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Computershare and DRS

September 16, 2021

Direct Registering Shares (DRS) is the MOASS key handed on a golden platter. Dr T has been preaching this for months with CMKM as an example that exposed phantom shares. ComputerShare is not some shady company. They are the designated transfer agent for 37.4% of the market.

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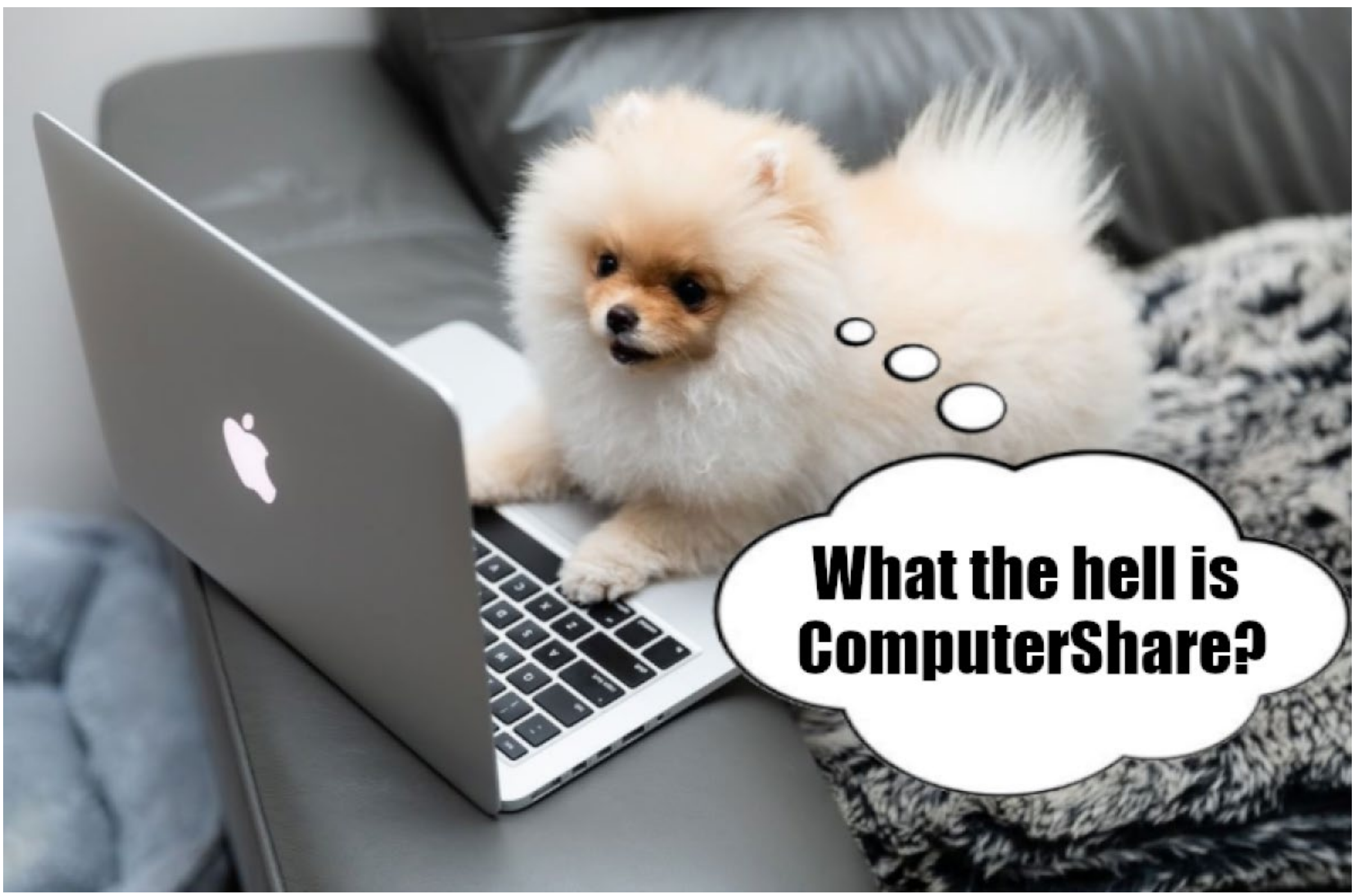
0. Preface

Hello apes. I am not a financial advisor and I am not providing financial advice.

I've been getting a few PMs and comment replies asking about ComputerShare, and there's definitely FUD around it. I get why there can be FUD, but hopefully this will dispel your doubts.

I thought I'd drop in and compile my thoughts - as well as borrow from other posts. In my opinion it's a bit crazy that there's so much negativity around the potential key to the MOASS. This isn't really "DD" but I thought I'd mark it as such anyways. Mods, feel free to change it.

Sorry that this might look like a rehashed post since there are **tons** on the subject right now. DRS is too important of a subject to pass up, and some info within this post I haven't really seen in recent posts. So hopefully there's some new stuff here for skeptics.



1. Direct Registering Shares (DRS)

The act of Direct Registering Shares (DRS) is taking a security and registering that security **in your name** which is then held on the books of the transfer agent or the company (GameStop).

DRS is waay better than having "Street Name" Registration, which is where the security you buy through Fidelity/TD Ameritrade/Webull is under **their** name and held on their books. If the float of GameStop is "Street Name" registered, then:

- It allows brokers to trade with one another in ex-clearing for these securities and produce fails on their books. They have a massive pool of float to borrow from to give you "shares" in your account and they can continue to "reasonably locate" shares to reset their fails.
- The brokers don't have to purchase a share on the market when you send a buy order. If they can "reasonably locate" a share due to the float not being locked up, then they can essentially give you an IOU.
    - This is what happened to CMKM Diamonds that Dr. T has been talking about for a while. Brokers wouldn't even buy the damn shares but investors were credited with "shares" on their account. Bam. One way that phantom shares are introduced.
- It allows shorters to continue to borrow from a massive pool of float and short the stock because they can "reasonably locate" shares, even if there is a plethora of phantom shares in existence. To the DTCC and the broker dealers, the shares are there and available!
- As long as a massive portion of the float stays "Street Name" Registered, the float isn't locked up and they can continue to stall the game, dragging the price.

