



COVID-19 THE CARES ACT AND UNDENIABLE GREED

A DUE DILIGENCE
U/FREEDOM6

COVID-19, The CARES Act, and Undeniable Greed: The Story of How Wall Street Tried to Bankrupt Businesses with Money Meant to Save Businesses (GME Centric) - July 12, 2021

Due Diligence

Obligatory: This should not be confused with financial advise. I do not offer financial advice or services. I am simply pointing out connections I am making through data and deductive reasoning.

TL;dr Prepare yourself for this next sentence, take a deep breath... How would you feel if I told you investment firms were given LARGE DOLLAR AMOUNTS in Paycheck Protection Program (PPP) “forgivable” loans (the money designed to keep businesses afloat during the pandemic) and the data and timing is indicating they used those funds to try to bankrupt businesses, including GME? Errrrmm... Scoots chair around uncomfortably... Because that is what I am about to tell you through these many words (and some pictures). Roughly \$1.5 Billion worth of PPP loans went out to the “Industry” of “Investment Advice” through 12/1/2020.

["Investment Advice" Industry Loan Data](#)

[PPP Loan Forgiveness Requirements](#)

GME & MEME STOCKS HIT BOTTOM 4/2 & 4/3 of 2020

I originally began this journey into the great cesspool of our market system to compare GME monthly close prices to FINRA's reported margin debt, and while I did find the information I was looking for to show the continued correlation between GME and the current margin debt I slowly began to realize that was no longer the information I was seeking (I will make a margin debt post later this week). Why? Because looking at this information caused me to see that GME hit its bottom, in regard to share price, on April 3rd, 2020 after a 6 day skid beginning on March 27th, 2020 (I'm about to be sinful, avert your eyes if necessary, the movie company hit its bottom on April 2nd, 2020 after a 5 day skid beginning on March 27th, 2020, and Black Berry hit it's low on 4/3/2020 as well). In case this was a whole market slide I checked out some other tickers and found some other stock prices fell slightly, but most remained relatively flat compared to GME and the meme stocks.

Apr 03, 2020	2.80	2.85	2.94	2.57	3.83M	-1.75%
Apr 02, 2020	2.85	3.26	3.35	2.85	4.06M	-12.31%
Apr 01, 2020	3.25	3.45	3.49	3.12	4.57M	-7.14%
Mar 31, 2020	3.50	3.63	3.80	3.50	2.30M	-4.11%
Mar 30, 2020	3.65	4.22	4.27	3.65	3.35M	-13.51%
Mar 27, 2020	4.22	4.94	5.09	4.15	7.02M	-4.31%
Mar 26, 2020	4.41	4.24	4.71	4.24	6.21M	5.76%

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Company	3/26/2020	4/2/2020	4/3/2020	% Change
GME	\$4.41		\$2.80	-36.50%
AMC	\$3.70	\$2.24		-39.46%
BB	\$3.93		\$3.22	-18.07%
MSFT	\$156.11		\$153.83	-1.46%
AMZN	\$1,955.49		\$1,906.59	-2.50%

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CARES ACT

So, why is March 27th, 2020, of any importance? Because on that day, “The Coronavirus Aid, Relief, and Economic Security (CARES) Act (2020)... provided fast and direct economic assistance for American workers, families, small businesses, and industries” was signed into law. [CARES ACT](#)

So now you are saying to yourself, yeah, but Hedge Funds were ineligible from receiving the funding even though they applied for it in mass amounts so why should I care? Because it appears that many firms investing in the market were QUITE ELIGIBLE as the below information is going to point out, and the data is indicating they used those funds or the anticipation of those funds to hammer GME and meme stocks with short selling from 3/27/20 – 4/3/20.

Let us reiterate, the money designed to keep small businesses afloat during the COVID-19 Winter of Discontent was used by firms investing in the stock market. What is worse, the data is showing that some of these firms were using the funds to short GME & meme stocks.

FOX BUSINESS ARTICLE 4/18/2020

Now, we'll take a look to a Fox Business article from 4/18/2020, written by: Charlie Gasparino (He is active on social media, but I'm not sure what he's up to these days aside from hating retail investors):

[Stimulus Intended to Help Coronavirus-Ravaged Small Businesses Instead Rewarding Hedge Funds, Brokerages](#)

“The bank was receiving applications (for PPP Loans) not just from those barely solvent mom-and-pop businesses like [restaurants](#), salons and family-run [factories](#) shuttered amid the nationwide pandemic shutdown that the legislation was supposed to help.

