

Title: Stock Split vs Stock Dividend Info to know.....Jacked Titties everywhere!

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So I am a smooth brain but just realized something about this "Split" after seeing a ton of misinformation on Twitter among many other places....

1) Gamestop is trying to issue a "Split in the form of a stock dividend" which is interesting language for sure but mean? Before we get into that let's get into the two different scenarios that are being spread around:

Gamestop is doing a stock split so that will decrease the price dramatically. This is not "totally" correct. In a traditional stock split you are splitting all the shares in the float so if you do a 7 4 1 split for example then the price will divide by 7 since you are issuing 7 shares for every 1 in the float. This is NOT what Gamestop is trying to do (and if this does happen then that will be GREAT news! More on that coming up...)

Gamestop is doing a split 3.3:1 split since shares are being asked to go from 300M to 1B. This is also factually untrue. Gamestop has the ability to issue up to 300M shares currently. They have only issued 78M so they are just asking for the ability to expand the number of shares available to issue (which theoretically means they want to at least be able to issue more than 300M, but again this is not a traditional stock split so it is not necessarily 4:1 or 10:1 or 13:1). Now this is where the maff gets real interesting....

Gamestop is issuing a stock dividend to all shareholders who hold shares. I am going to use the 7 4 1 example again but try to follow how the maff is different than the traditional stock split. Let's just say for easy maffs sake that 50% of the float is held by investors (we know this is incorrect but I want to do easy maff). This means each investor will get 7 shares for every 1 that they own. Since only 50% of the float is held though that means the price would only be divided by 3.5 and not by the traditional 7 that everyone is saying. This type of dividend does not increase the float by the ratio of shares given in the dividend, it only increases the float by the (ratio of the split)/ (the % of the float held by investors).

This supremely Jacked my Tits and I hope it does the same for yours! Yes the price will dilute but if it dilutes by the ratio of the split then it means we 100% own the float!

TL;DR: The price dilution will not be exact ratio of the split unless we 100% own the float. RC gave us a weapon to see how much of the float we truly own and I don't think we see it yet! If you post anywhere else so please just give credit where credit is due if you copy paste.