

Title: Here to clear up the confusion on the split.

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There are lots of misunderstandings about the split so I am going to write a simple post to help you understand.

- Synthetic Shares.

Right now on Throbinhood, sits a pool of shares. If you are on Throbinhood, you have a CFD which is basically an IOU to a share in their share pool. Throbinhood doesn't know nor care, how many are synthetic (fake) or real in their share pool. However as they come from Shitadel via a darkpool, chances are most are synthetic. You buy a CFD share, (IOU) and they buy a share that sits in their share pool. In theory, it's a 1:1 for each share you buy they should buy you a share that may or may not be fake. Let's say in this example, Throbinhood has ALL synthetic (fake) shares.

- Real Shares

So I buy 100 shares on Fidelity. Fidelity gets me 100 shares, and by dumb luck their 100 shares are real serialized shares in their share pool. I pay \$100/share, x 100 shares. All shares are 'real' shares.

**\*\*Now the split\*\***

The split ONLY HAPPENS FOR REAL SHARES.

Fake shares LOSE VALUE by 3/4.

- Synthetics

If your share pool is 100% fake (synthetics) then your customers are gonna be pissed because their shares just lost 3/4 of their value. They had 1 share at \$100 when they went to bed, and they woke up with 1 share now worth \$25. **\*\*Throbinhood has to come up with 3 more shares at \$25 each\*\*** because they didn't get a real share dividend. And then give those shares to you. Some tried to cheat saying they 'sold' your share for \$100 end of day, and bought 4 start of next day. I call bullcrap because nobody was buying millions of shares at 7:59pm so HFs just did this for book keeping. They just needed a way to create 4 synthetics out of thin air.

- Real Shares

Fidelity waited in line and presented their real shares to Computershare who awarded them 3 additional serialized shares at \$25 each. Essentially they devalued their shares 3/4 and then gave out \$75 worth of additional shares making it the same amount. I get my 4 shares, and I am whole.

**\*\*But how does this cause a sneeze?\*\***

Well, in the case of Throbinhood, they need to BUY MORE SHARES to cover the synthetic ones they gave you overnight. They need either time to do that or they made the buy in a dark pool where they had synthetics there too. In either case, they had to buy and that really hurt their bottom line if they have massive fake shares. Unfortunately all those buys that are going on are routed off exchange and via a dark pool and that means they just **\*\*QUADRUPLED\*\*** the number of fails to deliver. At some point a bank will see this behind the scenes and realize they are upside down to a breaking point where they need to buy.

This is why TSLA doubled around T+54 because those failures started to pop up and be so bad that shares had to be bought. Big firms can cheat, but small ones cover. While it may never sneeze, I would "GUESS" that we can start to see upward pressure over the next 60 days as the FTD's increase and the

back office starts to panic from all the shares they have to buy.

This is not financial advice. I like the stock.