As an individual investor, you have up to three choices when it comes to holding your securities:

➤	**Physical Certificate** — The security is registered in your name on the issuer's books, and you receive an actual, hard copy stock or bond certificate representing your ownership of the security.
➤	**"Street Name" Registration** — The security is registered in the name of your brokerage firm on the issuer's books, and your brokerage firm holds the security for you in "book-entry" form. "Book-entry" simply means that you do not receive a certificate. Instead, your broker keeps a record in its books that you own that particular security.
➤	**"Direct" Registration** — The security is registered in your name on the issuer's books, and either the company or its transfer agent holds the security for you in book-entry form. The "Direct Registration System" (also known as "DRS") allows investors to transfer securities held this way. For more information about DRS, please see our Frequently Asked Questions below.

https://www.sec.gov/reportspubs/investor-publications/investorpubsholdsechtm.html

DRS is a solution to the bullshit they're performing to suppress the stock and continue to produce phantom shares:

- When the security is registered **in your name** on the books of the transfer agent or GameStop, it chunks down the remaining float.
  - Think of institutions registering millions of share ownership and reducing the float. By DRSing shares, shareholders effectively do this and officially reduce the float.
- With less float, the broker-dealers, shorters, and market makers have less power. They'll be more constrained when it comes to "reasonably locating" shares. As the float gets locked up towards 0 shares in float, everything goes to shit:
  - The brokers can no longer reasonably locate shares for you when you place an order. All shares have been purchased and the buy button effectively shuts off. (Assuming other retail isn't selling to you). This method of phantom share creation shuts down.
  - Shorters cannot locate shares to borrow to short. This method of phantom share creation shuts down.
  - Broker-dealers and others cannot locate shares to reset FTDs in ex-clearing. FTDs can skyrocket, finally triggering Reg Sho closeout obligations.

But as long as the majority of the float remains **"Street Name" Registered** rather than "**Direct" Registered**, they can continue producing phantom shares and resetting fails. Essentially nullifying all buy pressure from retail.

2. ComputerShare

The good news is that Direct Registering of Shares is a process that is provided through "transfer agents" for companies. So, it's possible for retail to register the shares in their name and chunk down the float.

> The Depository Trust Company (“DTC”) offers a service to transfer agents known as the Direct Registration System (“DRS”). DRS allows transfer agents to provide shareholders with the ability to hold their shares in book-entry form with the transfer agent instead of a physical stock certificate. A DRS Statement evidences ownership of the security and replaces the physical stock certificate. DRS shares are represented by a DRS Statement in the name of the shareholder. The shareholder has full ownership of the shares and has all rights and privileges of share ownership. The Direct Registration Statement serves as evidence of ownership of the shares as opposed to a physical certificate.

https://www.securitieslawyer101.com/2017/transfer-agent-direct-registration-system-drs/

In fact, that is the **ONLY** way to DRS. It **must** be from the designated transfer agent of the company.

And who is the designated transfer agent for GameStop? ComputerShare. This is directly from a SEC filing for GameStop:

9. Who Counts the Votes?

We have engaged Computershare, our transfer agent, as our inspector of elections to receive and tabulate votes. Computershare will separately tabulate "for" and "against" votes, abstentions and broker non-votes. Computershare will also certify the results and determine the existence of a quorum and the validity of proxies and ballots.

https://www.sec.gov/Archives/edgar/data/1326380/000119312521126940/d122967ddef14a.htm

In order to DRS GameStop shares it has to be through ComputerShare. They are the only ones who can perform the DRS service to register shares in your name on their records.

There is FUD about ComputerShare performing a buyout of Wells Fargo Trust, but that's really irrelevant. Or that they have negative reviews, CEO sold stock, so forth. That's pretty damn normal for an entity as large as themselves.

ComputerShare provides transfer agent services for many companies of all sizes. I'm sure the shareholders of the following companies are freaking out that ComputerShare is their trading agent!

Check out who also uses ComputerShare:

https://www.microsoft.com › en-us › investor › investor...

Information for Investors - Microsoft

Computershare, **Microsoft's transfer agent**, administers a direct stock purchase plan and a dividend reinvestment plan for the company.

Microsoft

https://investor.apple.com › faq

FAQ - Apple - Investor Relations

Apple's transfer agent is Computershare Investor Services. ... Phone: 877-360-5390 (U.S. toll-free); +1-312-360-5399 (non-U.S.). Address: Computershare Trust ...

