Stock Loans and Casin Development.

One of the comment letters submitted has made completely unfounded accusations that Casin Group has been involved in improper transactions involving so-called "stock" loans.

A loan secured by stock is a common method of obtaining financing throughout the world, including in China. Casin Group has obtained financing from time to time using stock as collateral from the HengFeng Bank for many years, and has never defaulted on any debt. There is absolutely nothing improper about these financing activities. Casin Group believes it is one of the best and one of the most credit-worthy clients of HengFeng Bank.

As a public company, Casin Development is strictly regulated by China Securities Regulatory Commission. The substantial increases in Casin Development's stock price in 2015 and the first half of 2016 were the result of both (i) large increases in profit, and (ii) a general upward trend in China's thriving stock market.

Despite unfounded accusations in the comment letters that the CHX transaction has some relation to movements in the stock price of Casin Development, we believe that the stock price of Casin Development is extremely unlikely to be affected in any way by the news of the CHX acquisition because: (1) Casin Development is not the proposed stockholder of CHX; (2) Casin Group is subject to the 40% Concentration Limitation and 20% Voting Limitations of CHX and therefore will not have a very large economic interest in CHX relative to the size of the other businesses of Casin Group and Casin Development; and (3) it is not anticipated that CHX will be generating any substantial profits for Casin Group in the short-term after the acquisition.

The decline in the stock price of Casin Development in early 2017 is not due to any improper activities by Casin Development or Casin Group, but is instead the result of

the payment of stock and cash dividends, as well as a rights issue, and the general declines in the stock market in China. Casin Development's share price as of May 2nd, 2017 (the last trading day before the trading suspension discussed in paragraph 9 above), was 6.59 RMB per share (approximately USD1.01 Per share) and its market capitalization was 7.2 billion RMB as discussed in paragraph 7 above.

11. Market development of CHX in Asia.

Casin Group has been in several discussions with CHX regarding the opportunity to market the services of CHX in Asia, especially in China. CHX itself has researched the Chinese mainland market and Hong Kong market, and has knowledge of the Indian market. After the closing of the transaction Casin Group plans to explore with CHX the possibility of opening a representative office of CHX in China.

Casin Group does hope that, in the long-term, the experience it gains from being a stockholder of NACH (and thereby an indirect stockholder in the CHX) will help it to play a large role in the exchange industry in China. However, it is not expected that Casin Group would be in a position to participate in the founding of a securities exchange in China for several years.

* * *

As we have outlined above, while we respect the opinions of those concerned persons who have provided responsible, truthful comments on the proposed rule change, we believe it was necessary to correct the many false and unfounded statements that have been contained in a few of the comment letters that have been submitted.

We look forward to hearing the Commission's decision regarding whether to affirm the decision of the Commission Staff approving the CHX rule application. We hope that by correcting the many misstatements contained in other comment letters, we have helped provide the truthful and factual record necessary for you to make your decision.

Respectfully submitted,

NORTH AMERICA CASIN HOLDINGS, INC.

By: Xiao Yong
Name: Yong Xiao
Title: Chief Executive Officer