Title: A comprehensive guide to spotting criminal market manipulation, and very easily and quickly raise complaints to multiple authorities (SEC, DoJ, FBI and FTC)

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Permalink: /r/TheGloryHodl/comments/tm9er3/a comprehensive guide to spotting criminal market/

Url: /r/Superstonk/comments/tck2vv/a_comprehensive_guide_to_spotting_criminal_market/

Linked Post Content:

[0] Preface - What Is This Post About?

Less than two weeks ago, there was a popular post by u/sergeek about a market manipulation technique called Spoofing, which was almost certainly used on our beloved stonk. I have provided a screenshot and a link to this post further down, in section \[1\]. I could see a few frustrated comments in response to this post from Apes wanting to report the criminality to the authorities, but not knowing who or how to contact. It inspired me to make the following post below, to help both these Apes and any others who did not have the time or energy to compose a message themselves:

https://www.reddit.com/r/Superstonk/comments/t4xam7/feeling_too_lazy_to_report_the_illegal_spoof ing/

https://preview.redd.it/gq1ryooccym81.png?width=661&format;=png&auto;=webp&s;=8d576365e63ea4ee d2b7081a5febd9f6ff73e2bf

I was quite surprised by the response to this post, as it seemed to be helpful to *many* more Apes than I anticipated. What I realised was that there is a large number of users of this sub that really *do* want to take some action and report illegal transgressions to the authorities, but simply do not know who to contact and what to say. I too had the first of these problems, as I was not really sure whether the body I contacted and link I used - to the Department of Justice - was the best one to use.

So that led me to do some additional searching, to try and find who else I should reach out to in order to make my voice heard. It was from this searching that I came across an incredible post by u/Cataclysmic98, which I believe is the most comprehensive list of relevant contacts that has been put together on this sub. However her posts had not gotten as much interest as they should have, so I decided to try and promote it further using this post below:

[https://www.reddit.com/r/Superstonk/comments/t6jriu/ucataclysmic98_posted_the_most_amazing_list\ _of/](https://www.reddit.com/r/Superstonk/comments/t6jriu/ucataclysmic98_posted_the_most_amazing_list of/)

https://preview.redd.it/5czv3a6qdym81.png?width=798&format;=png&auto;=webp&s;=ccffea12dcee7d6a3568d1a3e43d52322c86a86

Once again, the response to this post showed there is a *great* appetite for Apes to file such reports, but still some hesitation and uncertainty how to do so. This was crystalised by one of the response comments, from u/edwinbarnesc:

https://preview.redd.it/vd2x18tymym81.png?width=334&format;=png&auto;=webp&s;=cf73114f40039b8169b5fe8d06049123be42b067

That is precisely the purpose of this current post you are reading: to provide a comprehensive resource that combines both the "who" to contact about fuckery, plus "how" exactly to report to it in a fast and easy way. However I have also added another section, which is on "what" kind of fuckery to look out for. Although most of us know there is a *lot* of it going on, we don't necessarily know what these are called and what laws they are breaking. So let's start by looking at some of the more common examples we have seen during this saga...

#[1] Types of Fuckery - What To Look For

Spoofing

Share price is \$200. Hedgefuck places a huge order at \$180 but doesn't plan to buy the stonk at that price. Meanwhile Hedgefuck also places an order for a short sale on the side. The rest of the market sees the huge order at \$120 and thinks there's a whale that's bearish on the stock. Paperhands panic and sell their stock, bringing the price down to \$180.

Hedgefuck cancels the buy order at \$120. The price has fallen down to \$180, so they also exit their short sale with a profit. Hedgfuck kills two birds with one stone: the price has fallen AND they've profited on the short sale.

Alternatively, they can do **Layering**, which is a special type of spoofing to make the market think there's a lot of interest and liquidity in the stock. Share price is \$200. Hedgefuck places orders at \$160, \$140 and \$120. Again, they don't have any plan to buy the stonk at those prices. Meanwhile Hedgefuck also places an order for a short sale on the side.

Laws and regulations transgressed:

Sections 9(a)(2) and 10(b) of the Securities Exchange Act of 1934.

Section 17(a) of the Securities Act of 1933.

