Title: Stock Split Dividend: Possible Outcomes
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Now that the paperwork is complete and GameStop has the option to initiate a stock split dividend up to a 12-to-1 (or 13?) ratio instead of 3-to-1, what happens next? Here's a breakdown for the layapes:

1. If (when) the board decides to issue a stock split dividend, GameStop must make an announcement at least 10 days prior to the record date. ([Source](https://www.sec.gov/rules/sro/nyseamer/2018/34-82864-ex5.pdf); public announcement *should* take place at least 10 days prior to the record date, and private announcement to the relevant exchange [NYSE] *must* be given at least 10 minutes prior to the public announcement)

2. On the record date, GME will record the number of shares and their location. Dividends will be sent according to the status on this date.

3. The payment date is usually at least 1 week after the record date, and can be up to 1 month after. On the payment date, GME will give shares to Computershare according to the number of real shares that CS holds, and they give the DTC ("Wall Street") shares according to the number of real shares they hold.

4. CS and the DTC have at least 10 days (announcement to record date, plus the time from record date to payment date) to plan the share distribution. During this period between the public announcement and the payment date, nothing is announced publicly.

5. The DTC has until the payment date to privately tell GME, "We can't/won't distribute these." They would only tell GME this if counterfeit shares exist, and if liquidity is so dry that the shorters are unable to produce enough counterfeits to provide split shares to all the shareholders that are holding counterfeits, because that would mean the DTC is not in possession of enough shares to distribute the dividend to everyone.

At this point, we have several possible scenarios.

#Scenario 1: Counterfeit shares do not exist

1. On the payment date, CS and the DTC distribute the shares.

2. The end. No mother of all short squeezes (MOASS) because no one is short...

Lmayo I couldn't even type that with a straight face. Tons of DD proves this scenario isnt even possible, including the "most credible" source (at least to outsiders) of the SEC's Oct 18, 2021 report saying the short interest in Jan 2021 was 123% and that nearly 0% of shorts closed. Shorts must close in order for a short squeeze to happen, and since they haven't closed yet, the MOASS is yet to come.

#Scenario 2: Counterfeit shares exist

We know the DTC is screwed, and they know it's their fault, so they're going to delay as long possible, probably right up to the very minute before the payment date.

In any of these cases:

* Naked shorters will be using every minute of these 10+ days between the announcement and the payment date to scramble to make as many new counterfeit shares as possible. All of these shares will be sold/donated to the DTC via dark pools so the DTC can distribute them as the dividend. The price will not be affected, and there will be no publicly available indication that the DTC is stockpiling these counterfeits, but it's guaranteed to be happening because it's their only shot at surviving the dividend. Honestly, they could have already started working on this whenever GME first stated they're considering a stock split dividend.

* The recent vote results are *amazing*. The only way shorters can survive the dividend is if they can produce a high enough *number* of shares. Only the number matters, not the price. To give themselves wiggle room for the future, GME is not likely to split all the way to the maximum because they need to leave wiggle room for future share distributions. So that means before the vote, they could realistically only give a maximum split of 2-to-1, but they can now safely give a split somewhere in the 6-11 to 1 range. Shorters might have a shot at creating enough counterfeits to double the float, but multiplying the float by 6, 7, 8+ times will be *drastically* more difficult.

* Shady af brokers (like all those under Apex, including Robinhood) who deal exclusively in IOUs instead of real/counterfeit shares will not be hurt in any way. They simply multiply the IOUs in their account by whatever the split dividend ratio will be. So gtfo of these brokers if you actually want to help GME and yourself.

From there, we have a few different options:

Scenario 2.a: Counterfeit share numbers are small enough and/or liquidity is high enough that naked shorters are able to cover the dividend

This will look very similar to Scenario 1, except MOASS will still be inevitable, only delayed until a future catalyst is found.

However, the DD in this sub proves the number of counterfeits is *massive*, definitely not small. I'm not positive how new counterfeits are made, but I know that they need liquid real shares in the DTC's control in order to create them, and less availability means creating counterfeits takes longer. The fact that shorters are now resorting to actually borrowing shares instead of simply pumping out more counterfeits (evidenced by GME's recent insanely high borrow rates) implies that liquidity is far too low (thanks to apes DRSing shares) for the shorters to procuce enough counterfeits to cover the dividend before the payment date, but who knows what tricks the shorters still have up their sleeve. [*Edit*: Side note, honestly it's possible that they're already pumping out as many shares as possible and funneling them to the DTC's secret account in preparation for the dividend, which could be why they're maxing out their borrow capabilities right now. Although Dave Lauer has said dark pool trades still show up in the volume, so they're either not actually doing this yet (lol at their hubris) or they have a way of producing them and passing them to the DTC outside of dark pools (darker pools?)]

So there is a case where a dividend will not ignite the MOASS, however I firmly believe that Ryan Cohen wouldn't even consider going this route if he thought Scenario 2.a was even remotely possible.