*Flowing into his system were applications from businesses no one would consider small, or even barely solvent: **Midsized hedge funds***, * **brokerage businesses**, small law firms, all outfits that are making money, much of it through fee income, and many operating remotely almost as if nothing had changed.*

How could this be? What the banker discovered was that with less than 500 [employees](#), financial firms and other high-end businesses are technically qualified for low-interest federally guaranteed loans under the broad parameters of the government's Payroll Protection Program (PPP).

And many were sending applications to his bank for the cash, as much as \$10 million in the form of a forgivable loan, even if these weren't the types of small businesses Washington was looking to aid.

Even worse, the hedge funds and brokerage businesses were in effect taking money that should be earmarked for businesses that can barely survive in a time of social distancing and quarantines.

These companies have been forced to lay off workers just to make rent, while many banks were prioritizing loans on a first-come, first-served basis and giving priority to their best customers. That means [hedge funds](#) and financial firms with deep pockets and significant banking relationships could be getting the money ahead of the local coffee shop...

"What's going to happen is a class divide we haven't seen in years," the banker told FOX Business. "Remember Occupy Wall Street?" he asked, referring to the sometimes violent protest movement after the 2008 financial collapse and bank bailouts. "These protests will be bigger and more violent because the economic problems are worse and the disparity of the money is favoring Wall Street even more.""

Fuck me... I do not think my words are needed in summarizing this article. In case the article is now mysteriously updated I have taken screenshots of the entire article and will post them if necessary. Check the article out for additional details.

Here is a MarketWatch Article from 4/15/2020 reiterating some main points: ["It's a complete abomination" says Wall Street money manager about hedge funds applying for bailouts from small-business recovery funds](#)

DD on 13F Filings

Armed with this information I decided to dig into the latest 2021 13F filings through www.whalewisdom.com and PPP loan recipients from <http://ppprecipients.com/> and found some interesting information. I did not review every company with holdings in GME, this is just a sample of firms with GME positions and some of those that received funding through the CARES Act (PPP Funds):

2021-Q2 13F/13D/G Filings

COMPANY 1

1. Company: Advisornet Financial
2. Shares: 10,000 (put)
3. Loan amount: \$1 - \$2 Million (approved on 4/4/2020)

COMPANY 2

1. Company: Creative Planning
2. Shares: 13,700 (put)
3. Loan Amount: \$350k - \$1 Million (approved on 4/13/2020)

Company 3

1. Company: Larson Financial Holdings
2. Shares: 100 (put)
3. Loan Amount: \$2M - \$5 Million (approved on 4/7/2020)

All of these loans were approved in early April, 2020, meaning they were filed even earlier, before the PPP was signed into law on 4/24/2020, and look at how close those dates are to the implementation of the CARES Act and the GME tumble from 3/27/2020 – 4/3/2020. LOOK HOW CLOSE. AND all these companies have open PUT positions in GME as of the last filing. Betting GME share price will go down. How did they receive funding when other small businesses were

exempt and ended up going bankrupt? They directly or indirectly used the money designed to keep the economy and struggling businesses afloat to open put positions in GME? WTF?

Now, things feel interesting. So, I decided to go even further down this slime covered cavern and look at 13F filings from 2020-Q2 (when GME hit its lowest close price) to see if any funds with actual shares in GME had received any loans and was unsurprised, but genuinely angry. I went "A" - "B" alphabetically through the list and found 3 companies who had shares in GME in 2020-Q2 that still have positions today (I skimmed through and saw plenty more later in the alphabet, I just have a hard time counting letters that high due to my intellectual inconsistencies):

2020-Q2 13/F

Company 1

Advisors Asset Management, Inc

1. 2020 Q2 Shares: 134,632
2. Loan Amount: \$5M - \$10 Million (approved on 4/5/2020)
3. Current Shares: 33,789 (latest 13/F filing)

Company 2

Arkadios Wealth Advisors (Arkadios Capital)

1. 2020 Q2 Shares: (Sold all shares - 2)
2. Loan Amount: \$150k - \$350k (approved on 4/9/2020)
3. Current Shares: 2210

Company 3:

Bridgeway Capital Management

1. 2020 Q2 Shares: 76,900
2. Loan Amount: \$350k - \$1 Million (approved on 4/11/2020)
3. Current Shares: 40,600

My speculation is that several firms applied for the PPP funds on or near 3/27/2020, knew the funds were coming, and used those anticipated funds to aggressively short GME and other meme stocks due to the absolute tumble that GME/Meme stocks took from 3/26/2020 – 4/3/2020 as stated above.