Possible example:

[https://www.reddit.com/r/Superstonk/comments/t4k6cd/today_collaborated_spoofing_occurred_in_the\ _last/](https://www.reddit.com/r/Superstonk/comments/t4k6cd/today_collaborated_spoofing_occurred_in_t he last/)

https://preview.redd.it/45xrsm9jdwm81.png?width=664&format;=png&auto;=webp&s;=5fc3efa01bd8a9c1e0d631663868600eb1dee205

Front Running

Hedgefuck gets wind of a large (and real) order to buy or sell a stonk, placed by another entity. Maybe that other entity is a hedge fund having some kind of connection with a Market Maker that executes that other real order... That large order is big enough that the share price will most likely go up or down.

Hedgefuck uses this information to go long or short, in the same direction as that other order. Or they buy some kind of derivative, such as an option, to again profit from gaining that knowledge unfairly. Basically, cheating.

Laws and regulations transgressed:

Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5.

Section 17(j) of the Investment Company Act of 1940 and Rule 17j-1.

Possible example:

[https://www.reddit.com/r/Superstonk/comments/szvza1/since_premarket_spoofinglayering_is_on_the\ _menu/](https://www.reddit.com/r/Superstonk/comments/szvza1/since_premarket_spoofinglayering_is_on _the_menu/)

https://preview.redd.it/3c705ljgewm81.png?width=623&format;=png&auto;=webp&s;=748eaf9d56dcf3083c71f77eb79421ad7d6638d6

Wash Trading

Hedgefuck wants to create some "buzz" around a stonk, and they do this buy creating artificial trading volume. They collude with another friendly hedgecunt, buying and selling back a few shares repeatedly, to give the impression that there is a lot happening with the stonk. (Although it is technically slightly different, most Apes know this fuckery as a **Short Ladder Attack.)**

Laws and regulations transgressed:

Sections 17(a)(1) and (2) of the Securities Act of 1933.

Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5.

Possible Example:

[https://www.reddit.com/r/Superstonk/comments/phb20m/for_those_unfamiliar_this_is_a_short_ladde r/](https://www.reddit.com/r/Superstonk/comments/phb20m/for_those_unfamiliar_this_is_a_short_ladder/)

https://preview.redd.it/mw0g7vy8fwm81.png?width=660&format;=png&auto;=webp&s;=a297edb08a09045bcf24e25bd82a60b130135a5e

Wash Sales

Hedgefuck sells a holding at a loss and claims a capital loss to avoid paying taxes. Then within 30 days, they buy in again into the same stonk and wait for a capital gain.

Laws and regulations transgressed:

Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5.

Section 1091 of the Internal Revenue Code.

Possible Example:

https://preview.redd.it/9pgboxakfwm81.png?width=662&format;=png&auto;=webp&s;=089d923e5815d6b8 c7a12479163524e5f2110976

Marking The Open/Close/Fix

Most prime brokers use the closing price of stonks, to value the portfolio of their customers' holdings. By placing a large order just towards the end of the day, for example, Hedgefuck can manipulate the price to

increase the value of their portfolio. The next day, they can then short the price down again if needed, and take some profits when the market corrects the artificial imbalance.

Laws and regulations transgressed:

Section 10(b) of the Securities Exchange Act of 1934 and 15 U.S.C. 78j(b).

Rule 10b-5, 17 C.F.R. 240.10b-5.

Section 206 of the Investment Advisers Act of 1940 and 15 U.S.C. 80b-6.

Possible Example:

[https://www.reddit.com/r/Superstonk/comments/t0l28m/happening_again_all_these_companies_are_ spoofing/](https://www.reddit.com/r/Superstonk/comments/t0l28m/happening_again_all_these_companies _are_spoofing/)

https://preview.redd.it/b2ne76mvfwm81.png?width=660&format;=png&auto;=webp&s;=7b998b6aa27283f0e3cf9fd4d480bcf478e3ca32

Stock Parking/Kiting

Hedgefuck A sells stonks to Hedgecunt B, with the understanding that they'll sell the shares back to Hedgefuck A after a short period. This way, they can hide the real ownership for that limited period, for example to get around regulatory disclosure of short positions. Collusion of this kind is much easier if it is done between, say, a Market Maker and a *friendly* hedge fund partner...

