Title: ComputerShare and DRS is the way. It ignites the squeeze because it's equivalent to an investor-driven share recall. You aren't transferring shares, you are transferring CERTIFICATE ownership away from the DTC and into retail's hands. Shares can be replicated infinitely. Certificates can NOT.
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0. Preface

I am not a financial advisor and I am not providing financial advice.

But I am a SNEK. At least, I am a Snek to all of the anti-ComputerShare and anti-DRS posters.

I have yet to see anything countering the main benefit of registering, which is locking up float certificates. **Which can lead to the MOASS.**

In my opinion it is the only way to MOASS.

I keep seeing FUD and skepticism on ComputerShare. It's slowly dying off, but I think it is too important for me to not continue pushing this.

So, hopefully, this clears it up for skeptics or those who are cautious and why DRS is the way.

Guess what baby. I'm not even really a Pomeranian. Mwahaha. I'm a Snek ~~Skeletor~~! Ah ah ah ah.

[I knew that damn Pomeranian was a shill this whole time.](https://preview.redd.it/f9fmjx5o2mo71.png?width=1522&format;=png&auto;=webp&s;=c0d0f3716e64feb14ac6621a215cdcd17df305b0)

Sorry if anyone has fear of snakes. Hopefully the above is less spooky.

1. Understand possible risks by registering. Research yourself before registering any shares.

As a boiler plate, you will want to understand some potential risks behind registering your shares. Again - not financial advice. It is **your** choice on whether or not to direct register. In my opinion the pros of direct registering **vastly** outweigh the cons, but don't take my word for it.

[From ComputerShare itself](https://www-us.computershare.com/Content/Download.asp?docId=%7B8A8A23DD-8FD1-41EE-8D46-7F234B8F8EED%7D&cc;=US〈=en&bhjs;=1&fla;=1&theme;=cpu), the securities are not protected by standard SIPC or FDIC insurance:

>CIP accounts, the securities held therein and any cash temporarily held on behalf of a Participant are not deposits of Computershare and are not insured by the Securities Investor 14 Protection Corporation (SIPC), Federal Deposit Insurance Corporation (FDIC) or any other federal or state agency

This is mainly because your shares are not "street name" registered any more but rather "book name" registered via direct registration. So, that is something to consider.

Another concern is selling shares which obviously is a key point to push for FUD. If we go back in time to /u/ajquick's post, [they crush the FUD about selling shares and other concerns](https://www.reddit.com/r/Superstonk/comments/p3owe8/dispelling_the_fud_surrounding_computershare/).

Take a look at their post if you want an in-depth explanation of why the FUD is peddled to make you scared of registering your shares. Here is a tidbit from their post:

>**Example #1: You won’t be able to sell your shares.**
>

>This is the most common FUD that is posted to try and dissuade people from ComputerShare. ComputerShare has a relationship with brokerages to sell your shares when you request them to. I had previously thought, incorrectly, that sales would take a bit of time. This is false.
>
>With ComputerShare and GameStop’s DirectStock plan, you have the following options to sell:
>
>\- Market Order
>
>\- Limit Order (Day)
>
>\- Limit Order (30 Day)
>
>Lots of FUD going around that says something to the effect of: *If you try to sell, it will take days!*
>
>**False**
>
>If you initiate a market sell order on ComputerShare, they will attempt to execute it immediately. If you submit a limit order, they will enter it to go at the price you specify or greater. There is absolutely **no problem with selling using ComputerShare**. Settlement will still take T+2 days as usual, same with any other broker.

ComputerShare also has standard language that sells may only partially fill, or not at all. Surprise - that is boiler for brokerages too. Nobody can guarantee that the demand side of the equation is met.

But that all being said, it is something to research. /u/ajquick did a great job providing sources in their post and is a good starting point.

What I will emphasize is to read multiple posts based on evidence. Do not fall for the pure conjecture comments saying "ComputerShare is bad because of " when there is no evidence provided. Or if it takes a leap to suddenly imply it is nefarious.

Here's a FUD campaign example from myself that I just came up with:

>Fidelity routes options + share trades to Citadel. Fidelity is in cahoots with Citadel so you should not use them as a broker because they will prevent you from selling your shares during MOASS.

