

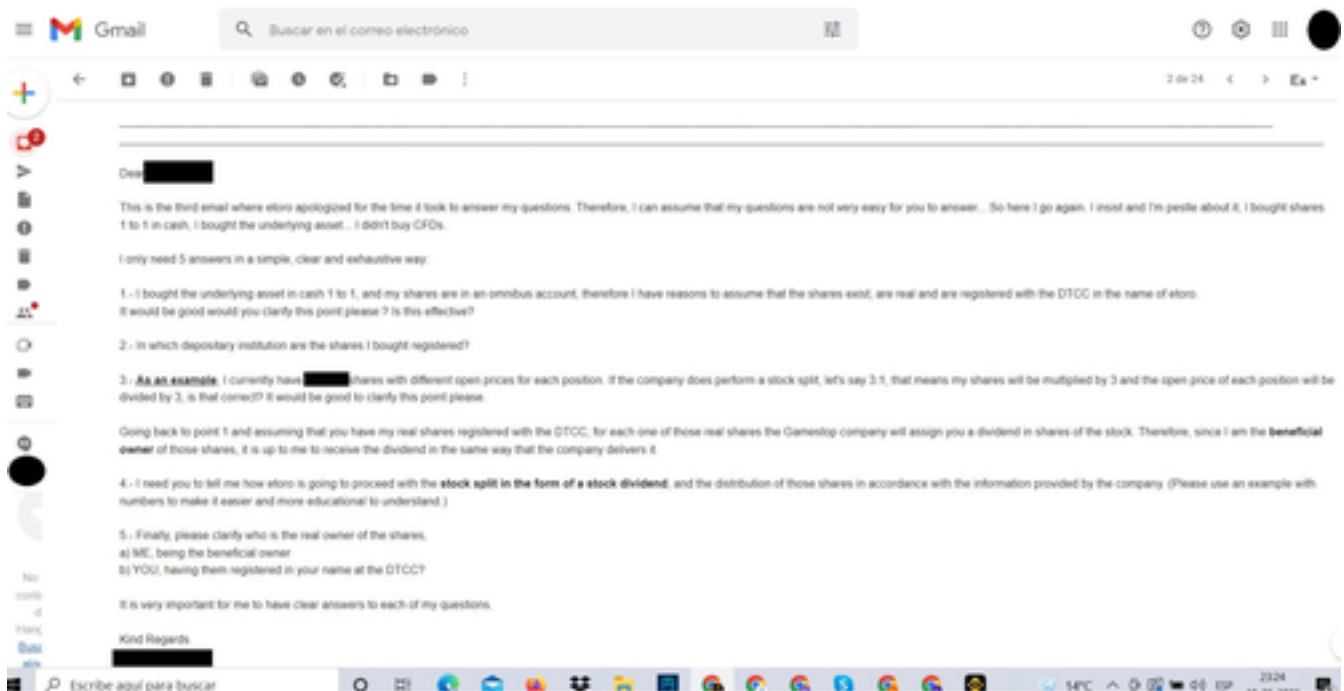
Title: Etoro vs Stock split of our common stock in the form of a stock dividend. They are not gonna give the dividend in form of shares of the stock, they are gonna convert to cash, what a fckn BS! I still have xxx shares that cannot move from this fckrs...

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Url: <https://www.reddit.com/gallery/utkorz>



I strongly disagree with the following answer from eToro at point (4): "However, if the stock split is in the form of a stock dividend, dividend payments on eToro are paid out only in cash."

The company (Gamestop) will perform a stock split to pay a stock dividend and will allocate "x" number of real shares for each real share i hold under custody with etoro. By owning real shares held under custody by etoro, the dividend in the form of stock will be received by etoro and therefore must be allocated to my account in the same way as it is issued by the company. Let's say if the company (Gamestop) issues a dividend in stock and you convert it into cash, who is keeping those shares that correspond to my account?

Also, the stock dividend is not a taxable event, while the cash dividend is a taxable event.

Therefore, considering all the above explained, this store policy I consider this an attack on the current ownership of my shares, preventing me from receiving the dividend in the form issued by the company, even though I own real shares.

.. I own real shares and am the beneficial owner (effective proprietary).

- Elton has the custody of my shares
- Gametop company will perform a stock split to pay a stock dividend.
- Elton will receive "Y" number of real shares for each real share under custody
- I should be assigned (allocated) in my account the number of real shares issued by the company according to the number of shares held in custody and according to the split ratio  $\frac{X}{Y}$

As for me this case is not yet settled to be marked as solved.

Clear

Thank you for your reply.

We would like to apologize for the delayed response as we are currently experiencing a very high number of incoming emails.

In order to provide you with the best possible service and make sure you don't wait too long, we had to use a translation app while writing the response to your query.

To make things easier, please find both the original response (in English) and the translated Spanish version above.

Our response times have been longer than usual due to worldwide events and a larger volume of requests. We sincerely apologize for any inconvenience.

We have reviewed your queries and would like to provide you with detailed answers below.

(† and ‡) We would like to emphasise that when purchasing stocks on e-Toro, all users do so via one of our regulated entities. The same applies to other regulated assets, including ETFs and CFDs.

*It's important to note that all of our entities are subject to regulatory rules and conduct requirements, which are strictly monitored – especially when it comes to custody agreements (i.e. the holding of users' assets, including segregated pooled custody facilities and users' funds).*

When a user decides to purchase a stock, this is done in line with our Terms and Conditions.

When a user purchases (BUY) non-leveraged stocks on our investment platform, it is purchased as the underlying asset. The e-Toro regulated entity for your particular account will purchase the stock on your behalf and will hold it in custody for you within a pooled, segregated "omnibus" account. We are required to reconcile all assets (stocks and cash) held on our platform, and to submit all of this information to our various regulators periodically.

*The user becomes the beneficial owner and remains so until the position in question is closed. This ownership comes with all economic benefits of owning the stock, including receiving dividend payments.*

The eToro investment platform forms the basis of the record of all transactions carried out by eToro's users. In addition, all relevant contract notes and historical statements (i.e. account statements) may be viewed as required, all of which show the details of positions executed.

(2) eToro Europe Limited is the entity responsible for the custody of assets and is authorized and regulated by the Cyprus Securities Exchange Commission (CySEC). eToro Europe provides custody services for your trades and copies trades. This information is available in our company T&Cs under clause 3: 'Regulatory status of our services'.