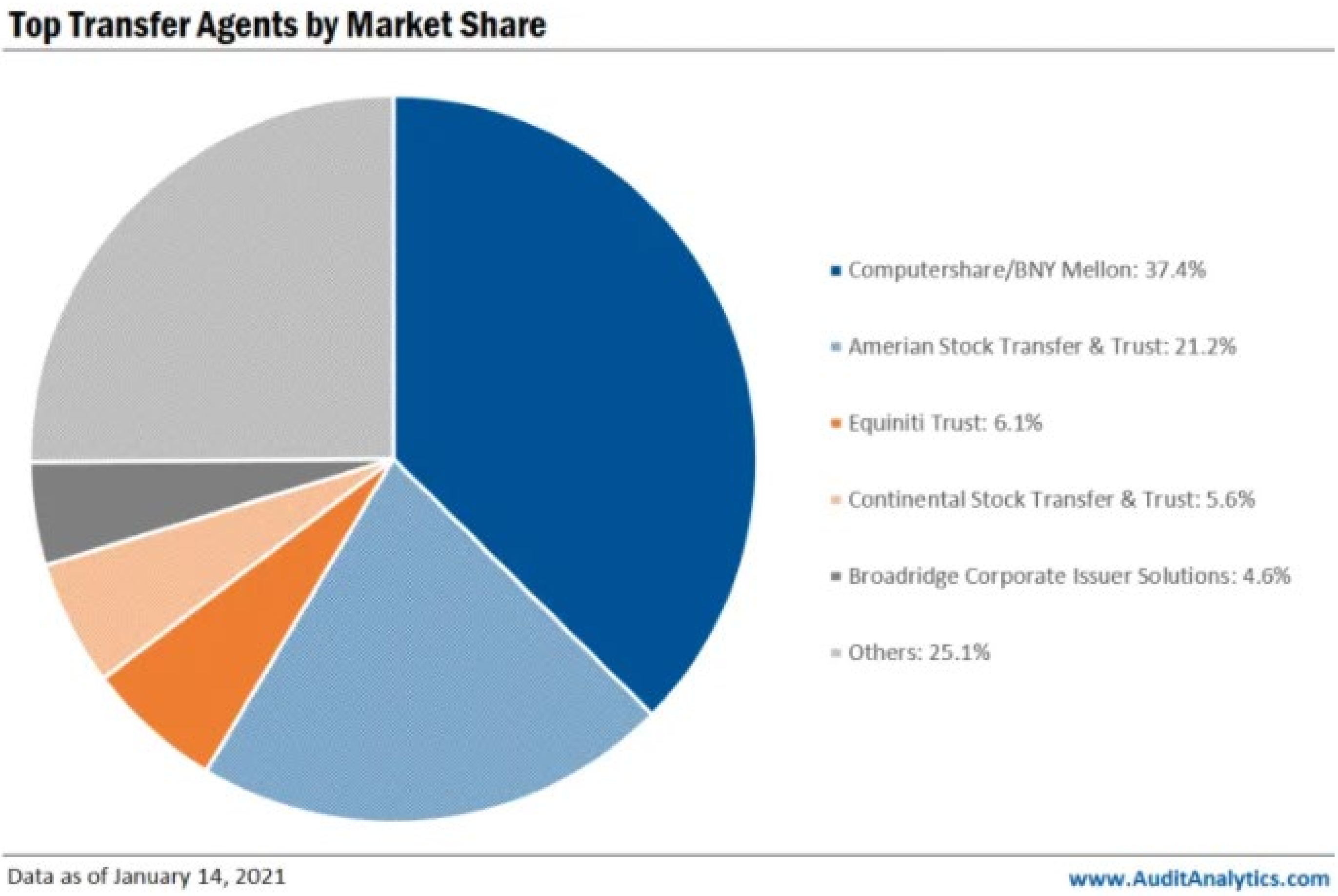
Apple

Who is Amazon's transfer agent? When should I contact them?

Amazon's transfer agent is Computershare, and can be reached at (800) 522-6645.

Amazon

In fact, ComputerShare is the transfer agent for the plurality of the market, at 37.4%:



https://blog.auditanalytics.com/transfer-agent-market-share-2020/

So, really, I do not see how ComputerShare is anything to worry about. It's **the** golden platter, placed right in front of apes. Honestly I feel pretty dumb for not realizing this earlier when it has been posted about many months ago.

- Direct Registering of Shares pulls the float and locks it up because it is no longer registered as "Street Name" under broker dealers.
- Direct Registering of Shares **must** be with the designated transfer agent of the company. In this case, it **must** be through ComputerShare.
- ComputerShare is the transfer agent for the plurality of the market including major names such as MSFT, AAPL, and AMZN.
- As long as the float remains "Street Name" registered, they can continue can-kicking. They can continue selling retail more phantom shares, nullifying buy pressure, and resetting fails via ex-clearing.
- Broker dealers + shorters + market makers lose their price suppression power and phantom share creation power as they have less float to work with.
- The moment more float is registered via DRS than exists, shit hits the fan (as Dr. T says!) because you immediately have evidence of phantom shares.
- It's not "coordinated market manipulation" if you're just registering the shares that you already bought. You want to show that you're a registered shareholder!

3. CMKM Diamonds - Dr. T's Example of Phantom Shares Exposed by DRS

I'm surprised I didn't look into this company earlier on either. Dr. T had been mentioning them many times over as an example of how DRS exposes phantom shares, and I'm sure a few apes have created posts on them in the past.

> CMKM was a Canadian company with an interest in diamonds. The shareholders didn‘t know that mineral rights they were told about were owned by the founders, not the company. Criminal and civil complaints ensued. A reform management changed the company name to New Horizons Holdings, Inc with a plan to raise capital for the purchase of oil or gas assets. If successful, they would be able to return the shares to trading status with the hope of restoring value to shareholders.
>
> **NHH directed all shareholders to obtain their stock certificates and exchange them for new shares. That‘s when the masses of phantom shares and corruption of some big brokers came into stark view. Many investors discovered that their brokers had taken their money and never bought or received CMKM shares.**
>
> ...
>
> The investors had “phantom shares.” They were allocated a fail to receive on the broker‘s own books, but payment money was taken from their cash accounts, and they continued to receive statements showing share positions for CMKM. - Source

Because of "Street Name" Registering, the above was allowed. Brokers wouldn't even purchase the stock and paddle fails around through ex-clear. A huge chunk of the float was not direct registered, so they had a massive pool to work with when producing phantom shares and resetting fails.

A huuuge scandal around CMKM Diamond occurred, resulting in the phantom shares being exposed. A lawsuit of nearly $4 Trillion was pushed because WallStreet got away with screwing the investors **after creating nearly 2.25 Trillion phantom shares**. They decided "eh" and just deleted the phantom shares, resulting in the class action lawsuit that stole trillions of dollars from MainStreet investors.

CMKM Diamond had a float of around 703 Million. But once the certificate pull occurred through direct registering of shares, it showed 2.25 trillion phantoms were out there.

That's **3200x** the damn float. Which was probably exacerbated because it was a penny stock that was being cellar boxed for (allegedly) illegal money laundering activities. It was an easy target for broker dealers + market makers + short sellers to abuse.

THAT HAVE BEEN DRIVEN INTO DELISTING AND/OR BANKRUPTCY AS A RESULT OF THIS ONGOING FRAUD FOR THE LAST 10 YEARS. A CASE IN POINT IS THE ONE OF CMKM DIAMONDS INC. FORMERLY TRADED AS CMKX WHICH HAD A TOTAL FLOAT OF 703 MILLION SHARES HOWEVER AFTER THE 50,000 SHAREHOLDERS ORGANIZED AND COMPLETED A FIRST EVER STOCK CERTIFICATE PULL AND PROVED A FAILS TO DELIVER THAT AMOUNTED TO A NUMBER IN THE TRILLIONS OF SHARES ON THIS ONE SECURITY ALONE AND CONSEQUENTLY PROMPTED THE SEC INTO DELISTING THIS COMPANY. ALTHOUGH THE SEC HAS BEEN MADE FULLY AWARE OF THIS

https://www.sec.gov/comments/s7-19-07/s71907-1421.htm

When shit hit the fan and the stock got pulled because it was a penny stock, the phantoms got deleted and the whole situation got swept under a rug. The MainStreet investors obviously got upset and filed a class action lawsuit to the sum of almost $4 Trillion.

But, the SEC loves retail so they helped out!

Just kidding. They didn't do jack shit because the SEC was also alleged to be complicit and that they knew of the fraudulent activities occurring on the security.

Now, the difference here was that CMKM Diamond was a penny stock and was on the brink of bankruptcy. It was easy to delist the company and hit the nuke button.