I'm unsure how to conclude this post aside from: Buy/HODL. The day is coming.

Tanks fo' reedin'.

Edit: Thanks to [u/Evorus_Krayde](#) for getting me to [u/Doggoonewild](#) post: [Citadel Alum Charged with \\$2.4M PPP Loan Scam](#)

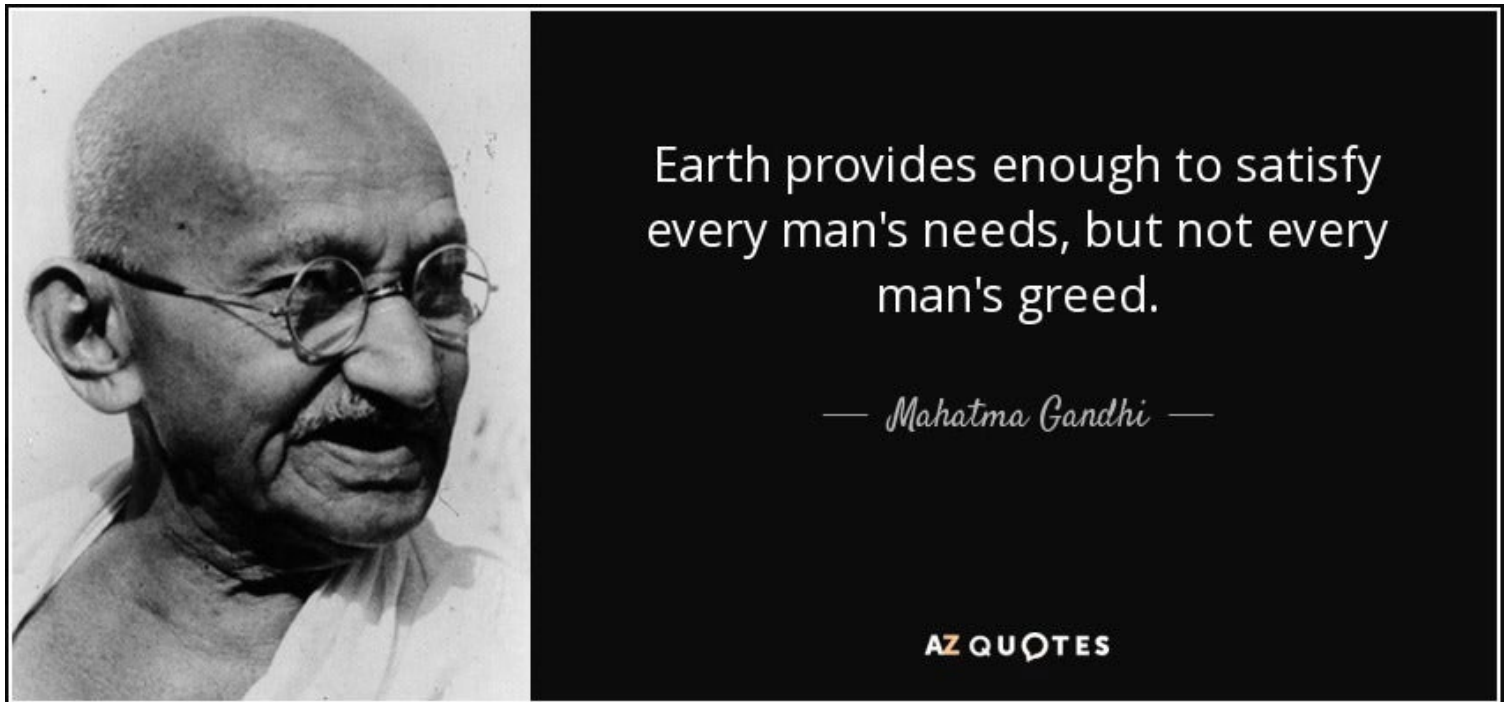
COVID-19, The CARES Act, and Undeniable Greed: The Story of How Wall Street Tried to Bankrupt Businesses with Money Meant to Save Businesses; Chapter 2: The List - Aug. 8, 2021

