

Title: Billionaire Boys Club Part 12 (BBC) - PLEASE PROVE ME WRONG? - Kenny's WARCHEST - SPECIALIZED PURPOSE ENTITY (SPE) + Leveraged +1000% of the FLOAT

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****DISCLAIMER:**** *I am not a financial advisor, and I do not provide financial advice. Many thoughts here are my opinion, and others can be speculative.*

Everything I am highlighting here is asking questions about publically available information and not an accusation of any wrongdoing of any parties mentioned.

****Also...** I'm not financially trained, so feel free to correct me if I miss something or get something wrong!!******

****NAVIGATION:****

[BBC Part 1](https://www.reddit.com/r/Superstonk/comments/nzkzi5/is_this_the_final_boss_john_petry_and_ken_griffin/) ****IS THIS THE FINAL BOSS?****

[BBC Part 2](https://www.reddit.com/r/Superstonk/comments/nzrtsq/billionaires_boys_club_part_2_the_inner_circle/) ****The Inner Circle****

[BBC Part 3](https://www.reddit.com/r/Superstonk/comments/nzxjra/billionaires_boys_club_part_3_the_big_boys_i_just/) ****THE BIG BOYS****

[BBC Part 4](https://www.reddit.com/r/Superstonk/comments/o0isaz/billionaire_boys_club_bbc_part_4_recess_is_over/) ****Recess is over... You didn't think BILL GATES was involved did you?****

[BBC Part 5](https://www.reddit.com/r/Superstonk/comments/o16cbm/billionaires_boys_club_part_5_the_foundational/) ****The Foundational Strategy****

[BBC Part 6](https://www.reddit.com/r/Superstonk/comments/oa8ynd/billionaire_boys_club_bbc_part_6_smile_for_the/) ****SMILE FOR THE CAMERA KENNY... ****

[BBC Part 7](https://www.reddit.com/r/Superstonk/comments/oox1sn/the_billionaire_boys_club_bbc_episode_7_what_daf/) ****What DAF fuck is this??****

[BBC Part 8](https://www.reddit.com/r/Superstonk/comments/o0e0w3/billionaire_boys_club_bbc_episode_7_the_chips_are/) ****The chips are stacked against us... ALWAYS HAVE BEEN.****

[BBC Part 9](https://www.reddit.com/r/Superstonk/comments/opp09p/billionaire_boys_club_bbc_episode_errr_9_steve/) ****Steve Cohen... So HOT right now... ****

[BBC Part 10](https://www.reddit.com/r/Superstonk/comments/p1ofgr/billionaire_boys_club_bbc_episode_10_allinclusive/) ****All-Inclusive Vacation of a Lifetime... to the CAYMANS! -- PART 1****

[BBC Part 10.2](https://www.reddit.com/r/Superstonk/comments/p3a79x/billionaire_boys_club_bbc_ep_10_2_cayman_island/) ****Cayman Island Getaway - How to hide money from the FBI + Brazilgate!****

[BBC Part 11](https://www.reddit.com/r/Superstonk/comments/p7nl7y/billionaire_boys_club_episode_11_bbc_billionaire/) ****BILLIONAIRE BANK LOANS - Buy Borrow Die****

(THIS IS GME RELATED)

(Shameless PLUG: Follow me on Twitter for more GME fun:

<https://twitter.com/BadassTrader69>)

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NOTE: I'm going a little off the usual subject of this series, but it is all connected... I THINK...

AND.... there's a lot of speculation here... so reader discretion advised

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PLEASE PROVE ME WRONG. +1000% of the FLOAT with leverage?

Ok Apes, I'm no expert in Finance, but I have been doing my best to try and understand all the GOD TIER DD that has been floating around the sub recently.

Shout out to u/Criand for [The Theory of Everything](https://www.reddit.com/r/Superstonk/comments/pb22oj/the_puzzle_pieces_of_quarterly_movements_equity/)

Shout out to u/thabat for [Rolling in the Deep Dive](https://www.reddit.com/r/Superstonk/comments/pcklz0/rolling_in_the_deep_dive_hiding_money_in_the/)

Something occurred to me though and I may be completely WRONG here... but if I'm RIGHT... this is the part in the big short for me at least.