GameStop is not in that situation.

> This office represents seven of CMKXs larger shareholders who collectively hold more than 3.5 Billion shares. We have prepared a Bivens based class action lawsuit seeking release of all the funds that have been collected for the benefit of CMKX shareholders, or for damages in an amount in excess of $3,780,000,000,000. This suit alleges that the SEC commissioners have violated the Fifth Amendment Constitutional property rights of the shareholders by withholding consent to the release of such funds, for years, which amounts to a taking without due process of law. Some of the specific allegations made in the complaint include:

https://www.sec.gov/comments/4-590/4590-100.htm

The phantoms that were being produced wouldn't even show up on reported volumes, since a massive chunk was traded ex-clearing. Which is where broker dealers could reset fails and keep the phantom share machine churning:

> From March 17, 2005 through April 29, 2005 CMKM traded publicly, in the US under the trading symbol CMKX, a total of 551,756,751,833 shares, an average share volume of more than 17 billion shares per day, reaching a maximum on April 21, 2005 of 94,654,588,201 shares. These figures do not include foreign trades nor trades made on an ex-clearing basis such as those disclosed by Jefferies Company , Inc. on May 6, 2005: between March 25, 2004 and September 21, 2004 Jefferies traded 111,780,681,204 shares of CMKX stock on an ex-clearing basis.

https://www.sec.gov/comments/4-590/4590-100.htm

> During the period of June 1, 2004 through October 28, 2005 a total of 2.25 Trillion phantom shares of CMKM Diamonds Inc, was sold into the public market through legitimate brokers, illegitimate brokers and dealers, market makers, hedge funds, ex-clearing transactions and private transactions. The sales of the majority of such shares were at all times known to the Securities and Exchange Commission, including Defendants herein.

https://www.sec.gov/comments/4-590/4590-100.htm

At some date prior to June 1, 2004 the Securities and Exchange Commission in concert with the Department of Justice of the United States, together combined with Robert A. Maheu and others to utilize CMKM Diamonds, Inc. for the purpose of trapping a number of widely disbursed entities and persons who were believed to be engaged in naked short selling of CMKM Diamonds Inc. stock and cellar boxing the company. The Securities and Exchange Commission and the Department of Justice, with assistance from the Department of Homeland Security, believed and developed evidence that said short sellers were utilizing their activities to illegally launder moneys, wrongfully export moneys, avoid payment of taxes, and to support foreign terrorist operations. To fulfill the plan to criminally trap such wrongdoers, the Securities and Exchange Commission, with assistance from the Departments of Justice and Homeland Security:

https://www.sec.gov/comments/4-590/4590-100.htm

In my opinion? DRS is the killshot. But do your own research. Do not take my word for it.

Killshot Engaged

September 20, 2021

ComputerShare and DRS is the way. It ignites the squeeze because it's equivalent to an investor-driven share recall. You aren't transferring shares, you are transferring CERTIFICATE ownership away from the DTC and into retail's hands. Shares can be replicated infinitely. Certificates can NOT.

ComputerShare and DRS is the way. It ignites the squeeze because it's equivalent to an investor-driven share recall. You aren't transferring shares, you are transferring CERTIFICATE ownership away from the DTC and into retail's hands. Shares can be replicated infinitely. Certificates can NOT.

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0. Preface

I am not a financial advisor and I am not providing financial advice.

But I am a SNEK. At least, I am a Snek to all of the anti-ComputerShare and anti-DRS posters.

I have yet to see anything countering the main benefit of registering, which is locking up float certificates. **Which can lead to the MOASS.**

In my opinion it is the only way to MOASS.

I keep seeing FUD and skepticism on ComputerShare. It's slowly dying off, but I think it is too important for me to not continue pushing this.

So, hopefully, this clears it up for skeptics or those who are cautious and why DRS is the way.

Guess what baby. I'm not even really a Pomeranian. Mwahaha. I'm a Snek ~~Skeletor~~! Ah ah ah ah.

I knew that damn Pomeranian was a shill this whole time.

Sorry if anyone has fear of snakes. Hopefully the above is less spooky.

1. Understand possible risks by registering. Research yourself before registering any shares.

As a boiler plate, you will want to understand some potential risks behind registering your shares. Again - not financial advice. It is **your** choice on whether or not to direct register. In my opinion the pros of direct registering **vastly** outweigh the cons, but don't take my word for it.

From ComputerShare itself, the securities are not protected by standard SIPC or FDIC insurance:

> CIP accounts, the securities held therein and any cash temporarily held on behalf of a Participant are not deposits of Computershare and are not insured by the Securities Investor 14 Protection Corporation (SIPC), Federal Deposit Insurance Corporation (FDIC) or any other federal or state agency

This is mainly because your shares are not "street name" registered any more but rather "book name" registered via direct registration. So, that is something to consider.

Another concern is selling shares which obviously is a key point to push for FUD. If we go back in time to /u/ajquick's post, they crush the FUD about selling shares and other concerns.

Take a look at their post if you want an in-depth explanation of why the FUD is peddled to make you scared of registering your shares. Here is a tidbit from their post:

> **Example #1: You won’t be able to sell your shares.**
>
> This is the most common FUD that is posted to try and dissuade people from ComputerShare. ComputerShare has a relationship with brokerages to sell your shares when you request them to. I had previously thought, incorrectly, that sales would take a bit of time. This is false.
>
> With ComputerShare and GameStop’s DirectStock plan, you have the following options to sell:
>
> - Market Order
>
> - Limit Order (Day)
>
> - Limit Order (30 Day)
>
> Lots of FUD going around that says something to the effect of: *If you try to sell, it will take days!*
>
> **False**
>
> If you initiate a market sell order on ComputerShare, they will attempt to execute it immediately. If you submit a limit order, they will enter it to go at the price you specify or greater. There is absolutely **no problem with selling using ComputerShare**. Settlement will still take T+2 days as usual, same with any other broker.

ComputerShare also has standard language that sells may only partially fill, or not at all. Surprise - that is boiler for brokerages too. Nobody can guarantee that the demand side of the equation is met.

But that all being said, it is something to research. /u/ajquick did a great job providing sources in their post and is a good starting point.

What I will emphasize is to read multiple posts based on evidence. Do not fall for the pure conjecture comments saying "ComputerShare is bad because of <blank>" when there is no evidence provided. Or if it takes a leap to suddenly imply it is nefarious.

