Title: Why direct ownership of GME at Computershare is the most likely trigger
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I made a `comment` on how holding shares at Computershare, cripples SHFs ability to suppress price and eventually lead to rapid price inflation. Few asked for a `post` with more details, so here it is …

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Disclaimer

I'm not a financial or investment advisor. None of what is here is advice. Make your own mind up, or consult a qualified financial advisor. I'm an individual investor long GME because. These are just my ramblings, so take it with a grain of NaCl.

Summary

* Buying from brokers gives you a DTCC issued `$GME` derivative-share that mimics some of the benefits of real Gamestop issued share
* Computershare (CS, transfer agent of Gamestop) is the official record keeper of shares. CS are also transfer agents for some of the biggest names like Apple and Microsoft
* DTCC and market participants trade `$GME` derivative-share in the market, and have clever system to create duplicates through *indefinite borrowing*
* This is used by SHFs to dilute share, bankrupt companies, and profit
* The cost of creating duplicates is locking-up cash collateral; this is the reason they unable to dilute infinitely and reduce price to pennies
* Increased cash collateral is also the reason they cannot let the price go-up, and why we see battle for price points (180, 190, 200, etc.)
* DTCC does not stop this because their owners also own some of the big market participants
* DTCC also have either bought or kept SEC at bay in the past, they hate being accountable
* When real shares are bought from Computerhare, or transferred via DRS, DTCC is forced to release the real share from their depository, and close out `$GME` positions
* They may or may not retire transferred shares and close-out because **a)** they are not transparent, and **b)** they're cocky because they've gotten away with murder in the past
* If they retire transferred shares, the price will shoot-up due to forced buy-in, causing more collateral requirement, and eventual marge-call/liquidation when SHFs fall short
* If they don't retire transferred shares, the price will still go up when Computershare buys shares from NYSE (lit market)
* Regardless of retirement of transferred shares, when 1x float is registered in Computershare, Gamestop has the option of recalling fake shares from DTCC to fulfill fiduciary duty to shareholders
* Till this happens, there will be heavy FUD to distract you, sensationalize news, discredit Computershare, divide opinions, make you think something other than your action will cause moass

1. You don't have stake in Gamestop Corp. when you buy share from broker-dealer, you own a street name 1:1 derivative-share (let's call it $GME for this post) issued by the DTCC

Straight from [DTCC website](https://www.dtcc.com/settlement-and-asset-services/issuer-services/how-issuers-work-with-dtc)

https://preview.redd.it/gdnqkngg1no71.png?width=1416&format;=png&auto;=webp&s;=85f9c383d938b973de04205bb4d77b05040ab516

Better explained in [this Smithonstocks article](https://smithonstocks.com/part-8-illegal-naked-shorting-series-who-or-what-is-cede-and-what-role-does-cede-play-in-the-trading-of-stocks/)

https://preview.redd.it/r10fld8h1no71.png?width=1287&format;=png&auto;=webp&s;=c55e9d8cd1bd999815844a742d07a0e2a57903a3

[SEC website](https://www.sec.gov/reportspubs/investor-publications/investorpubsholdsechtm.html) explaining the same

https://preview.redd.it/y0f1rmxh1no71.png?width=1521&format;=png&auto;=webp&s;=25cb7e6c28960aeb2f5baf22e64560ea8a84590c

You own *DTCC issued (derivative) share* that mimics real share issued by Gamestop. Gamestop issued share is a stake in the company – **an asset**. Whereas, DTCC issued *derivative-share* gives you benefits similar to owning Gamestop share. This is key to understanding how original issuer's (Gamestop) share value is manipulated. **Gamestop (issuer) share value is manipulated by fudging DTCC issued derivative-share ($GME) which DTCC controls.**

2. $GME entitles you to some but not all benefits of the underlying real share. $GME is what is traded by broker-dealers and MMs

Besides being able to buy/sell, earn dividends *or* it's cash equivalent, and proxy voting, buying under *street name* is touted to offer these [as mentioed on FINRA website](https://www.finra.org/investors/insights/its-your-stock-just-not-your-name-explaining-street-names):

* SIPC insurance coverage up to $500,000 per ~~share~~ account
* When a market participant faces liquidation, securities can transferred to another firm
* Investors can use stock as collateral to borrow against in a margin loan

Historically, sale and settlement of real share was time consuming and cumbersome because it is an actual asset transaction (stake in a business). Different states have different rules on sale of property, transfer of ownership, taxation, etc. etc. So, DTCC [dematerialized](https://www.investopedia.com/terms/d/dematerialization.asp) and immobilized shares as part of move to digital transaction processing, and removed encumbrance of local laws and regulations on asset transfer.