****THE ATOMIC BOMB WITH A DRUNK PRESIDENT HOLDING HIS FINGER OVER THE BUTTON****

<https://preview.redd.it/9z9u4tr8twj71.png?width=1125&format=png&auto=webp&s=98c4a17e6cc3c5159a670cf752f697cc1dca82b1>

So u/criand, thought us all about ****Equity Total Return Swaps****

And this is used by SHFS to short positions without having them on their books using derivatives RIGHT?

Well on my quest to ****TRY AND UNDERSTAND**** all of this shit, I looked for a smooth-brain explainer video on YouTube and found this little GEM

[https://www.youtube.com/watch?v=JfPtabPipaQ&ab;_channel=KINGCADEMY](https://www.youtube.com/watch?v=JfPtabPipaQ&ab;_channel=KINGCADEMY)

(Lots of Pics and Crayons for us Smooth Brains)

BUT...

In this video, they describe the use of RETURN SWAPS in a real life case...

ARCHEGOS

Now...

This explainer is from the other side of the coin as Archegos were not using Return Swaps to SHORT, but rather for LONG positions.

But REGARDLESS... the process is the same.

SO...

Lets look at HOW Archegos used them.

So Bill Hwang, had Tiger Asia Management until he got shut down due to INSIDER TRADING and MARKET MANIPULATION

<https://preview.redd.it/vq14w2ritwj71.png?width=1202&format;=png&auto;=webp&s;=11e8228427cdcdb6b0ab68d7c76755bc85925f5d>

So what did he do?

He tuned the fund into a Private Family Office being Archegos

<https://preview.redd.it/if33d0dptwj71.png?width=1199&format;=png&auto;=webp&s;=bdfd726a77203f983f3383d2ba0ae4e740573ffe>

Bill then decided to invest in DERIVATIVES using TOTAL RETURN SWAPS.

He uses GOLDMAN SACHS TO DO THIS.

<https://preview.redd.it/jrn616vtwj71.png?width=1198&format;=png&auto;=webp&s;=2c636eb5c70acd91f5e2c6878c3b7385ecb39ffe>

BUT...

WHAT IS IN IT FOR GOLDMAN SACHS???

Simple... they offer Bill ****LEVERAGE**** on these positions so that they can charge him margin!

So it's EXPERTS state that BILL was borrowing \$1 : \$5.6 - So for every \$1, he got \$5.6 worth of Total Return Swaps.

<https://preview.redd.it/epm7kbvztwj71.png?width=1201&format;=png&auto;=webp&s;=3226cb862cb75a5f06febcb4a82e491b9e47e9e>

And the FINAL piece of information relative to where my Tin Foil hat is about to go...

...he was able to do this through MULTIPLE institutions giving himself MASSIVE LEVERAGED EXPOSURE.

<https://preview.redd.it/3ruscmv4uwj71.png?width=1201&format;=png&auto;=webp&s;=897d35d9f2b8f41b32d6c3e32a66d3f8f67ea10c>

FUCKING PUPPY BREAK!!!

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Aww... you wanna play? Yes you do!! You wanna play!

<https://preview.redd.it/07315ai7zwj71.png?width=750&format;=png&auto;=webp&s;=aa9e93639434cd3bf189d60349053f870aed493d>

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SO THIS MORNING...

I was reading through u/thebat [DD HERE](https://www.reddit.com/r/Superstonk/comments/pcklz0/rolling_in_the_deep_dive_hiding_money_in_the/) (Worth a Read) who was connecting u/Criands DD to the Cayman Islands...

And I BEGAN TO GET FLASHBACKS from my BBC investigations.

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OK... THE PART THAT EVERYONE IS MISSING...

And I could be COMPLETELY WRONG on...

Is what if the Archegos Pattern is the same???

INSTEAD OF CITADEL USING THESE FUNDS FOR TAX EVASION

(Even though it's this too)

What if... like Bill Hwang, Kenny is using them for Total Return Swaps???