Here's a FUD campaign example from myself that I just came up with:

> Fidelity routes options + share trades to Citadel. Fidelity is in cahoots with Citadel so you should not use them as a broker because they will prevent you from selling your shares during MOASS.

The above has no basis. I came up with some foregone conclusion by making a huge logical leap. It would be so easy if I was a shill to push this around reddit like wildfire because it very easily instills fear. It connects the broker to Citadel who we know manipulates markets so it's easy to eat up as if Fidelity is automatically nefarious and will not allow retail payout.

Until the FUD statements around ComputerShare are proven logically, you can assume that they are FUD campaigns because they take a massive leap to reach their conclusions.

It's good to be cautious of new things like ComputerShare at first. But you should be even **more** cautious about the FUD or conspiracy theories because it can be more damaging in the end.

Likewise treat it the same way with hype conspiracy theories. Don't get caught up with conclusions based on pure hopium if there's no basis to it.

2. ComputerShare is a Transfer Agent. All they handle is bookkeeping of shareholder records on behalf of GameStop

ComputerShare isn't a new company. They are a transfer agent which provides the service of registering shares and bookkeeping of shareholder records which has been around since 1978.

What goes on for pretty much any company is that they need to figure out stock ownership for the total amount of stock certificates that they have issued. In the case of GameStop, they have roughly 76.49 Million stock certificates to keep track of.

Note that these certificates are unique and cannot be replicated. These are the official stock certificates that prove ownership. In the past, you would physically handle these certificates rather than an electronic entry on your brokerage account. Now, you have the electronic entry and the transfer agent handles who owns the stock certificates.

Instead of wasting time + money + manpower on handling the bookkeeping of stock ownership, dividend payments, and other tasks, **companies will offload this effort to a third party company**. This "third party" is called a transfer agent and there's a few large agents out there that companies choose from.

GameStop chose ComputerShare as their transfer agent to handle the bookkeeping of their share ownership.

And that's not really a surprise, since ComputerShare holds a plurality control over the market at around 37.4%. They provide transfer agent services to a few other popular companies as well:

- Apple
- Microsoft
- Tesla
- Amazon
- Overstock (whom did the first NFT dividend to crush shorts!)

3. Ryan Cohen and institutions had to direct register through ComputerShare to show their holdings.

When you look at ownership of any stock, the official stock holders had to register their shares, through the transfer agent, to show ownership of the stock and pull certificates in their name.

This includes Ryan Cohen, the executives, and institutions that hold any share ownership of GameStop. They've all done it - are they falling for a scam? Doubtful, when it's the service chosen by GameStop themselves to offload the task of bookkeeping of shareholder records.

Hypothetically let's say, tomorrow, that institution ABC shows up on GameStop's institutional holdings and that ABC has purchased 40M of the remaining 61.83M float. Reddit would explode claiming, "Holy shit! It's a long whale!" and everyone would be excited that the float is being constricted more.

What would have happened in this hypothetical situation is that ABC would have purchased 40M stock and then registered through ComputerShare to transfer ownership of 40M certificates from the float to themselves.

The same exact thing can happen with retail! By direct registering shares, it's equivalent to an executive or institution registering ownership.

And by doing this - it pulls certificates from Cede & Co which constricts the float!

Retail **is** that long whale. But right now nobody **officially** knows it because retail has yet to register.

4. You are not "transferring" a share. You are transferring certificate ownership on GameStop's shareholder books.

Something that might be strange to understand conceptually is that you aren't really transferring a "share". **You are transferring certificate ownership by telling ComputerShare to move a certificate from Cede & Co. to your name**.

Think of the certificate and the "share" in your account as completely different things. The certificates themselves cannot be duplicated and they are records of who officially has a stake in the company. The shares in your account is just an entry on the broker saying that you own some amount of stock, though unofficial.

So in regards to your brokerage account, your shares are just a record on the broker's books that you own shares. It doesn't matter if they are "real" or phantom. But to be clear, no matter where you have the shares, you own those shares and you have the right to sell them.

To emphasize: No, you will not be screwed if you don't register. YOU own a "real" share regardless of certificate ownership. This is the premise of the MOASS in the first place is that shorts must cover all shorted (phantom)

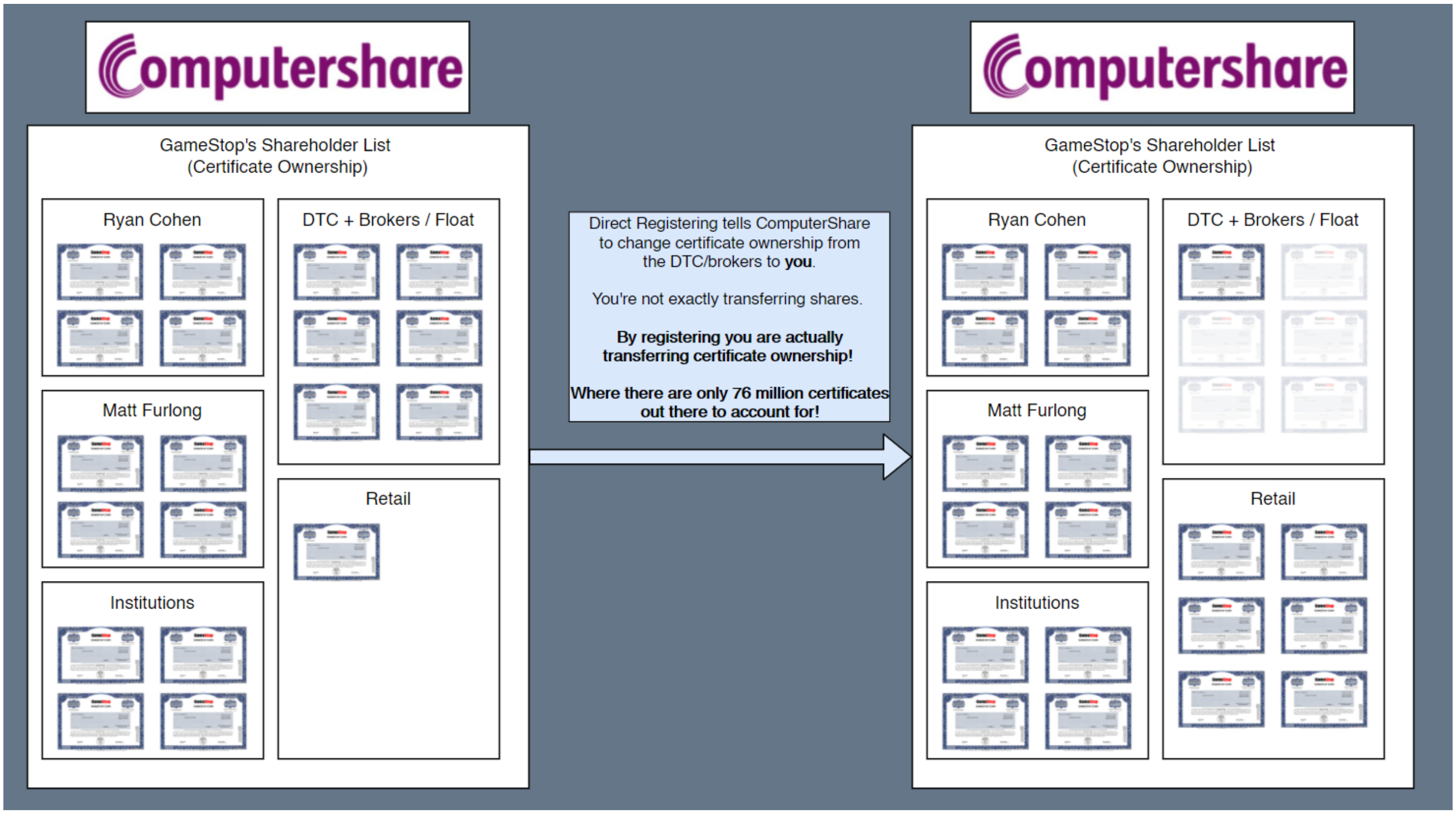
shares.

