

Title: The Melvin Capital Misdirection Part Two: The Plotkin Thickens

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Preface

One [theory](https://www.reddit.com/r/Superstonk/comments/pam30m/the_melvin_capital_misdirection) I've posited over the past few months involves Citadel and Point72's \$2.75 billion-dollar cash infusion having actually been collateral for securities lending and the notion Reddit and Retail Investors were intentionally used as scapegoats by these entities in pursuit of confidential filing approval by the SEC.

While I still stand by my theory a couple of it's shortcomings have since dawned on me that portray an even more cohesive, cynical explanation of events when taken into account.

Shortcoming #1

A failure to recognize that Melvin Capital itself, like Reddit and Retail Investors, has been a manufactured scapegoat since early January 2021.

Shortcoming #2

The inability to have identified Gary Cohn's involvement in the acquisition of Melvin's assets as part of a Private Credit Repayment scheme.

TLDR

This post will expand upon how I came to these conclusions and explain why I believe it's plausible that Melvin has only been a shell of it's former self over the past year.

Background

In December 2020 Robert Rasamny was

[appointed](<https://www.ai-cio.com/news/gamestop-woes-keep-plaguing-melvin-capital/>) Melvin Capital's new Chief Compliance Officer (CCO). Not much was made of this at the time but it just so happens that Rasamny also serves as General Counsel and CCO for a Cayman Islands exempted Special Purpose Acquisition Company (SPAC) named [Cohn Robbins Holdings Corp](<https://www.cohnrobbins.com/home/default.aspx>) that was recently [incorporated](https://www.sec.gov/Archives/edgar/data/1818212/000121390020026085/f424b40920_cohnrobbins.htm) by none other than **Gary Cohn** - the 11th Director of the National Economic Council, former President and COO of Goldman Sachs and [ally](<https://www.bloomberg.com/news/articles/2013-07-31/goldman-sachs-s-cohn-says-sac-capital-is-a-great-counterparty->) of Point72's Steve Cohen.

The timing couldn't have been more peculiar given Cohn Robbins' stated purpose:

> "We were formed for the purpose of effecting a merger, share exchange, asset acquisition, share purchase, reorganization or similar business combination with one or more businesses or entities (a "Business Combination")." - [SEC - March 31st, 2021](<https://sec.report/Document/0001213900-21-019199/>)

And description of activities through the end of December 31st, 2021:

> "We have neither engaged in any operations nor generated any revenues to date. Our only activities from inception to December 31, 2020 were organizational activities, those necessary to prepare for the Initial Public Offering, described below, and, after the Initial Public Offering, identifying a target company for a Business Combination, at the earliest." - [SEC - March 31st, 2021](<https://sec.report/Document/0001213900-21-019199/>)

Meaning Cohn Robbins identified a target company for "Business Combination" during the same timeframe that Rasamny, a Cohn Robbins employee, was appointed CCO of Melvin Capital.

Compounding these overlaps is the fact that on February 16th, 2021 Rasamny filed his first [quarterly report](<https://sec.report/Document/0000905718-21-000248/>) on Melvin's behalf and in doing so changed the filing agent to the law firm Lowenstein Sandler for their first time ever. This stood out to me because one of Lowenstein Sandler's managing partners, Steven Skolnick, was accompanying the Credit Suisse employee responsible for Archegos' prime services risk at the time of his death while boarding a [chairlift](https://www.reddit.com/r/Superstonk/comments/pfu27h/chair_37_and_a_series_of_unfortunate_events/) in Colorado on February 13th, 2020. It was only a few days after this employee's tragic passing when Archegos' risk profile exploded - changes later said to be the result of inexperience by his replacement.

Which is also one of the reasons why I find the fact Credit Suisse being the sole book-running manager for Cohn Robbins to also be interesting.

Hypothesis

SPACs, like Cohn Robbins, have become popular among investors who practice what's known as [Private Credit Repayment](<https://www.spglobal.com/marketintelligence/en/news-insights/latest-news-headlines/easy-exit-spacs-spell-quick-repayments-for-private-credit-63130191>).