And not just to hide SHORT INTEREST...

****BUT TO LEVERAGE SHORT POSITIONS THROUGH RETURN SWAPS WITH BIG BANKS???***

So for every \$1 in Short Return Swaps WE THINK Kenny has...

He ACTUALLY has \$5.6 (Based on what Bill had)

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So he'd have to have connections between these funds and the Big Banks right?

Well if you have been paying attention to the BBC investigations, you'll remember that the LIST OF CUSTODIANS for these funds is public information and look at all these Big Bank Names:

Complete List of Citadel Private Fund Custodians...

- * BANK OF AMERICA - CHICAGO
- * BANK OF NEW YORK MELLON - NEW YORK
- * CITADEL CLEARING LLC - CHICAGO
- * CITIGROUP GLOBAL MARKETS INC - NEW YORK
- * DEUTSCHE BANK AG - PORT LOUIS, MAURITIUS (TAX HAVEN)
- * JPMORGAN CHASE BANK - NEW YORK
- * MERRILL LYNCH PROFESSIONAL CLEARING CORP - NEW YORK
- * BANCO SANTANDER- SPAIN
- * BNP PARIBAS COMMODITY FUTURES LIMITED - LONDON
- * BNP PARIBAS SECURITIES CORP - NEW YORK
- * BOFA SECURITIES - NEW YORK

- * CITIBANK - GREENWICH
- * CITIGROUP GLOBAL MARKETS LIMITED - LONDON
- * COMPUTERSHARE SECURITIES CORPORATION - CHICAGO
- * J. ARON & COMPANY LLC - NEW YORK
- * J.P. MORGAN SECURITIES LLC - NEW YORK
- * JP MORGAN DUBLIN PUBLIC LIMITED COMPANY - IRELAND **(Fuckin Irish!)** lol
- * SG AMERICAS SECURITIES - NEW YORK
- * SOCIETE GENERALE INTERNATIONAL LIMITED - LONDON
- * STANDARD CHARTER BANK - LONDON
- * BANK OF NEW YORK - BRUSSELS
- * BANK OF NOVA SCOTIA - HALIFAX
- * CONTINENTAL STOCK TRANSFER & TRUST COMPANY - NEW YORK
- * COWEN FINANCIAL PRODUCTS - NEW YORK
- * NOMURA GLOBAL FINANCIAL PRODUCTS - NEW YORK
- * NOMURA INTERNATIONAL - LONDON
- * SCOTIA CAPITAL - NEW YORK
- * SOCIETE GENERALE - PARIS
- * STANDARD CHARTER BANK - LONDON
- * STATE STREET AND TRUST COMPANY - BOSTON
- * WELLS FARGO BANK - MINNEAPOLIS
- * **BANCO B3 S.A - SAO PAULO, BRAZIL** <<<--
- * HSBC BANK PLC - LUXEMBOURG
- * ROYAL BANK OF CANADA - TORONTO
- * **UBS BRASIL CORRETORA DE CAMBIO, TITULOS E VALORES MOBILIARIOS S.A. - SAO PAULO, BRAZIL** <<<--
- * WELLS FARGO SECURITIES - CHARLOTTE
- * COWEN FINANCIAL PRODUCTS LLC - NEW YORK
- * SKANDINAVISKA ENSKILDA BANKEN - STOCKHOLM
- * VSTOCK TRANSFER - NEW YORK

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Am I completely WRONG with this... or does this mean massive exposure through the leveraged positions in the BANKS too?

REMEMBER HOW MANY PRIVATE FUNDS KENNY HAS???