Laws and regulations transgressed:

Sections 17(a)(1) and (3) of the Securities Act of 1933

Section 10(b) of the Securities Exchange Act of 1934 and Rules 10b-5(a) and (c)

Sections 206(1) and (2) of the Investment Advisers Act of 1940.

Possible Example:

https://www.reddit.com/r/Superstonk/comments/mxnou5/til_about_the_term_kiting_aka_fail_to_deliver/

https://preview.redd. it/9bba3lphtwm81.png?width=663&format;=png&auto;=webp&s;=abd0dcfab20182cffcd939c88d79d94115cbf505

https://preview.redd.it/jzgdcqedvwm81.png?width=774&format;=png&auto;=webp&s;=4b3ea8c4ed0fa44cbcb403d8b0e574b8686bd42a

Hedgefucks place successive orders in small amounts, at increasing or decreasing prices, to give the appearance that the stonk is moving in one direction or another due to "natural" trading. Alternatively they manipulate the stock purchase record, to give the appearance that the trading day has gone differently to how it really went down.

Laws and regulations transgressed:

^{**}Painting/Erasing/Rolling Back The Tape**

Sections 5(a) and 5(c) of the Securities Act of 1933.

Possible Examples:

https://preview.redd.it/213zvbl7xwm81.png?width=619&format;=png&auto;=webp&s;=432a879df8540d695836189e653c4b70d7c19dae

[https://www.reddit.com/r/Superstonk/comments/oj1tjl/erasing_the_tape_how_to_remove_daily_trade\ _volume/](https://www.reddit.com/r/Superstonk/comments/oj1tjl/erasing_the_tape_how_to_remove_daily_ trade volume/)

https://preview.redd.it/rsqsx244xwm81.png?width=663&format;=png&auto;=webp&s;=f749ddb0f67889e8061aea7a596caf22dcb65caa

Bear Raid

Hedgefuck goes short on a stonk, then spreads FUD to get paperhands to sell out early, or hit stop losses. Basically, GME over the last 14 months plus.

Laws and regulations transgressed:

Section 17(a) of the Securities Act of 1933.

Sections 9(a)(4) and 10(b) of the Securities Exchange Act of 1934.

Possible Examples:

[https://www.reddit.com/r/Superstonk/comments/rh2eta/the_story_goes_like_this_sac_capital_steve_cohen/](https://www.reddit.com/r/Superstonk/comments/rh2eta/the_story_goes_like_this_sac_capital_steve cohen/)

https://preview.redd.it/vgwbhwh1bym81.png?width=661&format;=png&auto;=webp&s;=2d81e63a52f59ec 09a839657a8c266c95e45046e

https://www.reddit.com/r/Superstonk/comments/tc8ky2/bots_are_being_ramped_up_bullish/

https://preview.redd.it/034qlg27bym81.png?width=569&format;=png&auto;=webp&s;=9b6a98dbc4de3c0c4f71ad28277a0cf79d34bb1b

#[2] Who To Report Fuckery To - Organisations & Links

As awesome as u/Cataclysmic98's post below is...

 $[https://www.reddit.com/r/Superstonk/comments/sf0wj7/an\extensive\quick_link_resource_to_file_a/] (https://www.reddit.com/r/Superstonk/comments/sf0wj7/an\extensive\quick_link_resource_to_file_a/)$

...she was probably *too* thorough for the attention span of most Apes, keeping in mind most of us can barely read! I have therefore condensed this down to just four of the bodies and links, that I believe are the ones most likely to act on any complaints received:

SEC - Securities & Exchange Commission:

https://www.sec.gov/tcr

DoJ - Department of Justice:

https://www.justice.gov/doj/webform/your-message-department-justice

FBI - Federal Bureau of Investigation:

https://tips.fbi.gov/

FTC - Federal Trade Commission:

https://reportfraud.ftc.gov/

#[3] How To Report It - How To Write A Complaint

Simply copy-and-paste the letter below and add/change the relevant fields in bold:

Dear Sir/Madam,

I am a retail investor and hold shares of a company listed on the New York Stock Exchange named GameStop, Inc. (ticker: GME). It is my belief that GME stock underwent criminal market manipulation, potentially by multiple financial institutions, meaning that I and other shareholders of GameStop are victims of crime. The specific details are as follows:

Date: **{{{ Insert date }}}**

Time: **{{{ Insert time period or approximate time }}}**

Type of Manipulation: **{{{ Insert the type of fuckery listed in section \[1\] above }}}**

Laws and Regulations Transgressed: **{{{ Copy-and-paste the relevant ones from section \[1\] above }}}**

Potental Evidence: **{{{ Copy-and-paste a link, or whatever other evidence you may have }}}**

Possible Criminal Financial Institutions: **{{{ Insert if there is some tangible evidence }}}**

There is not a great deal of additional corrborating evidence I can provide for my assertion at this time. Unfortunately the financial services industry has been structured in such an opaque way that retail investors, such as myself, have access to the least amount of market data. However it is hoped that the **{{{ SEC / DoJ / FBI / CFPB --> Keep one and delete the others }}}**, being a well-funded government body with expertise in this area, can procure more potential evidence.

I would therefore appreciate if you could look into my complaint, in order to protect the rights of retail investors and uphold the aforementioned Laws and Regulations.

Kind regards,

Χ

Here is an example, for the Bots posting anti-GME FUD messages on twitter over the last 24 hours, which u/notzebular0 posted about and possibly indicates a Bear Raid in action:

Dear Sir/Madam,

I am a retail investor and hold shares of a company listed on the New York Stock Exchange named GameStop Inc. (ticker: GME). It is my belief that GME stock underwent criminal market manipulation, potentially by multiple financial institutions, meaning that I and other shareholders of GameStop are victims of crime. The specific details are as follows:

Date: ***12th March 2022***

Time: ***11 PM***

Type of Manipulation: ***Bear Raid***

Laws and Regulations Transgressed: ***Section 17(a) of the Securities Act of 1933, and Sections 9(a)(4) and 10(b) of the Securities Exchange Act of 1934.***

Potental Evidence: [***https://i.redd.it/qgw1f76jtvm81.jpg***](https://i.redd.it/qgw1f76jtvm81.jpg)

Description: ***As can be seen from the screenshot, multiple twitter accounts are posting the same negative message about GME stock. Although it is hard to say who is behind this, it appears to be a targeted attack meant to cast the company and/or its shares in a negative light. Based on the evidence available, I have reason to suspect that one or more parties is attempting a Bear Raid on GME stock,***

Possible Criminal Financial Institutions: ***Citadel Advisors LLC is possibly one of the potential firms involved, having one of the largest 'Short' positions in GME and therefore in a position to benefit from a Bear Raid.***

*There is not a great deal of additional corrborating evidence I can provide for my assertion at this time. Unfortunately the financial services industry has been structured in such an opaque way that retail investors, such as myself, have access to the least amount of market data. However it is hoped that the * ***SEC*****, being a well-funded government body with expertise in this area, can procure more potential evidence.*

I would therefore appreciate if you could look into my complaint, in order to protect the rights of retail investors and uphold the aforementioned Laws and Regulations.

Kind regards,

u/Region-Formal

[4] How Long Does It Take?

Using the letter above, I filed copy-and-paste complaints using each of the four links shared in section \[2\]. Here is how long it took for me to do this, for reporting the latest fuckery using each of these:

- **SEC Securities & Exchange Commission**: 7 minutes
- **DoJ Department of Justice:** 1 minute
- **FBI Federal Bureau of Investigation:** 2 minutes
- **FTC Federal Trade Commission:** 2 minutes

Including the time needed to make the small copy-and-pastes from section \[1\] down to the letter, and then opening up each website, in total took only about 15 minutes to report a complaint to all four.

[5] Why Should I Do This?

I know there are still many skeptical Apes out there, who would see this as a waste of 15 minutes. However if we want systematic change to become a reality, it will currently only happen through the system itself. Some degree of faith is required to believe any good will come of sending these types of complaints to the SEC, DoJ, FBI and FTC. But I am of the opinion that if they get dozens, hundreds or possibly *thousands* of complaints about the same act of fuckery over a short period of time, it eventually becomes too big to ignore and they have to act.

So in summary: be the change you want to see. (Also, don't forget to DRS, if you haven't already.)