

Title: (Update) Wealthsimple got back to me about the Dividend.

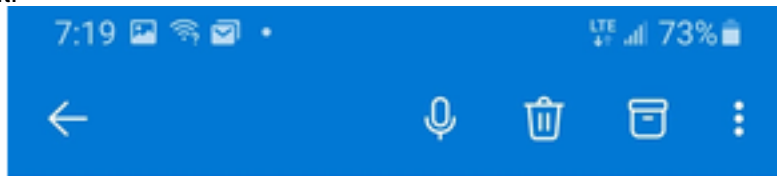
Author: disoriented\_llama

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Permalink: /r/TheGloryHodl/comments/wfmgm7/update\_wealthsimple\_got\_back\_to\_me\_about\_the/

Url: https://www.reddit.com/gallery/wfkbp

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3 attachments (1.4 MB)

So I was sent this anonymously online, and it contradicts what you told me. This is very confusing.

Again, I don't care about the front end, I understand that it isn't a taxable event either way, I just want to make sure you actually have the shares that are credited to my account, and that those shares are legitimate.

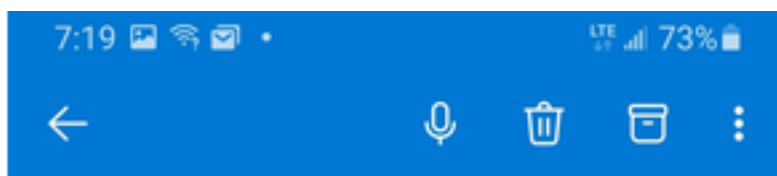
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processed, and I've seen from multiple other chats your reps claiming that the shares came from CDS. Do I have that correct?

If so I would advise your reps as such, because the distinction is important and people are getting confused and panicking largely because of the current situation with German brokers, who's regulator has came out and said it wasn't processed properly by the DTC.

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7:27



LTE 70%



**Mateo** (Wealthsimple)

3 août 2022, 4 h 18 p.m. HAE

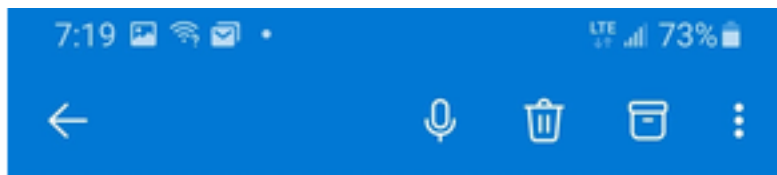
Hey Devin,

Thanks for reaching back out!  
This is a great question that I'm  
happy to help answer.

No, that is not what I am saying at  
all. DTC Affiliates, like the CDS,  
have to be given enough data and  
documentation to support the  
classification of "dividend" as a  
corporate action where a  
company has made a surplus in  
funding to then gift shares to  
shareholders. However, GME  
could not provide supporting

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 8:08 a.m.  
Wealthsimple Support

Ok, after more digging, I believe we're saying the same thing.

I think the confusion is coming from three different mechanisms.

Regular stock split - you just multiply the shares by four, divide the price by four, that's it.

Stock dividend - a dividend in lieu of cash, which still has monetary value and thus is taxable.

Stock split via dividend - a

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7:19

LTE 73%



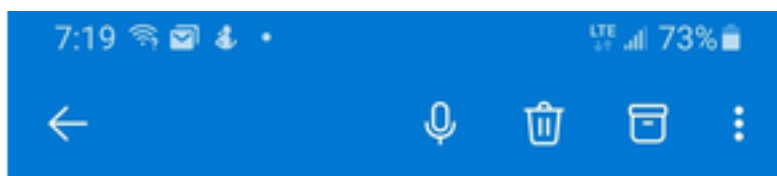
Stock split via dividend - a combination of the two, where the additional shares come directly from the company -> transfer agent (computershare) -> DTC -> CDS -> you -> me, with a verified chain of custody, but you still divide the price by 4 so it's not a taxable event.

Computershare has confirmed that is the way it should have been processed, and I've seen from multiple other chats your reps claiming that the shares came from CDS. Do I have that correct?

If so I would advise your reps as

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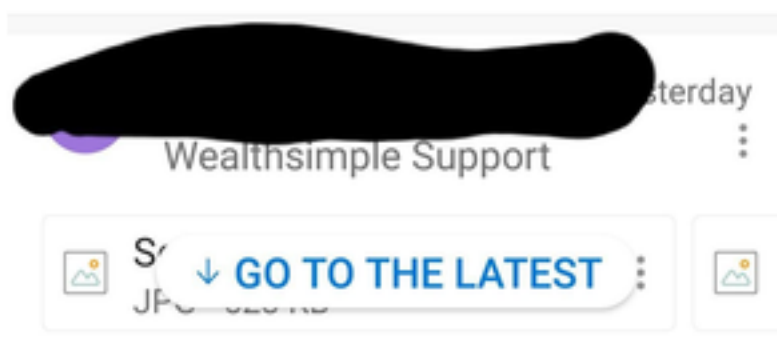


[Redacted] day  
Wealthsimple Support

You mean other than the wording in their official SEC filings? So you misinterpreted their directions, and did not deliver what was given to you on their behalf, am I understanding that correctly?

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LTE  70% 



**not be valid here.**

To answer your additional question though, yes, I can assure you that the 3 added shares you received per 1 previously held share are real and were distributed to us by our clearing brokerage.

I hope this clears up your concerns.

If you have any questions about this, please don't hesitate to ask!

Cheers,

Mateo

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shareholders. However, GME could not provide supporting documents or backups through any fiscal reportings to best illustrate that they have increased capital in the company to a considerable amount which would cause this action to be deemed a "stock dividend" rather than a "stock split".

**Think of it like this, dividends by definition mean the distribution of retained earnings (profits). Since there was no change in GME's retained earnings (the profit did not decrease after allocating or giving out these shares), a stock dividend would not be valid here**

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