Due Diligence

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TL;dr My prior [post](#), went into great lengths as to why I believe the GME short hedge funds applied for, and knew, "forgivable" Paycheck Protection Plan \$'s were coming so they tried to kill our beloved company with aggressive shorting action from the day the CARES Act was signed into law (3/27/20) to 4/3/20 as the price action over those 6 days saw GME hit it's lowest share price ever. Below is a link to an excel spreadsheet containing **the list of the 31 firms with GME positions, as of the 13F filings for Q2-2020 positions, who received a total of \$24.37 Million in PPP funding when short interest was reported at roughly 255% of the float** (all tradeable shares).

This excel list of companies also contains the "Industries" (like the Industry of "Investment Advice") these entities claimed to operate under in order to apply for the loans, and the total \$ amount given to the **industries** listed by the GME shareholders is a staggering **\$15+ BILLION dollars** (the Industry lists are for all companies within those specific industry codes, some of which do not invest in the market). So, if you're wondering why the market in no way correlates with actual economic conditions... \$15,000,000,000.00 might have a little something to do with it (along with other tax breaks I'm not getting into in this post).



Here's a brief TL;dr on the original CARES Act post, (you can skip to the next header if you read the prior post):

On March 27th, 2020 the following was signed into law: "The Coronavirus Aid, Relief, and Economic Security (CARES) Act (2020)... [which] provided fast and direct economic assistance for American workers, families, small businesses, and industries". [CARES ACT](#)

Oddly, the day this bill was signed into law, GME share price began to absolutely tumble. My argument is that SHF's abused the system to get these "forgiveable loans" for themselves and used the money or the anticipation of that money to aggressively short GME into a 6 foot ditch, because from 3/27/2020 - 4/3/2020, GME fell off a cliff and hit it's lowest ever share price of \$2.80 before beginning it's climb out of the shadows.

Apr 03, 2020	2.80	2.85	2.94	2.57	3.83M	-1.75%
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You also may be surprised to hear that the movie stock and the blackest of berries experienced similar dips while most other companies stayed relatively flat or dropped slightly during this 6 day period:

Company	3/26/2020	4/2/2020	4/3/2020	% Change
GME	\$4.41		\$2.80	-36.50%
AMC	\$3.70	\$2.24		-39.46%
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AMZN	\$1,955.49		\$1,906.59	-2.50%

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Summarizing from Charlie (I fucking hate retail) Gasparino's Article: [Stimulus Intended to Help Coronavirus-Ravaged Small Businesses Instead Rewarding Hedge Funds, Brokerages](#)

Hedge funds and brokerage firms were lining up at the banks to to be the first to receive, up to \$10 million in "forgiveable" PPP funds ahead of "barely solvent mom and pop shops". Since the bankers had close relationships with the hedge funds/brokerages, they were the first to receive the loans and were in effect, **"taking money that should be earmarked for businesses that can barely survive in a time of social distancing and quarantines."**

"What's going to happen is a class divide we haven't seen in years," the banker told FOX Business. "Remember Occupy Wall Street?" he asked, referring to the sometimes violent protest movement after the 2008 financial collapse and bank bailouts. "These protests will be bigger and more violent because the economic problems are worse and the disparity of the money is favoring Wall Street even more."

Supporting link from a Marketwatch Article: [It's a complete abomination" says Wall Street money manager about hedge funds applying for bailouts from small-business recovery funds](#)

SBA Releases PPP Loan Data

Since the Small Business Administration (SBA) was so gracious as to FINALLY release all of the PPP loan data from The Cares Act in response to the COVID-19 pandemic I have gone ahead and compiled all of the data to support my claim that GME short hedge funds used the 2020 Cares ACT - Paycheck Protection Plan (PPP) to aggressively short GME (and other meme stocks) into the ground from March 27th, 2020 through April 3rd, 2020. [SBA: PPP Loan Data](#) Most loans were approved in early - mid April, meaning they were applied for earlier (most likely in the 3/27 - 4/3 window).

As a reminder, the money designed to save businesses was most likely being used to try to kill companies, and frankly, this pisses me off, and is why I went through the trouble of putting this all together. However, I am not advocating for violence or any similar action. We're better than that. I'm advocating for buying and holding the stock of a company I believe in, strongly.