Scenario 2.b: Shorters can't cover the dividend, but the DTC tries to distribute it anyways

1. Some, but not all, people who "hold shares" in a broker will get their dividend shares.

2. The people who didn't get shares will try to figure out why they didn't, ultimately causing the masses to realize the DD here is right.

3. MOASS

I don't think this scenario is realistic because it means the DTC would admit fault and because it's the fastest route to MOASS. But an ape can dream, right?

Scenario 2.c: The DTC convinces "legit" brokers to temporarily accept IOUs

1. The DTC promises to provide "real" (counterfeit) shares, but they claim liquidity is too low to provide them immediately, and they provide IOUs in the meantime.

2. Naked shorters keep the counterfeit share printer pumping full time until they replace all the IOUs with counterfeit shares, which will likely be completed long after the payment date.

3. MOASS is delayed until something else kicks it off.

4. All of this would be hidden from the public until MOASS does happen. This news would spark massive public distrust in Wall Street and would effectively end the stock market as we know it altogether. But I could see them doing it anyways just for the chance at living OnE mOrE dAy.

I feel like this is the worst plausible scenario. I'd love if some apes know of reasons that this scenario wouldn't be possible. It seems logical that there should be legal and contractual obligations that should block them from doing this, but when have these people ever played by the rules when their money was on the line?

Theory 1: This does mean that the broker would foot the bill for the IOU shares whenever apes decide to sell them, so brokers might deny this request so that the DTC pays up instead. Could be a reason why this scenario would not play out in the shorters' favor, although they might accept it anyways if they knew the Voltron Fund would foot the bill on their behalf.

Theory 2: I'm betting GME's board will be strategic with their announcement and record dates, lining the share dividend up with the marketplace launch and/or even an NFT dividend. This way even if the shorters could cover the share dividend on its own, they'll be slammed on multiple fronts and (hopefully) overwhelmed.

Scenario 2.d: The DTC is unable to distribute the dividend because they can't come up with enough shares

1. Before the payment date, the DTC could start forcing naked shorters to close, but they won't do that because that would initiate MOASS, which goes against their "one more day" policy.

2. Right before the payment date begins, the DTC tells GME, "We are unable/unwilling to distribute the dividend." I'm pretty sure this is a private announcement, so we won't know until the payment date arrives and all of the non-DRS and non-IOU shares do not get multiplied.

2. GameStop says, "Distributing dividends is one of the core tasks the DTC is supposed to do for us. We no longer have faith in your ability to manage our shares, so within a *maximum* (not minimum) of 90 days from now, we will pull out all our shares from the DTC." It's unclear whether or not GME must make this a public announcement, but I feel like this is such a major decision that shareholders should be promptly informed.

3. At any time between immediately and 90 days, GameStop requests their shares from the DTC.

4. The DTC is now forced to determine which shares are real and which are counterfeit so that the real ones can all be given to the company. Real and counterfeit shares are identical, so the only way to differentiate is to force shorts to close.

5. MOASS

Scenario 2.e: The stock split is actually a carve out

This scenario is pure speculation based on ape hopes & rumors, but it's awesome to think about

In a carve out, part of GME branches off and becomes its own company (see posts about GMErica for indications that GME mught be working towards this). GME "splits its stock" by keeping a portion for itself and making the rest become a new company. If they gave the new company's shares to GME shareholders as a dividend, then it becomes extremely difficult for shorts to counterfeit the new company's shares because they will have no, or very little, time to circulate in the market and be available for counterfeiting, making Scenario 2.a (shorts covering the dividend) virtually impossible.

Now if that new company's shares were traded outside of the DTC on a blockchain system where each share is based on an NFT and completely trackable... Nothing has been announced about GME working on an NFT-based stock exchange, but from their personal public statements, we know GME's NFT team is hoping one will exist soon if not actually working on one behind the scenes. If this is the case (and that's a really big "if"), then both scenarios 2.a and 2.c will also be impossible because (1) the DTC will not be in control of the shares so there will be no one to hide manipulation, (2) no one can perform manipulation because the blockchain enables a truly free market, and (3) IOUs would be impossible because shareholders would immediately notice their shares are fake due to the lack of an accompanying NFT (or, more likely, NFT fragment).

#tl;dr

GME's board is now able to decide to issue a dividend. If they choose to do so (and they have indicated that they do intend to issue one), it will be a stock split dividend. We do not know what day they will make this decision or what day they will choose to initiate the process via the dividend announcement.

Whenever the stock split dividend is issued, Scenario 2.c is most likely the one that the DTC will pursue, but it might not matter if GME slams them with multiple catalysts at the same time, and if 2.c doesn't in the shorters' favor, then Scenario 2.d is the most likely alternative. Scenario 2.e is based on the most speculation, so don't get your tits too jacked, but it would clearly be the best possible outcome.