What goes on in the background is that by direct registering you are changing bookkeeping of the certificates which are handled by ComputerShare on the behalf of GameStop.

- There can be an infinite amount of phantom shares out there in brokerage accounts due to shorting. These are nothing more than entries on the broker's books saying you have N number of shares.
- There is a finite amount of certificates to show ownership of a stock. **GameStop only has 76.49 million certificates because that is their outstanding share count.** These are official proof of ownership of the stock.
- ComputerShare transfers **certificate ownership** between parties. The actual "stock" in your brokerage account has not technically changed because the structure of the share is the same.
- **All you did was change a bookkeeping record for GameStop through ComputerShare to officially mark ownership of the company!**

The below will hopefully help visualize what is going on.

1. On the left is the shareholder record showing that the DTC + Brokers own 6 certificates. This is the "float" that hasn't been locked up.
2. Say that retail decides to register 5 shares. This tells ComputerShare to change ownership of 5 certificates from the DTC to retail's name.
3. On the right is what happens to the record after retail makes its purchase and registers. The DTC + brokers have fewer shares to work with and the float reduces because, just like an institution or executive purchase, **retail has officially registered ownership and moved certificates into their name.**
4. This bookkeeping only has the outstanding share count of certificates on it. It's impossible to direct register more shares than exist because there will only ever be 76.49 Million certificates (unless they do another offering)! If another request comes in to register a share and all certificates are locked - then that proves phantoms exist!



You are transferring certificate ownership and locking up the float!

5. GameStop cannot tell its investors to direct register because of the CMKM fiasco which exposed trillions of phantom shares

Let's go back to the CMKM fiasco that Dr. T mentioned as an example of the power of direct registering shares. They were a company that was caught in fraudulent activities and DRS exposed a massive **3200x float of phantom shares (2.25 trillion of a 703 million float)!**

The Company was going to go under a new name, so CMKM **told** their investors to direct register and pull certificates in their names so that the shares could be redistributed.

This locked up the float and pulled all certificates into individual investor's names + executives + institutions. After so many requests came in, no more certificates could be assigned ownership.

The problem is, more requests to register came in following the entire float being locked up. This meant that phantoms exist - because there are only so many certificates in existence which can have ownership. If all certificates are accounted for and another share requests to be marked as an owner - whoopsie. Someone fucked up.

This resulted in a huge scandal where the SEC decided to delist the company and delete the phantom shares, preventing a squeeze, because the company was already caught in fraudulent activities and it was trading as a penny stock at the time. The stock was also reportedly cellar boxed which, if you remember from the Cellar Box DD, means that it was manipulated at thousands of a penny increments to profiteer off of the liquidation and maintain the stock at a "cellar" price.

Those poor fucks at Citadel are screwed if they've been cellar boxing the zombie stocks of Blockbuster, Sears, etc. that have yet to fully liquidate and if those stocks aren't nuked just like CMKM.

GameStop thankfully isn't in that situation, so they can't exactly hit the nuke button. It's not in a scandal of fraudulent activities, and it's not trading at bankruptcy levels.

What happened following the disaster of CMKM phantoms being exposed, is that the DTC made a rule to prevent companies from telling their shareholders to DRS their shares**. Because the very act of doing so exposed the phantom shares of CMKM and almost ignited a squeeze.**

/u/suddenlyy goes into great detail here on how the DTC created a rule for this:

https://www.reddit.com/r/Superstonk/comments/pr32zj/cmkm_and_gamestop_why_cant_gamestop_ask/

So, those of you who are waiting for GameStop or Ryan Cohen to initiate a share recall or for them to play their hand - they can't.

The DTC decided to be cucks because they **know** that if a company expects their stock is being manipulated, they could fuck the entire system by insisting that investors direct register their shares.

Honestly, you could think of completely registering the float through DRS as being equivalent to a share recall. **The best part is that this is in the power of the individual investors!**

There has been so much FUD and attempts to suppress this information the past 8 months. I have never seen so much FUD on any topic before, and continued FUD.

Fuck yeah it seems like this is busting a nerve on WallStreet because it's gaining traction. It can end the fuckery when all certificates are accounted for.

And what's nice is that because ComputerShare is the recordkeeper of certificate ownership of shares on behalf of GameStop, is that GameStop will be fed the information of share ownership. They will know when all 76.49 Million certificates are accounted for and registered.

Some reading if you're curious for more about CMKM:

- https://www.thekomisarscoop.com/2020/03/how-phantom-shares-on-wall-street-threaten-u-s-companies-and-investors/
- https://www.sec.gov/comments/4-590/4590-100.htm
- https://www.qualitystocks.com/government-sting-operation-leaving-cmkm-diamonds-shareholders-tired-of-waiting-for-reimbursement/

6. Direct registering pulls lending power from brokers because you are reducing the amount of certificates they "own". Marking your brokerage to not lend shares does NOT lock down the float.