- * CITADEL EQUITY FUND LTD.
- * CEIF INTERNATIONAL LTD.
- * CITADEL MULTI-STRATEGY EQUITIES MASTER FUND LTD.
- * CITADEL ENERGY INVESTMENTS LTD.
- * CITADEL KENSINGTON SIF 1 LTD.
- * CITADEL TREASURY INTERNATIONAL LTD.
- * CITADEL KENSINGTON GLOBAL STRATEGIES FUND LTD.
- * CITADEL TACTICAL TRADING LTD.
- * CITADEL GLOBAL FIXED INCOME MASTER FUND LTD.
- * CITADEL GLOBAL FIXED INCOME FUND LTD.
- * CITADEL QUANTITATIVE STRATEGIES MASTER FUND LTD.
- * CITADEL PRESIDIO FUND LLC
- * CITADEL KENSINGTON GLOBAL STRATEGIES FUND II LTD.
- * CITADEL EQUITIES FUND LTD.
- * CITADEL TACTICAL MASTER FUND LTD.

And that's just the Caymans!!!

ALL of these funds leveraged at 5:1 through Total Return Swap Derivatives?

****FUCKING PUPPY BREAKKKKK!!!****

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Awww... you wanna go for a walkies? Of course you can! Lets go Walkies!

<https://preview.redd.it/707893ajzwj71.png?width=479&format;=png&auto;=webp&s;=0cc9ee180afbde9cca814fa04c01b9dc40390107>

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So IF THIS IS TRUE... how would Kenny go about it?

There's a Great DD by u/broccaaa that I'm sure many of you have read covering the Dodd-Frank rule which basically requires regulatory structure on OTC derivatives and requires major swap dealers to register as one.

[Source](https://www.reddit.com/r/Superstonk/comments/pc0zhv/swapping_regulations_for_offshore_risk_the_full/)

Well... The Kensington Global Strategies Fund, (As an Example) has an intermediary company in place that covers just that!

<https://preview.redd.it/6l79obaguj71.png?width=1192&format;=png&auto;=webp&s;=7bcc519ac1bd3e35e2802c360ff830f07f203df6>

[Source](<https://offshoreleaks.icij.org/nodes/82002027>)

That's a company under the Umbrella of The Northern Trust Company...

The Northern Trust Company that from the period of 2013 to at least 2018 failed to correctly report HUNDREDS OF THOUSANDS OF SWAP TRANSACTIONS... and was fined \$1 million dollars.

[Source](<https://www.cftc.gov/PressRoom/PressReleases/8040-19>)

INTERESTINGLY...

Upon Browsing the companies 2020 annual report (As you do...)

I came across this little paragraph:

>The Bank is required to register as a swap dealer and its swap
>
>dealer activities are subject to the CFTC's rules and regulations, including rules regarding internal and external business
>
>conduct standards, reporting and recordkeeping, mandatory clearing for certain swaps, trade documentation and
>
>confirmation requirements, and cross-border swap activities.

So they ARE registered as a SWAP dealer with the CFTC...

ALSO INTERESTINGLY

>Several of the SEC's requirements

>

>for security-based swap dealers came into effect on April 6, 2020. Under those requirements, persons or entities must begin

>

>counting security-based swap activities on August 6, 2021, and may be required to register with the SEC as a security based swap dealer after October 6, 2021

So the SEC is getting in on this too???

[Source](https://www.annualreports.com/HostedData/AnnualReports/PDF/NASDAQ_NTRS_2020.pdf)

So Kenny's funds have their own SWAP capable Intermediaries, and Direct Custodian Authorisation to many of the BIG BANKS?

Seems like the POTENTIAL for this to be possible is in place.

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<https://preview.redd.it/swsowketuwj71.png?width=1800&format=png&auto=webp&s=9a2a73819740b4716794812e48a3c82247fc5322>

GG is on the case...

This archegos revelation also reminded me of something Gary G said...

Back in May, he said he had directed his staff to consider recommendation for greater disclosure on total return swaps!

This was reported in the same content where he was raising concerns about the market influence of Citadel Securities.

[Source](<https://www.ft.com/content/8be5c3f2-097a-41af-9f39-c27d7783a6ee>)

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And of course...

Let's not forget that Kenny Hired the Chairman of the CFTC in January when Apes were Flinging Poo at him... and the Senior Council to the Chairman of the CFTC in July when shit was REALLY starting to hit the fan...