3. DTCC, through cleverly designed loop-holes allows selling of more $GME than Gamestop issued shares. There's no transparency on this, not even to SEC

There are many many unsuccessful litigations by companies and investors that have been harmed by market participants with the help of DTCC. Dr. Susan Trimbath's book [Naked, Short and Greedy](https://www.target.com/p/naked-short-and-greedy-by-susanne-trimbath-paperback/-/A-79415104?ref=tgt_adv_XS000000&AFID;=bing_pla_df&fndsrc;=tgtao&DFA;=71700000012790841&CPNG;=PLA_Entertainment%2BShopping%7CEntertainment_Ecomm_Hardlines&adgroup;=SC_Entertainment&LID;=700000001230728&LNM;=PRODUCT_GROUP&network;=s&device;=c&location;=&targetid;=pla-1103400009861&ds;_rl=1246978&ds;_rl=1248099&ref;=tgt_adv_XS000000&AFID;=bing_pla_df&CPNG;=PLA_Entertainment%2BShopping%7CEntertainment_Ecomm_Hardlines&adgroup;=SC_Entertainment&LID;=700000001230728pbs&network;=s&device;=c&querystring;=susan%20trimbath%20books&msclkid;=edc00e4fdde5187e485d6f07f9d65092&gclid;=edc00e4fdde5187e485d6f07f9d65092&gclsrc;=3p.ds) goes into this in great depth.

Though DTCC is opaque, OG apes (going back to 2003), have uncovered that the ***Stock Borrowing Program*** with the help of [Continuous Net Settlement](https://www.dtcc.com/clearing-services/equities-clearing-services/cns) facilitates creation of excess `$GME` derivative shares (counterfeit shares). This is explained in [depth here](https://smithonstocks.com/part-7-illegal-naked-shorting-dtcc-continuous-net-settlement-and-stock-borrowing-programs-have-loopholes-that-facilitate-illegal-naked-shorting/).

At a conceptual level, market makers (MM, like Shitadel Securities) are allowed to sell `$GME` without owning it in first place as part of *bona fide market making* aka providing liquidity. If they can't acquire `$GME` share, or find a seller by settlement date (T+2)/extended settlement dates, they become *short*. But NSCC allows them to borrow shares from whoever is willing or *unwitting* (margin accounts at brokerages). Lending is done through ***Stock Borrow Program*** against cash deposit.

The downside of borrowing is that cash gets locked up until they locate share, or find a seller (counterparty). The upside is that they can borrow this for indefinite period. **Tell me the difference between stealing and borrowing indefinitely** – nice trick DTCC.

This is where counterfeiting starts. The new *owner* who holds shares (which are actually borrowed by MM for indefinite period), can now contribute back to ***Stock Borrow Program***. This is at the heart of ***infinity glitch***, only limited by how much capital market participant can shore up each time they borrow.

Cash collateral to borrow is the reason why the stock price needs to be below a certain level – price increase requires additional cash collateral. This is also the reason why they've not been able to drop the price below $140 since Jan sneeze, and the battles for $180, $190, $200, etc.

There's no transparency on how many actual `$GME` shares exist, not even to SEC because they are DTCC issued derivatives — even though it affects share price/value of Gamestop.

These *excess* `$GME` derivative-shares are used to manipulate price down, bankrupt companies, and make windfall for Wall street *market participants*. This is very convenient because some of the biggest market participants are also the owners of the DTCC. The owners of DTCC are also the owners of The Federal Reserve. They are powerful, well connected, and work behind the scenes.