The above has no basis. I came up with some foregone conclusion by making a huge logical leap. It would be so easy if I was a shill to push this around reddit like wildfire because it very easily instills fear. It connects the broker to Citadel who we know manipulates markets so it's easy to eat up as if Fidelity is automatically nefarious and will not allow retail payout.

Until the FUD statements around ComputerShare are proven logically, you can assume that they are FUD campaigns because they take a massive leap to reach their conclusions.

It's good to be cautious of new things like ComputerShare at first. But you should be even **more** cautious about the FUD or conspiracy theories because it can be more damaging in the end.

Likewise treat it the same way with hype conspiracy theories. Don't get caught up with conclusions based on pure hopium if there's no basis to it.

2. ComputerShare is a Transfer Agent. All they handle is bookkeeping of shareholder records on behalf of GameStop

ComputerShare isn't a new company. They are a transfer agent which provides the service of registering shares and bookkeeping of shareholder records which has been around since 1978.

What goes on for pretty much any company is that they need to figure out stock ownership for the total amount of stock certificates that they have issued. In the case of GameStop, they have roughly 76.49

Million stock certificates to keep track of.

Note that these certificates are unique and cannot be replicated. These are the official stock certificates that prove ownership. In the past, you would physically handle these certificates rather than an electronic entry on your brokerage account. Now, you have the electronic entry and the transfer agent handles who owns the stock certificates.

Instead of wasting time + money + manpower on handling the bookkeeping of stock ownership, dividend payments, and other tasks, **companies will offload this effort to a third party company**. This "third party" is called a [transfer agent](https://www.investopedia.com/terms/t/transferagent.asp) and there's a few large agents out there that companies choose from.

GameStop chose ComputerShare as their transfer agent to handle the bookkeeping of their share ownership.

And that's not really a surprise, since ComputerShare [holds a plurality control over the market at around 37.4%](https://blog.auditanalytics.com/transfer-agent-market-share-2020/). They provide transfer agent services to a few other popular companies as well:

* Apple
* Microsoft
* Tesla
* Amazon
* Overstock (whom did the first NFT dividend to crush shorts!)

3. Ryan Cohen and institutions had to direct register through ComputerShare to show their holdings.

When you look at ownership of any stock, the official stock holders had to register their shares, through the transfer agent, to show ownership of the stock and pull certificates in their name.

This includes Ryan Cohen, the executives, and institutions that hold any share ownership of GameStop. They've all done it - are they falling for a scam? Doubtful, when it's the service chosen by GameStop themselves to offload the task of bookkeeping of shareholder records.

Hypothetically let's say, tomorrow, that institution ABC shows up on GameStop's institutional holdings and that ABC has purchased 40M of the remaining 61.83M float. Reddit would explode claiming, "Holy shit! It's a long whale!" and everyone would be excited that the float is being constricted more.

What would have happened in this hypothetical situation is that ABC would have purchased 40M stock and then registered through ComputerShare to transfer ownership of 40M certificates from the float to themselves.

The same exact thing can happen with retail! By direct registering shares, it's equivalent to an executive or institution registering ownership.

And by doing this - it pulls certificates from Cede & Co which constricts the float!

Retail **is** that long whale. But right now nobody **officially** knows it because retail has yet to register.

4. You are not "transferring" a share. You are transferring certificate ownership on GameStop's shareholder books.

Something that might be strange to understand conceptually is that you aren't really transferring a "share". **You are transferring certificate ownership by telling ComputerShare to move a certificate from Cede & Co. to your name**.

Think of the certificate and the "share" in your account as completely different things. The certificates themselves cannot be duplicated and they are records of who officially has a stake in the company. The shares in your account is just an entry on the broker saying that you own some amount of stock, though unofficial.

So in regards to your brokerage account, your shares are just a record on the broker's books that you own shares. It doesn't matter if they are "real" or phantom. But to be clear, no matter where you have the shares, you own those shares and you have the right to sell them.

To emphasize: No, you will not be screwed if you don't register. YOU own a "real" share regardless of certificate ownership. This is the premise of the MOASS in the first place is that shorts must cover all shorted (phantom) shares.

What goes on in the background is that by direct registering you are changing bookkeeping of the certificates which are handled by ComputerShare on the behalf of GameStop.