We have been saying "buy and hold" will launch this rocket.

Hell, I was even thinking that a market crash could cause MOASS.

I no longer think that this is true.

Here we are almost 8 months after the January sneeze, and things have yet to take off. Why? Because they are still playing with the float that remains unlocked. They (DTC + brokers) are able to lend the shares at extremely cheap rates because they maintain certificate control over 61.83 Million shares and continue to profiteer off of the delayed squeeze by sucking up money by lending, options premiums, and PFOF.

For many months we have been claiming retail owns multiples of the float. And that everyone should turn off share lending if they don't want their shares to be lent. **It's great information to spread, but there is a big problem with this!**

It doesn't matter if you're marking a phantom share to not lend! It's not marking the float as long as the DTC and brokers maintain control of those certificates!

They can keep the phantom machine churning, possibly indefinitely, because they'll borrow against those certificates since they still have 'ownership' of them. Here's what can be going on:

1. A short is made to match a retail buy. Retail gets a phantom share. Retail **does not** get assigned the certificate and therefore doesn't officially own the stock. They have a stock on the brokers books, but they are not an official shareholder.
2. The broker lends out shares because they "locate" them against the certificates in the broker's name. Either they lend to a shorter or internalize the order against their own holdings to perform the short sale.
3. If the short sale eventually produces a FTD, the broker-dealers can paddle the failure between one another by "locating" against those certificates via ex-clearing. Over, and over, and over again.
4. Maintaining a high certificate count means the broker-dealers have more lending power to either produce more phantom shares or reset FTDs. High lending amount. Low borrow rate. Shorting continues. Fuckery continues. **MOASS remains delayed as they wait until retail gets bored because they don't lock up the float.**

If you think about it, and if we claim retail owns multiples of the float, then the MOASS should have taken off by now if disabling share lending restricted lending power. What were the estimates? Some numbers like 2 billion shorts at one point or 33x the float? Surely disabling lending should have restricted their original lending power. But it does not. **Because it's not restricting the float.**

1. The brokers have 61.83 Million certificates to borrow against.
2. Retail gets 61.83 Million phantoms for a total of 123.66 Million shares.
3. Retail turns off lending on all phantom shares. The broker still maintains 61.83 Million shares to lend against because they still maintain those certificates. All retail did was mark an **IOU** on their account.

But, pulling those certificates in retails name through Computershare officially shuts down lending on the float! The brokers no longer officially have ownership and cannot borrow against those shares any more.

It's almost guaranteed that there will be pushback on anyone trying to register their shares because it pulls the lending revenue stream from the brokers. **They would absolutely love for this to continue and not squeeze, because all of them can continue to profiteer off of lending, option premiums, and PFOF. Bastards.**

It's easy for them to get cash to continue to avoid margin calls and suppress the price. But taking away lending power from them by officially registering the entire float gives them a massive fucking middle finger because it **constrains** them.

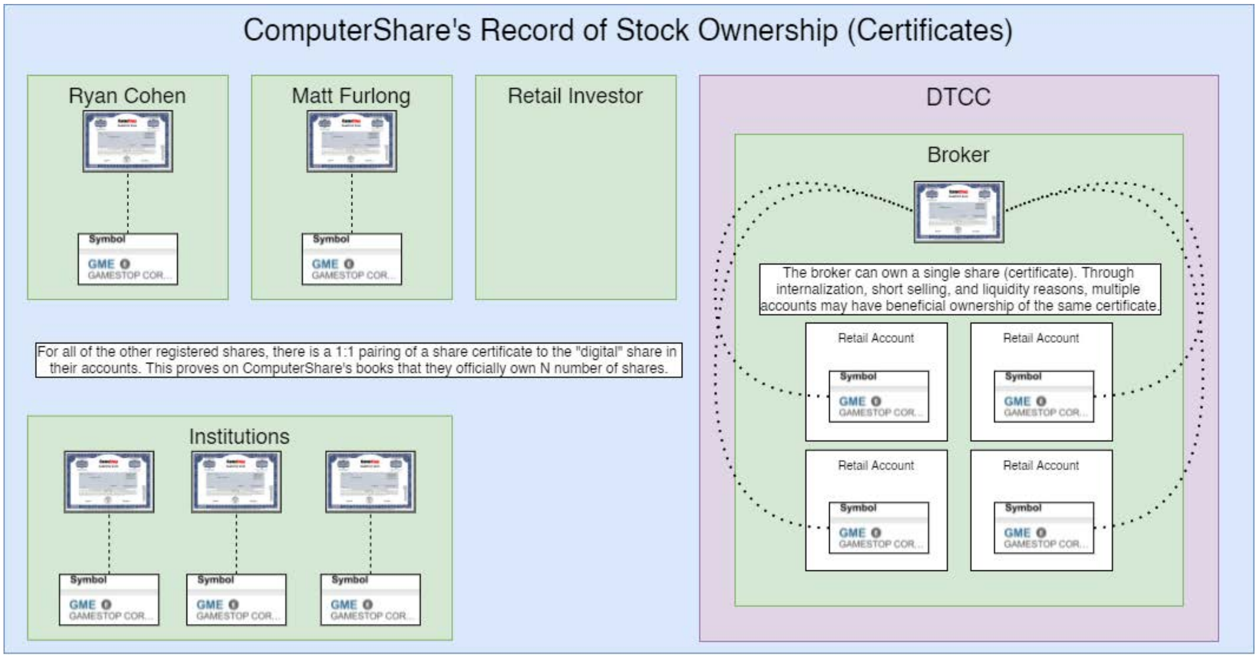
DRS is going to constrict lending and it can result in increased borrow fees, lower amounts of lendable shares, and increase of FTDs. It slowly pulls the certificates away from those greedy bastards and chokes them to death until it kicks off the MOASS.