Unsurprisingly, several firms seemed to have filled out their applications in a way that conceals their identity by slightly modifying their business name in their application for the loan, or the loan was applied through one of the firm's affiliated company names. I found the best way to search through the loan data was to search for the least common word in the company's name, like "Apollo" or "Seacrest" then sifting through the manure from there, and boy, is it stinky. There were also at least 7 firms where I threw the loan data out because even though the PPP loan information was a close match to their company name/company information, I couldn't find an exact match through [FINRA's Brokerage Check](#) or any other search method, and I want to list firms I could prove received funding. Without further ado, here are the 31 firms with GME holdings that received funding from the PPP loans in early April to May.

[GME Shareholder PPP Loan Data & Industry Stats](#) (Excel Spreadsheet)

And, here's pictures for those that don't want to open the spreadsheet:

1	Company	Loan Verified Through Parent/Affiliate OR Name Divergence	Loan Amount	Date	Bank	Status	Industry	Q2-2020 13F Holdings (+/-)
2	Advisors Asset Management, Inc.		\$5,356,942.00	4/5/2020	Wintrust Bank	Paid in Full or Forgiven	Investment Banking and Securities D	134,632 (-307,749)
3	Advisory Alpha, LLC.		\$243,900.00	4/13/2020	Old National Bank	Paid in Full or Forgiven	Financial Transactions Processing, R	0 (-264)
4	Ameriprise Financial, Inc.		\$20,800.00	4/27/2020	Cortrust Bank National Associatio	Paid in Full or Forgiven	Investment Advice	426,210 (+92,793)
5	Ancora Advisors, LLC.	Y - The Ancora Group, Inc.	\$1,718,568.00	4/10/2020	The Huntington National Bank	Paid in Full or Forgiven	Investment Advice	28,838 (-501,160)
6	Arkadios Wealth Advisors, LLC.		\$72,500.00	4/8/2020	Resanant Bank	Paid in Full or Forgiven	Investment Banking and Securities D	0 (-2)
7	Brave Asset Management, Inc.		\$134,300.00	4/7/2020	Bank Rhode Islands	Paid in Full or Forgiven	Administrative Management and Ger	0 (-12,800)
8	Bridgeway Capital Management, LLC.		\$755,000.00	4/11/2020	Texas Capital Bank	Ongoing Loan	Portfolio Management	76,900 (-253,800)
9	Cambria Investment Management, LP		\$188,700.00	4/28/2020	Comerica Bank	Paid in Full or Forgiven	Portfolio Management	126,046 (-26,536)
10	Camelot Portfolios, LLC.		\$176,000.00	4/15/2020	Signature Bank	Paid in Full or Forgiven	Portfolio Management	0 (-104,470)
11	Fairbanks Capital Management, Inc.		\$127,036.00	4/14/2020	U.S. Bank	Paid in Full or Forgiven	Investment Advice	14,277
12	Harvest Group Wealth Management LLC		\$83,100.00	4/9/2020	Byline Bank	Ongoing Loan	Investment Advice	85
13	Investors Research Corp		\$190,000.00	4/7/2020	Regions Bank	Paid in Full or Forgiven	Investment Advice	10,270 (+5,135)
14	IFP Advisors, Inc.		\$1,032,000.00	4/16/2020	Synovus Bank	Ongoing Loan	Miscellaneous Financial Investment	338
15	Meeder Asset Management, Inc.	Y - Meeder Investment Management, I	\$1,948,100.00	4/10/2020	The Huntington National Bank	Ongoing Loan	Investment Banking and Securities D	0 (-5,684)
16	Miracle Mile Advisors, LLC.		\$404,100.00	4/8/2020	Midfirst Bank	Ongoing Loan	Investment Banking and Securities D	11,000 (+11,000)
17	Newfound Research, LLC.		\$58,300.00	4/15/2020	Citizens Bank	Paid in Full or Forgiven	Investment Advice	0 (-34)
18	Pacitti Group Inc		\$80,000.00	4/13/2020	Bank OZK	Ongoing Loan	Administrative Management and Ger	250
19	Partnervest Advisory Services LLC	Y - Partnervest Financial Group, LLC	\$105,057.00	4/9/2020	Loan Source Incorporated	Ongoing Loan	Investment Advice	42,050 (+42,050)
20	Permit Capital, LLC		\$316,319.00	4/15/2020	Emigrant Bank	Ongoing Loan	Investment Advice	2,740,000 (-85,000)
21	Principal Financial Group Inc		\$41,200.00	4/15/2020	Customers Bank	Ongoing Loan	Investment Advice	483,683 (-16,214)
22	Raymond James Financial Services Advisors	Y - Raymond James Financial Services,	\$19,875.00	4/16/2020	Customers Bank	Ongoing Loan	Securities Brokerage	0 (-16,918)
23	Seacrest Wealth Management, LLC.		\$344,500.00	5/1/2020	Citibank	Ongoing Loan	Investment Advice	20,581 (-10,500)
24	SignatureFD, LLC.		\$1,922,325.00	4/9/2020	Atlantic Capital Bank	Paid in Full or Forgiven	Investment Banking and Securities D	22,500 (+22,500)
25	Simplex Trading, LLC.	Simplex Investments, LLC.	\$795,292.00	5/17/2020	Crossriver Bank	Paid in Full or Forgiven	Insurance Agencies & Brokerages	80,974
26	Sowell Financial Services, LLC.		\$377,861.00	4/12/2020	First Horizon Bank	Ongoing Loan	Consumer Lending	0 (-3)
27	Steward Partners Investment Advisory, LLC.	Y - Steward Partners Global Advisory, L	\$5,004,000.00	4/10/2020	Zions Bank	Ongoing Loan	Portfolio Management	12,597 (+12,590)