* There can be an infinite amount of phantom shares out there in brokerage accounts due to shorting. These are nothing more than entries on the broker's books saying you have N number of shares.
* There is a finite amount of certificates to show ownership of a stock. **GameStop only has 76.49 million certificates because that is their outstanding share count.** These are official proof of ownership of the stock.
* ComputerShare transfers **certificate ownership** between parties. The actual "stock" in your brokerage account has not technically changed because the structure of the share is the same.
* **All you did was change a bookkeeping record for GameStop through ComputerShare to officially mark ownership of the company!**

The below will hopefully help visualize what is going on.

1. On the left is the shareholder record showing that the DTC + Brokers own 6 certificates. This is the "float" that hasn't been locked up.
2. Say that retail decides to register 5 shares. This tells ComputerShare to change ownership of 5 certificates from the DTC to retail's name.
3. On the right is what happens to the record after retail makes its purchase and registers. The DTC + brokers have fewer shares to work with and the float reduces because, just like an institution or executive purchase, **retail has officially registered ownership and moved certificates into their name.**
4. This bookkeeping only has the outstanding share count of certificates on it. It's impossible to direct register more shares than exist because there will only ever be 76.49 Million certificates (unless they do another offering)! If another request comes in to register a share and all certificates are locked - then that proves phantoms exist!

[You are transferring certificate ownership and locking up the float!](https://preview.redd.it/7kaumimr2mo71.png?width=1474&format;=png&auto;=webp&s;=cda8ed03eb4e6912d8fdcecd6535eb4897b2af6e)

5. GameStop cannot tell its investors to direct register because of the CMKM fiasco which exposed trillions of phantom shares

Let's go back to the CMKM fiasco that Dr. T mentioned as an example of the power of direct registering shares. They were a company that was caught in fraudulent activities and DRS exposed a massive **3200x float of phantom shares (2.25 trillion of a 703 million float)!**

The Company was going to go under a new name, so CMKM **told** their investors to direct register and pull certificates in their names so that the shares could be redistributed.

This locked up the float and pulled all certificates into individual investor's names + executives + institutions. After so many requests came in, no more certificates could be assigned ownership.

The problem is, more requests to register came in following the entire float being locked up. This meant that phantoms exist - because there are only so many certificates in existence which can have ownership. If all certificates are accounted for and another share requests to be marked as an owner - whoopsie. Someone fucked up.

This resulted in a huge scandal where the SEC decided to delist the company and delete the phantom shares, preventing a squeeze, because the company was already caught in fraudulent activities and it was trading as a penny stock at the time. The stock was also reportedly [cellar boxed](https://www.sec.gov/comments/4-590/4590-100.htm) which, if you remember from the Cellar Box DD, means that it was manipulated at thousands of a penny increments to profiteer off of the liquidation and maintain the stock at a "cellar" price.

Those poor fucks at Citadel are screwed if they've been cellar boxing the zombie stocks of Blockbuster, Sears, etc. that have yet to fully liquidate and if those stocks aren't nuked just like CMKM.

GameStop thankfully isn't in that situation, so they can't exactly hit the nuke button. It's not in a scandal of fraudulent activities, and it's not trading at bankruptcy levels.

What happened following the disaster of CMKM phantoms being exposed, is that the DTC made a rule to prevent companies from telling their shareholders to DRS their shares**. Because the very act of doing so exposed the phantom shares of CMKM and almost ignited a squeeze.**

/u/suddenlyy goes into great detail here on how the DTC created a rule for this:

https://www.reddit.com/r/Superstonk/comments/pr32zj/cmkm_and_gamestop_why_cant_gamestop_ask/

So, those of you who are waiting for GameStop or Ryan Cohen to initiate a share recall or for them to play their hand - they can't.

The DTC decided to be cucks because they **know** that if a company expects their stock is being manipulated, they could fuck the entire system by insisting that investors direct register their shares.

Honestly, you could think of completely registering the float through DRS as being equivalent to a share recall. **The best part is that this is in the power of the individual investors!**

There has been so much FUD and attempts to suppress this information the past 8 months. I have never seen so much FUD on any topic before, and continued FUD.