4. DRS is a way to transfer the street name $GME from DTC into YOUR name at transfer agent (Computershare). You can also buy real GME share directly from Computershare. This throws a wrench into abusive market participants' shenanigans abetted by DTCC

There are many excellent posts apes have made on DRS, I'll link them as I see them in comments. Computershare also has a good paper on it [PDF](https://www.google.com/url?sa=t&rct;=j&q;=&esrc;=s&source;=web&cd;=&ved;=2ahUKEwiO_9uC24zzAhWuTDABHRMUA38QFnoECCMQAQ&url;=https%3A%2F%2Fwww.computershare.com%2FNews%2F21st_Century_Stock_Ownership_GCM.pdf&usg;=AOvVaw15gn83gyV_vTux81P6ET3E)

This is the tricky part and is open to speculation and interpretation. Even lawyers can debate what can, and needs to happen. When `$GME` is DRS-ed from DTC to Computershare, DTC should de-register the underlying real share from their inventory. This technically should force DTCC to retire multiple `$GME` shares created through *Stock Borrowing Program*. This `$GME` shares retirement *should* force buy-in by shorts and price appreciation. But because they're DTCC, they may retain the multiple (re-re-re-)borrowed shares to keep the price down because:

* There is no threat of audit or investigation
* It exposes their fraud which they hate to admit
* They've have lot of prior experience in getting away with things
* They are protected by powerful interests
* SEC has historically complied with their wishes

>Side Note: The new leadership at SEC is unknown, they hate that uncertainty.

Computershare, unlike DTCC cannot participate in fraud without getting caught as they are auditable.

Computershare is also transfer agent of some of the big names like Apple, Microsoft, Google, Intel, IBM. All insiders like Ryan Cohen, Matt Furlong have their shares registered with Computershare. Other benefits with direct ownership of shares through Computershare are:

* They will not lend your shares to be shorted against you
* They don't create counterfeit shares, so every share you hold is real
* ETFs can't borrow/buy from them, so these shares cannot be used for short attack
* They don't turn off the buy or sell button when you need it the most
* DTC cannot do funny accounting like 'Continuous Net Settlement' where they net out old FTDs with new counterfeit shares to help SHFs kick the FTD can forever
* In summary it's a SAFE place to HOLD. And it severely reduces SHFs leverage to conduct fraud

Previous large purchases of Gamestop shares that were held at Computershare have raised share price. For example, when RC Ventures bought [2.5 million shares in Dec 2020 at avg. price of $14.80](https://www.barrons.com/articles/gamestop-investor-ryan-cohen-buys-more-stock-51608836334), the volume weighted price went from $11.75 to $13.

[Price when RC had 6.5M GME shares](https://preview.redd.it/x77hyxwj1no71.png?width=2416&format;=png&auto;=webp&s;=750a0f300eaee1aee427f90a7975b0cb2f8e6cad)

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[Price when RC increased his stake by 2.5M GME \(total 9M\)](https://preview.redd.it/19cdn1zp1no71.png?width=2416&format;=png&auto;=webp&s;=23c463f5f902f080db0f01fa8b24573e96212618)

5. Concluding thoughts: you can make your own destiny without waiting for external events

In addition to Shitadel, Susquehanna, Melvin, and other SHFs, the owners of DTCC stand to lose a ton of money because they own prime brokers who funded *Total Return Swaps* and will end up bag holding when moass occurs. Regardless of what happens with the broader economy, they will find ways to dilute share and keep price low. So calling their bluff with share counterfeiting is the way to moass.

Moass will be very different to gamma squeeze in Jan. The initial price surge may be because of gamma squeeze/hedging, but the real rocket launch is when SHFs are liquidated because the price/risk exceeds collateral they're able to post. Once liquidation starts, the liquidators will buy share at ANY ask price.

Though uncertainties exists, the following does not curb counterfeiting of shares, and hence unlikely to trigger moass:

* Futures rollover
* US debt ceiling default
* Rising inflation
* Housing eviction
* Evergrande
* Add other *big* economic events

The other possibility is that when apes register 1x float in Computershare, Gamestop has the option to recall phantom `$GME` ***shares from DTCC because technically DTCC has no share as accounted by their transfer agent (Computershare).***

Till this happens the "system" will act as your best friend and keep you misinformed, distracted, saturate news with nothingburgers, to prevent you from acting in your best interest.

EDIT 1: Fixed typos

EDIT 2: SIPC insurance limited $500K per account not per share