And based on:

1. The timing of Melvin's CCO changing from Evan Cohen to Robert Rasamny
2. Cohn Robbins' business model and activities through December 31st, 2021
3. Gary Cohn's pre-existing relationship with Steve Cohen of Point72
4. Lowenstein Sandler being a common thread between Melvin, Cohn Robbins, Credit Suisse and Archegos and
5. Cohn Robbins book-running relationship with Credit Suisse

I found myself wondering - was the [issuance](<https://sec.report/Document/0001213900-21-009032/>) of shares by Cohn Robbins on December 31st, 2020 simply their way of acquiring Melvin Capital's assets for the purpose of Private Credit Repayment?

I think so, and while reviewing another [one](<https://sec.report/Document/0001319244-21-000095/>) of Cohn Robbins' ownership acquisition statements from December 31st, 2021, I recognized another interesting connection - this time in conjunction with Millennium Management - that seems to provide further evidence of this theory.

Millennium Management is run by Israel Englander - the [highest paid](<https://www.cnbc.com/2021/02/22/25-highest-paid-hedge-fund-managers-earned-record-setting-32-billion-in-2020.html>) hedge fund manager in the world - who, as recently as 2017, has had to [settle](<https://www.sec.gov/news/press-release/2017-203>) with the SEC over illegal short selling. As of December 31st, 2020 Israel Englander has beneficially owned 6,292,199 Class A Ordinary Shares of Cohn Robbins and due to this figure being so close to the 6 million-shares worth of puts listed on Melvin's quarterly filing from [February 16, 2021](<https://sec.report/Document/0000905718-21-000248/>) I decided to take a closer look at Millennium's filings.

What I found was that both Melvin and Millennium's filings from May 17, 2021 display the same weird error message on the SEC's website:

- Melvin [5/17/2021](<https://sec.report/Document/0000905718-21-000700/>)
- Millennium [5/17/2021](<https://sec.report/Document/0001273087-21-000006/>)

And since May 17th, 2021 all of Millennium's quarterly reports have included a message that states:

> "Certain holdings included in this report involve discretion exercised by other relying advisers of the Institutional Investment Manager that are not separately identified on this report. In addition, certain holdings included in this report are reported in the holdings reports of other institutional investment

managers that may be deemed to have investment discretion over such holdings, but on whose behalf the Institutional Investment Manager does not file holdings reports.” - [Millennium Management - November 11th, 2021](https://sec.report/Document/0001273087-21-000016/primary_doc.xml)

With Melvin’s subsequent filings providing [no details](https://sec.report/Document/0000905718-21-001492/primary_doc.xml) either.

All of which leads me to believe that Melvin Capital is no longer the “Melvin Capital” we were made to believe was led by some illustrious trader:

> “Obviously, Gabe Plotkin, by reputation, one of the best money managers of this generation” - [Ken Griffin - February 18th, 2021](<https://www.rev.com/blog/transcripts/robinhood-ceo-testimony-transcript-gamestop-hearing-february-18/>)

Instead, I propose that Melvin is actually just a “zombie hedge fund” being propped up and used as a sacrificial lamb while it’s former assets, the backwash of Credit Suisse dealings between Archegos and Greensill, are continuing to be sliced and diced behind the scenes by individuals who’ve been formerly convicted of financial crimes.

Conclusion

Like I said, the plotkin thickens and this novel chain of events is even harder for me to comprehend while taking into consideration the credit being repaid could be realistically tied to [Credit Linked Notes](https://www.reddit.com/r/Superstonk/comments/r4vyay/the_criand_connection_and_credit_linked_notes) invested in by those seeking to profit off COVID-19 induced bankruptcy events and [people](https://www.reddit.com/r/Superstonk/comments/qsbfmz/gamestop_sears_and_the_cancellation_of_bill_gates/) who claim to be helping society, not destroying it.

Trading is a tough game, don’t you think?

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Just a Retail Investor, not a financial advisor.