Fuck yeah it seems like this is busting a nerve on WallStreet because it's gaining traction. It can end the fuckery when all certificates are accounted for.

And what's nice is that because ComputerShare is the recordkeeper of certificate ownership of shares on behalf of GameStop, is that GameStop will be fed the information of share ownership. They will know when all 76.49 Million certificates are accounted for and registered.

Some reading if you're curious for more about CMKM:

* https://www.thekomisarscoop.com/2020/03/how-phantom-shares-on-wall-street-threaten-u-s-companies-and-investors/
* https://www.sec.gov/comments/4-590/4590-100.htm
* https://www.qualitystocks.com/government-sting-operation-leaving-cmkm-diamonds-shareholders-tired-of-waiting-for-reimbursement/

6. Direct registering pulls lending power from brokers because you are reducing the amount of certificates they "own". Marking your brokerage to not lend shares does NOT lock down the float.

We have been saying "buy and hold" will launch this rocket.

Hell, I was even thinking that a market crash could cause MOASS.

I no longer think that this is true.

Here we are almost 8 months after the January sneeze, and things have yet to take off. Why? Because they are still playing with the float that remains unlocked. They (DTC + brokers) are able to lend the shares at extremely cheap rates because they maintain certificate control over 61.83 Million shares and continue to profiteer off of the delayed squeeze by sucking up money by lending, options premiums, and PFOF.

For many months we have been claiming retail owns multiples of the float. And that everyone should turn off share lending if they don't want their shares to be lent. **It's great information to spread, but there is a big problem with this!**

It doesn't matter if you're marking a phantom share to not lend! **It's not marking the float as long as the DTC and brokers maintain control of those certificates**!

They can keep the phantom machine churning, possibly indefinitely, because they'll borrow against those certificates since they still have 'ownership' of them. Here's what can be going on:

1. A short is made to match a retail buy. Retail gets a phantom share. Retail **does not** get assigned the certificate and therefore doesn't officially own the stock. They have a stock on the brokers books, but they are not an official shareholder.
2. The broker lends out shares because they "locate" them against the certificates in the broker's name. Either they lend to a shorter or internalize the order against their own holdings to perform the short sale.
3. If the short sale eventually produces a FTD, the broker-dealers can paddle the failure between one another by "locating" against those certificates via ex-clearing. Over, and over, and over again.
4. Maintaining a high certificate count means the broker-dealers have more lending power to either produce more phantom shares or reset FTDs. High lending amount. Low borrow rate. Shorting continues. Fuckery continues. **MOASS remains delayed as they wait until retail gets bored because they don't lock up the float.**

If you think about it, and if we claim retail owns multiples of the float, then the MOASS should have taken off by now if disabling share lending restricted lending power. What were the estimates? Some numbers like 2 billion shorts at one point or 33x the float? Surely disabling lending should have restricted their original lending power. But it does not. **Because it's not restricting the float.**

1. The brokers have 61.83 Million certificates to borrow against.
2. Retail gets 61.83 Million phantoms for a total of 123.66 Million shares.
3. Retail turns off lending on all phantom shares. The broker still maintains 61.83 Million shares to lend against because they still maintain those certificates. All retail did was mark an **IOU** on their account.

But, pulling those certificates in retails name through Computershare officially shuts down lending on the float! The brokers no longer officially have ownership and cannot borrow against those shares any more.

It's almost guaranteed that there will be pushback on anyone trying to register their shares because it pulls the lending revenue stream from the brokers. **They would absolutely love for this to continue and not squeeze, because all of them can continue to profiteer off of lending, option premiums, and PFOF. Bastards.**

It's easy for them to get cash to continue to avoid margin calls and suppress the price. But taking away lending power from them by officially registering the entire float gives them a massive fucking middle finger because it **constrains** them.

DRS is going to constrict lending and it can result in increased borrow fees, lower amounts of lendable shares, and increase of FTDs. It slowly pulls the certificates away from those greedy bastards and chokes them to death until it kicks off the MOASS.

[Power To the Shareholders](https://preview.redd.it/1k7hv2ys2mo71.png?width=1279&format;=png&auto;=webp&s;=d3f1867de76aab7a0746a246c48c6f7840b81226)

Power to the Players **■**■