

December 15, 2017

Mr. Eduardo A. Alemon
Assistant Secretary
Securities and Exchange Commission
100 F Street, NE Washington, DC 20549-1090

Re: File No. SR-CHX-2016-20

Dear Mr. Alemon,

I am honored to comment on the Chicago Stock Exchange's (CHX) amended rule change¹ about the proposed acquisition of our nation's last independent stock exchange by a mysterious Chinese group purportedly led by a Chinese man named "Yong Xiao," the self-appointed "CEO" of an empty shell company North American Casin ("NA Casin").

I am deeply troubled by the opacity of this shell company and its numerous false representations made to the SEC.

It boggles my mind that Mr. Xiao, who speaks no English, is somehow able to present a comment letter to the SEC dated November 13, 2017 written in perfect English.

Equally obscure is the styling of this Xiao's letter that can easily infer fraud on the SEC: the letter lists no business address, no phone numbers, no website, no email addresses, no contact information for anyone, and not even backgrounds of the entity or its employees. The styling of this letter is so unusual that it seems to be born out of someone's garage using a dot matrix printer. Who wrote it? Who typed it up? Who submitted it to the SEC? Can a non-English speaking Chinese person's representation be relied on by the SEC? No one knows except that it's clear Xiao and CHX's deliberate evasion of transparency lends it no credibility whatsoever.

Fraud on the SEC, no money for the proposed CHX acquisition

The only "bright spot" in Mr. Xiao's letter is the fact that Mr. Xiao finally confirmed a suspicion long held by many other public commenters on this board: the fake Chinese buyers never had the money to acquire CHX in the first place:

According to Yong Xiao, "CEO" of NA Casin:

“ Some of the comment letters question why these [fake Chinese] investors withdrew. These investors cited a number of factors as responsible for their withdrawal, including the extraordinary delays to which the transaction has been subjected and **the fact that the funds**

¹ See CHX letter to the SEC, an amended ruling filing dated November 6, 2017. <https://www.sec.gov/comments/sr-chx-2016-20/chx201620-2673135-161449.pdf>

necessary for the investment were tied up and unavailable for use in alternative investment opportunities.²

Independent investigator and CNBC commentator John Carney flashed the fake Chinese buyers for the SEC in a comment letter dated August 28, 2017.³

The other principal Jay Lu's fake academic credential further invites scrutiny. Jay Lu is a 20-year-old college kid who barely got out of the Pasadena City College, not a "distinguished Johns Hopkins alum," which is a fake story told by NA Casin and CHX to mislead the regulators.

Beijing Casin Investment Holding Co Ltd
Source: Casin powerpoint

JAY LU *A College Kid
A Fake Bio*

PASADENA CITY COLLEGE

Beijing Casin headquarters. Right inset: Mr. Xiao, executive VP Beijing Casin.

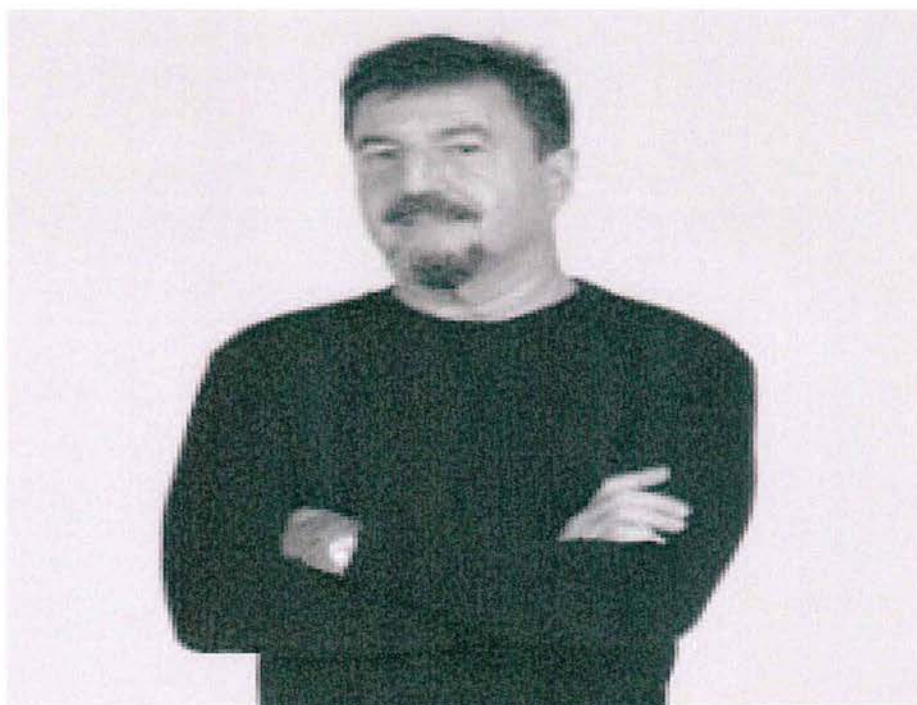
Yong Xiao: NA Casin CEO Dupes the SEC
**"This man speaks NO English,
But Writes the SEC in Perfect English..."**
How Is It Possible?

Another concern is the alleged crime of insider trading committed by an obscure Anthony Saliba, a CHX board member and the architect behind the CHX/Casin transaction.

² See comment letter submitted by Yong Xiao, the purported CEO of NA Casin, dated November 13, 2017: <https://www.sec.gov/comments/sr-chx-2016-20/chx201620-2800312-161690.pdf>

³ See comment letter from John Carney, independent investigator and CNBC commentator, dated August 25, 2017: <https://www.sec.gov/comments/sr-chx-2016-20/chx201620-2249018-160912.pdf>

(Photo courtesy: Anthony Saliba)



If the CHX deal were approved, Mr. Saliba would stand to reap a windfall profit of nearly \$1 million from his \$1 a share stock purchase in December 2015⁴ when he orchestrated a “timely” share trading for his own account while knowing the Chinese Casin would buy out his shares at \$14 a share. Anyone could speculate when Mr. Saliba would be led away in handcuffs for his insider trading offenses. But his prospect is ugly. Mr. Saliba confessed in his own SEC comment letter that “...*From idea to initial investment discussion, I knew the transaction...*”⁵

The fraudulent Saliba Put agreements, fraud on the U.S. government

Many commenters are troubled by the lack of real commitment from Saliba and even CHX itself towards the fake Chinese Casin deal. Saliba’s reaction stood out. As place holders for the fake Chinese buyers, Saliba and Raptor (a Saliba front man) would get a 50% ownership in CHX without putting up any money at risk. In fact, Saliba and Raptor are guaranteed handsome profits which would allow them to “put” their CHX holdings to the Chinese at any price they would demand.

Bribes, Fraud by CHX management

The proposed deal has another serious flaw: 9% of CHX would be given to CHX’s four top management staff for free. These are bribes and hush money to abet a fraud on the SEC.

⁴ See CHX website, I-Board trading history. <https://www.chx.com/chx-holdings/i-board/>

⁵ See SEC comment letter by Anthony Saliba, dated Dec 1, 2017: <https://www.sec.gov/comments/sr-chx-2016-20/chx201620-2743754-161579.pdf>