

Title: Stock split/dividend will destroy the shorts. Here's why...

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Imagine you own one share of GME and RC declares a 7 for 1 stock split. This means the share price will be divided by 7, you will receive 6 more bananas, you beautiful ape.

GameStop itself issues these additional 6 shares, and either distributes them directly to their transfer agent (ComputerShare) if you DRS'd your original banana there, and if not, those additional 6 shares will go to the DTCC, who in turn should distribute them to the your broker who will then deposit them into your account.

The point is this. Every ape who owns a banana should be receiving 6 additional bananas in the case of a 7 for 1 split. GameStop will only issue 6 bananas for each one of the legitimate 76M shares outstanding. That would come out to 456M additional bananas.

If any apes are holding synthetic shares (obviously), those apes should are also entitled to receive 6 additional bananas. But there won't be any bananas to give them after the 6 bananas are given to the first 76M shares. So who's on the hook for those 6 bananas? The short seller who created those synthetic shares. If I were them, I would head for the exits fast.

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