

Title: BBBY, The Buy Buy Baby Spinoff, and The GME Connection.

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My thoughts are not financial advice nor a reflection of the sources cited. They are my opinion alone.

Note: if you are reading this on a GME sub the gme part will be at the end and also in the TL:DR.

TL:DR; BBBY will need a shareholder vote to spinoff BUY BUY BABY. That spinoff does NOT have to be registered with The SEC. The spinoff DOES need a Market Maker. That Market Maker COULD be The GME NFT Market Place.

[<https://www.securitieslawyer101.com/2014/stock-spin-offs-101/>](A spin-off) ("Spin-off") involves a transaction in which a parent company ("Parent") distributes securities of its subsidiary ("Subsidiary") to the Parent's stockholders so that the Subsidiary becomes a separate, independent company.] Spin-off securities are usually distributed on a pro-rata basis.(pro-rata means 1:1. If you have 100 shares of bbby you'll get 100 shares of buy buy baby.) State law dictates whether stockholder approval of a spin-off is required.

Where is BBBY incorporated? [<https://www.bedbathandbeyond.com/store/static/TermsOfUse>](Bed Bath & Beyond Inc. is a New York corporation, with its corporate headquarters located in Union, New Jersey, in the United States of America.)

Under the Delaware General Corporation Law (DGCL), companies are not required to obtain the approval of their shareholders before proceeding with a spin-off. (This is the case in most states. However, shareholder approval for spin-offs is required in some states, such as in New York and Maryland.)

Since BBBY is incorporated in New York, they'll have to issue a vote to spinoff Buy Buy Baby. I assume that'll be a win due to RC Ventures holdings + insiders + retails desire for the company to grow.

Securities issued in spin-offs do not require registration under the Securities Act of 1933, as amended (the "Securities Act") if certain conditions are met. The SEC has taken the position, that as long as the conditions of Staff Legal Bulletin No. 4, have been satisfied, the spin-off of the Subsidiary's securities by the Parent will NOT require a registration statement under the Securities Act. AFTER the spin-off is complete, the private issuer must locate a sponsoring market maker to submit a Form 211 to FINRA to seek a ticker symbol. As long as the requirements of Staff Legal Bulletin No. 4 are met, the securities distributed to the Subsidiary's stockholders are not restricted securities.

[Restricted Securities?](<https://www.investor.gov/introduction-investing/investing-basics/glossary/restricted-securities#:~:text=Restricted%20securities%20are%20securities%20acquired,an%20affiliate%20of%20the%20issuer.>)

Ok so if Buy Buy Baby were considered restricted you wouldn't be able to sell for 6 months to 1 year. Even then there would still be legal hoops to jump through. Seems too big of a hassle to "sell" to investors whom may be thinking BBBY is a dieing company. From an outside perspective if Bath stated; baby was a spinoff but restricted stock, that would put me off to buying. Especially in this economic climate.

But! What if the market maker were not attached to the dtcc and were instead a restricted security traded in the form of an NFT inside a new market place? Now this is speculative and there has been large speculation of GME leaving The DTCC/ NYSE and instead being traded on their own NFT Market Place. I can't find it but there was someone involved in The GME NFT Market place going on a rant about how nfts will be; house titles, video games, securities, etc. (I think it was Jordan Holberg but idk.) So now buy buy baby is "restricted" in the fact that it is not traded on an open market like NYSE but is openly traded exclusively on GME NFT Market Place.

Or! Bed Bath and Beyond does seek a Market Maker to create shares and be added onto the open exchanges. I see this as the easiest route to take (and to be honest most likely) as the legalities behind being traded on a new market place are unknown. Having said that from an investor perspective; if I believe the company I have invested in is being naked shorted to oblivion, I wouldn't want this new company that I am also invested in to be a part of the same predatory exchange.

Please read the information in this link as it goes into more legal details of a spin-off

<https://www.securitieslawyer101.com/2014/stock-spin-offs-101/>

This is the end of my "DD". As always I don't consider my DD posts DD as there is much I do not know and I more so want discussion. Let me know what I got right, what I got wrong so we can all learn together!