

Title: Stock split cash

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ELI5 if I'm seeing this all wrong.

A thought that's been driving me crazy with everyone's explanations of how the stock split will work on brokerages that pay cash equivalent instead of shares.

I'm looking at it this way.

If you had 1 share at \$100 and the split was 5:1 you'd have 1 share in your GME valued at £20 and the remaining \$80 of your own money they would put back into your cash balance. You then have the cash equivalent of 4 shares. You can either keep your cash or hopefully buy more GME at cheap prices.

So it's not going to cost the brokerages anything at all as they are only giving you your own money back.

I'm 90% into CS but have a dozen or so still scattered over some scammy shit just to see how it all pans out.