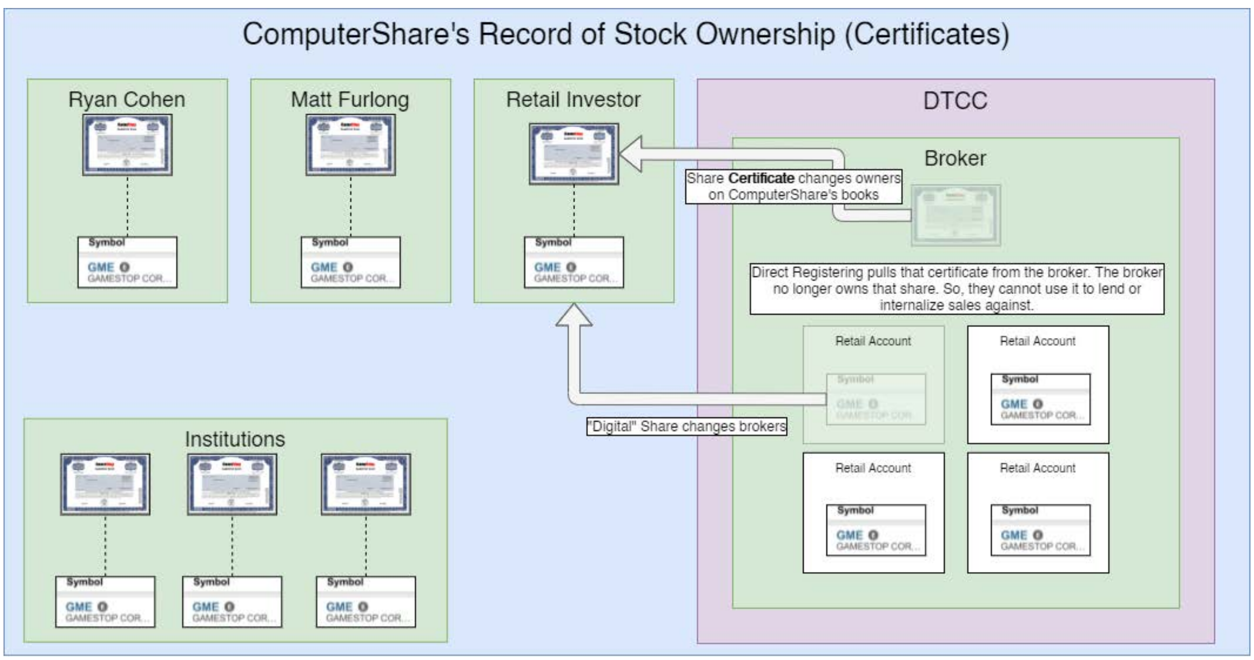
Power To the Shareholders

Power to the Players

<u>September 22, 2021</u>

Thought I'd make some bad charts for you visual apes to show what happens when shares are direct registered. Hope this clears things up! As always do your own research on both the pros & cons to make the right choice for yourself.


ComputerShare's Record of Stock Ownership (Certificates)
Ryan Cohen
Matt Furlong
Retail Investor
DTCC
Broker
The broker can own a single share (certificate). Through internalization, short selling, and liquidity reasons, multiple accounts may have beneficial ownership of the same certificate.
Retail Account
Retail Account
Retail Account
Retail Account
For all of the other registered shares, there is a 1:1 pairing of a share certificate to the "digital" share in their accounts. This proves on ComputerShare's books that they officially own N number of shares.
Institutions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Retail Investor
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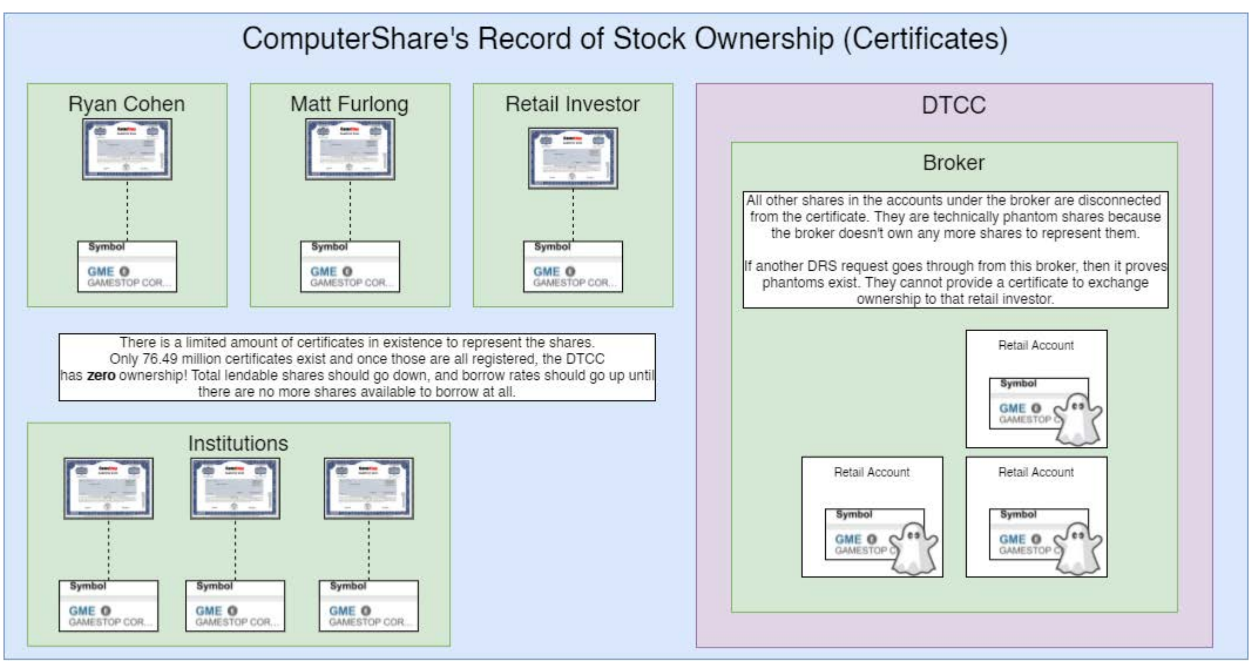
Broker
Share **Certificate** changes owners on ComputerShare's books
Direct Registering pulls that certificate from the broker. The broker no longer owns that share. So, they cannot use it to lend or internalize sales against.
Retail Account
Retail Account
Retail Account
Retail Account
"Digital" Share changes brokers
Institutions


ComputerShare's Record of Stock Ownership (Certificates)
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DTCC
Broker
All other shares in the accounts under the broker are disconnected from the certificate. They are technically phantom shares because the broker doesn't own any more shares to represent them.
If another DRS request goes through from this broker, then it proves phantoms exist. They cannot provide a certificate to exchange ownership to that retail investor.
There is a limited amount of certificates in existence to represent the shares. Only 76.49 million certificates exist and once those are all registered, the DTCC has **zero** ownership! Total lendable shares should go down, and borrow rates should go up until there are no more shares available to borrow at all.
Retail Account
Retail Account
Retail Account
Institutions