PPP Loan Data for GME Shareholders

1	Company	Loan Verified Through Parent/Affiliate OR Name Divergence	Loan Amount	Date	Bank	Status	Industry	Q2-2020 13F Holdings (+/-)
28	Tarbox Family Office, Inc.		\$305,611.00	4/15/2020	Banc of California	Paid in Full or Forgiven	Portfolio Management	109 (-33)
29	Truewealth, LLC.		\$628,224.00	4/10/2020	Synovus Bank	Paid in Full or Forgiven	Portfolio Management	160
30	Valley National Advisers, Inc.	Y - Valley National Group, Inc.	\$633,417.00	4/12/2020	Provident Bank	Ongoing Loan	Investment Advice	84
31	Versant Capital Management Inc		\$310,400.00	4/13/2020	Bank 34	Paid in Full or Forgiven	Miscellaneous Financial Investment	1,083 (-1,435)
32	Winslow Evans & Crocker, Inc		\$973,062.00	4/10/2020	Axos Bank	Ongoing Loan	Securities Brokerage	225 (-1)
33								
34		TOTAL PPP LOANS TO GME SHAREHOLDERS	\$24,366,489.00					
35								
36								
37	Industry	PPP Loan \$ Distributed	# Industries Above					
38	Administrative Management & General Man	\$5,500,000,000.00	2					
39	Consumer Lending	\$294,000,000.00	1					
40	Financial Transactions Processing, Reserve,	\$319,000,000.00	1					
41	Insurance Agencies & Brokerages	\$5,900,000,000.00	1					
42	Investment Advice	\$1,400,000,000.00	11					
43	Investment Banking and Securities Dealing	\$259,000,000.00	5					
44	Miscellaneous Financial Investment Activiti	\$583,000,000.00	2					
45	Portfolio Management	\$513,000,000.00	6					
46	Securities Brokerage	\$314,000,000.00	2					
47	Total	\$15,082,000,000.00	31					

PPP Loan Data & Industry Statistics

As you can see, with a SI% of roughly 255% of the float, 31 companies invested in GME received **\$24.37 MILLION**. At that time, with share prices under \$5, these institutions could have borrowed more than an additional 5 million shares to short, in an attempt to kill GME, AND the price action after the CARES Act was signed indicates that is exactly what they tried to do.

What I find even more disgusting though, is that these 31 companies listed 9 different "Industries" that they fell under, and these industries represented **\$15.08 BILLION of PPP Loans** distributed. I feel the American people would have much rather seen that funding used to support small businesses and struggling individuals versus the market. Why did they receive this funding when I watched my friend's and neighbor's businesses shutter their doors because they weren't eligible or didn't receive enough funding to stay open? I can't answer that question, but I'd sure be interested to hear from the people who allowed this to happen. Alls I can say is, fuck you, pay me!

That's all folks.

As always, tanks fo' weedin'.

