

Title: No more exemptions! The world is watching!

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Permalink: /r/TheGloryHodl/comments/pffvun/no_more_exemptions_the_world_is_watching/

Url: /r/Superstonk/comments/pc5fht/point72_asked_the_sec_for_certain_exemptions_today/

Is_self: False

[Link to the notice](<https://www.sec.gov/rules/ic/2021/ic-34365.pdf>)

[What's New on the SEC Website, August 26, 2021](<https://www.sec.gov/news/whatsnew/wn-today.shtml>)

I'll edit the OP later on unless someone beats me to an explanation in the comments.

****EDIT:****

The stuff in this notice is pretty juicy - but first, the post title needs some clarity - as per the source:

>*The application was filed on* ***September 28, 2018 and amended on July 21, 2020, and June 16, 2021***. *Hearing or Notification of Hearing:* ***An order granting the requested relief will be issued***
unless the Commission orders a hearing...

Explain to me how it's fair they can file it 3 years in advance, amend it twice during periods when they're speculated to be on the *really* bad side of some bets, have a history of insider trading, have clear conditions that would allow them to **abuse** the exemptions, and then get it conditionally approved on the verge of a colossal market correction that **they likely made worse and accelerated.**

The meat and potatoes of this exemption request involves employee exemptions. Here's a juicy tidbit:

>*A Future Fund may be structured as a domestic or* ***offshore limited*** *or general partnership, limited liability company, corporation, business trust or other entity.* ***Point72 may also form parallel funds organized under the laws of various jurisdictions*** *in order to create the same investment opportunities for Eligible Employees (defined below) in other jurisdictions.*

Fuck off Stevie

>*Interests in the Funds will be offered in a transaction exempt from registration under section 4(a)(2)*

Google section 4(a)(2) to get:

>*What is section 4?*

>

>*This is often referred to as the private placement exemption for issuers. ... A Section 4(a)(2)* ***private placement provides an attractive capital-raising alternative for a foreign issuer considering offering securities in the United States***\.*

Again, fuck off Stevie

LOL - wow

>*Applicants request an exemption from* ***section 17(j) and the provisions of rule 17j-1 (except for the anti-fraud provisions of rule 17j-1(b))*** *because they assert that these requirements are burdensome and unnecessary as applied to the Funds.*

Guess the title of **rule 17(j)-1**? [*Personal investment activities of investment company

personnel*](<https://www.law.cornell.edu/cfr/text/17/270.17j-1>)

Oh, you don't want an exemption from the anti-fraud provisions? *How noble of you.* Out of curiosity, what're the sections of [rule 17j-1](<https://www.law.cornell.edu/cfr/text/17/270.17j-1>)?

>***rule 17j-1(a) - Definitions***

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>10+ sub-paragraphs

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>***rule 17j-1(b) - Unlawful actions***

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>4 sub-paragraphs

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>***rule 17j-1(c) - Code of Ethics***

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>10+ sub-paragraphs

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>***rule 17j-1(d) - Reporting requirements of access persons***

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>10+ sub-paragraphs

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>***rule 17j-1(e) - Pre-approval of investments in IPOs and limited offerings***

>

>1 sub-paragraph

>

>***rule 17j-1(f) - Recordkeeping requirements***

>

>7 sub-paragraphs

Wait a second, you want to be exempt from the code of ethics but not unlawful actions? That seems like it works against what GG claims as *the spirit of the law*. Just look at the first paragraph in the code of ethics!

>***...*** *must adopt a written code of ethics containing provisions reasonably necessary to prevent its Access* [*Persons*](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=3df16bcba79f5e9f4c3cc2c8c60b0903&term;_occur=999&term;_src=Title:17:Chapter:II:Part:270:270.17j-1) *from engaging in any conduct prohibited by* [***paragraph (b)***](<https://www.law.cornell.edu/cfr/text/17/270.17j-1#b>) *of this* [*section*](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=ae77e4ab315ae0b3a3e66d2e23fa9ec3&term;_occur=999&term;_src=Title:17:Chapter:II:Part:270:270.17j-1)*.*

That's a fucking joke, right? The rules in ***rule 17j-1(b) - Unlawful actions*** are absurdly vague. The code of ethics section (**edit: for clarification**) details requirements for how to communicate to employees what unlawful *actually* means. You'd think that'd be kind of important if:

>***Point72 may also form parallel funds organized under the laws of various jurisdictions***

I'm not even going to get into how obviously necessary reporting requirements are.

Remember how Stevie got away from his first insider trading trial? The lack of the flow of information. How do *your employees* know what's unlawful when you're not telling them what specific actions would make it unlawful - **especially with respect to different countries?**

Stevie is a fraudster. Do SEC personnel approve these on their lunch break or what?

I'll go out on a limb here and say **these exemptions should not have received delayed approval.**
Fuckery abound.

And for any of you **whistleblowing lurkers** out there, there is an opportunity for a hearing if you've got

compelling information:

>*Hearing or Notification of Hearing: An order granting the requested relief will be issued unless the Commission orders a hearing. Interested persons may request a hearing by e-mailing the Commission's Secretary at* [*Secretarys-Office@sec.gov*](mailto:Secretarys-Office@sec.gov) *and serving applicants with a copy of 2 the request by e-mail. Hearing requests should be received by the Commission by 5:30 p.m. on September 20, 2021, and should be accompanied by proof of service on the applicants, in the form of an affidavit or, for lawyers, a certificate of service. Pursuant to rule 0-5 under the 1940 Act, hearing requests should state the nature of the writer's interest, any facts bearing upon the desirability of a hearing on the matter, the reason for the request, and the issues contested. Persons who wish to be notified of a hearing may request notification by e-mailing the Commission's Secretary at* [*Secretarys-Office@sec.gov*](mailto:Secretarys-Office@sec.gov)*.*