

Title: Fannie Mae and Freddie Mac reports have a lot of similarities to the GME situation

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The big difference is GameStop has a bright future and Retail is holding so GME isn't going to zero and anyone shorting GME is in an unfavourable spot.

However it shows the same offenders and no laws to protect the people.

<https://www.sec.gov/comments/s7-08-09/s70809-407a.pdf>

Section 8- The market makers are the most likely sellers of the counterfeit shares during this time because other market participants were not allowed to short sell without pre-borrowing shares for settlement and in this 12 day period examined, this amount only accumulated to 5.5 million increased shorted shares. The majority of the 3.5 billion shares sold, that were not sold by legitimate investors who owned the shares, must logically be a supply of shares counterfeited by the market makers.

Look at table 5, page 20. Citadel, Susquehanna, are 2 of the market makers

#### K. Summary of Key Points

- The number of legal shares issued by the GSEs was not sufficient to account for such large trading volumes.
- From October 2007, all shares issued for trading by the GSEs, 1.6 billion shares, were reported to be owned by just the reporting institutional investors.
- Ownership other than the reporting institutions obviously exists.
- The GSEs have traded over 16 billion shares since October 2007.
- The shares illegally supplied through counterfeiting in Fannie Mae and Freddie Mac caused over a 90 billion dollar decrease in their value.
- On June 30, 2008, when all shares available to trade were owned by reporting institutions and less than one month before the SEC's emergency order went into effect, the NSCC reported that the fails to deliver of real shares of Fannie Mae and Freddie Mac was zero.
- The zero reported fails to deliver at the NSCC are in direct opposition to the facts that show delivery failures should be significant. Basically, all of the shares are in known ownership, therefore, legal settlement of these large trade volumes from October 2007 to date with real GSE's shares, was and is not, mathematically logical.
- The ill-gotten, gains from counterfeiting the GSEs' shares appears to exceed 1/2 trillion dollars.

23

- Less than thirty market participants show up as professional market makers in these stocks.
- U.S. citizens' pension funds, state employee retirement accounts and other important investors in the U.S. markets have been financially harmed in these GSE investments; while the stock counterfeiters continue to profit.
- Absent the manipulation of their stocks, the GSEs could have raised significant capital. This is evidenced by the fact that mutual funds, pension funds and other large investment funds continued to purchase shares of the GSEs.
- The counterfeiters of the GSEs stock continued their relentless manipulation of the stock prices during the SEC emergency order.
- These are violations of the anti-fraud provisions of the U.S. securities laws and may violate the U.S. laws against counterfeiting. Where were the regulators?
- The NYSE, FINRA, SEC and Treasury should know there are illegal counterfeit shares trading in the GSEs because they have all of the information readily available to prove it.
- Instead of enforcing the laws against the illegal activity, the regulators took over conservatorship of the

GSEs, which benefited the counterfeiters at the expense of the U.S. taxpayers and their future generations.

#### Conclusion

Certain market participants, trading illegally, appear to be making a concerted effort to take down some of the most important financial institutions in the United States. Who would counterfeit shares of these vital U.S. institutions to cause their financial collapse without regard for the U.S. citizens?

It is not possible to carry out this massive fraud without the cooperation of large Wall Street firms and regulatory complicity, indifference or lack of competence. Some firms are blatantly selling shares that do not exist.

24

It is impossible to ward off the downward price pressure from counterfeit shares diluting a company's value. The entire nation's value is diminished when the counterfeiting of securities is rampant.

Simply put, this is a defining moment in the history of the financial strength of the United States. Other than home ownership assets, the largest U.S. household assets are tied to the stock market through retirement accounts. If counterfeiting continues, investment and retirement accounts will be backed by nothing but counterfeit shares, which they may already be holding in substantial amounts.

To conceal the fraud perpetrated on the retirement accounts is simple, manipulate the markets to smash. The money previously plundered from these accounts remain in the hands of the counterfeiters and the statements sent by the Wall Street firms to retirement investors will reflect a crashed market value of their assets, i.e., you lost your retirement savings.

The counterfeiting of U.S. traded securities is nothing less than a fraud of epic proportions. As with other illegal stock market activity, offshore shell companies are a likely depository of the ill-gotten gains.

While U.S. citizens would like to trust that government regulators are putting the citizens first and protecting investors, this may not be the case. The ownership and trading irregularities in Fannie Mae and Freddie Mac discussed above, seem so obvious, that surely our government would have taken the steps necessary to protect investors in these very important financial institutions from fraud in the market.

Unfortunately, the facts do not support that the government did enforce the securities laws against fraud and market manipulation.

It is necessary for the United States to do everything within its power to recover the enormous amount of monies that have been plundered from this country and its citizens. Bring the few illegal dealers responsible for counterfeiting stock to justice in order to assure that this United States economic disaster will never repeat itself. There is simply too much at stake to do otherwise.