CFTC Chairman - Now Citadel Chief Legal Officer

<https://preview.redd.it/p6dl8coxuwj71.png?width=1200&format=png&auto=webp&s=2dec2963059eadc61fc5b23086993d0a3b63da09>

CFTC Senior Counsel to the Chairman - Now Citadel Associate General Counsel

<https://preview.redd.it/v9zlv33vwj71.png?width=625&format=png&auto=webp&s=e3368896f32474c6f4dd391aaa7a4515b5f71225>

****FUCKING PUPPY BRRREEAK!!!!****

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<https://preview.redd.it/1k5q45vqzwj71.png?width=540&format=png&auto=webp&s=5784500f314e0dc2417b3d8f55e027fc32450e85>

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NOW... REMEMBER THIS GUY???

<https://preview.redd.it/h6vm2e6hvwj71.png?width=1051&format=png&auto=webp&s=32b86e1f53d7b754674982d44ba700d03886319d>

I'm sure some of you saw the post yesterday stating that he is the man behind Total Return Swaps right?

Credit: [u/RogueYorkshire](<https://www.reddit.com/user/RogueYorkshire/>)

[Post here](https://www.reddit.com/r/Superstonk/comments/pc5xe9/michal_milken_the_man_behind_curtain_of_swaps/)

Well this is KINDA right, but the Terminology is actually broader reaching and is not just Total Return Swaps, but its THE WHOLE HOUSE OF CARDS!

And not to say I told you so... but you may remember me calling him out as the FINAL BOSS in BBC Ep 1?

[Source](https://www.reddit.com/r/Superstonk/comments/nzkzi5/is_this_the_final_boss_john_petry_and_ken_griffin/)

I didn't KNOW why then... it just seemed so convenient that this guy was connected to everyone and everything.

(And YES, that's a picture of Heath Tarbet above as the Chariman of the CFTC speaking at the MILKEN INSTITUTE)

Well know I think I know why...

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SPECIALIZED PURPOSE ENTITY (SPE)

This is what Milken created in 1988.

This is also what caused the Enron Implosion of 2001

And the Goldman Sachs ABACUS enforcement of 2010...

The SPE is a new and widely used form of corporate alter ego designed to undertake transactions for its creator's accounting and regulatory benefit.

The standard legal model looks to equity ownership to determine the boundaries of the firm: equity is inside the firm, while contract is outside. Regulatory regimes make inter-firm connections by tracking equity ownership. SPEs escape regulation by funneling inter-firm connections through contracts, rather than equity ownership.

This is from a full study done on this by a big wrinkled brain that goes into how these concepts and seemingly separate scandals are all related.

[Source](https://scholarship.law.upenn.edu/cgi/viewcontent.cgi?article=2516&context=faculty_scholarship)

This is essentially STATING that an SPE is a separate entity setup outside of a company, to allow that company to avoid regulation.

And when they can avoid regulation... they can make LOTS MORE MONEY... but also generate SUBSTANTIAL RISK

Sounds like you may want to setup some Private Funds if you plan to do some shady shit right?

Or might need a lack of regulation if you were planning to LEVERAGE up some TOTAL RETURN SWAPS to short the shit out of our BELOVED GME?

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So if I understand this correctly...

If a Hedge Fund wants to do some CRIME...

They first setup an SPE to cover their tracks.

The TYPE of CRIME may change... but using SPEs to cover their tracks for decades, is the common trait.

Milken had his Fukery Exposed... but used SPEs

A new type of Fukery Came about with Enron... but they used SPEs

A new type of Fukery Came about with Goldman Sachs... but they used SPEs

NOW... we are experiencing fuckery, WHERE ARE THE SPEs?

\-- COULD it be the Private funds setup to use Total Return Swaps to Manipulate the Market?????

And if this whole thing is LEVERAGED TO SHIT... how much of the float must be owned by now???

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CITADEL ASSETS UNDER MANAGEMENT: \$35 BILLION

CITADEL ASSETS IN PRIVATE FUNDS: \$286 BILLION

([source](https://whalewisdom.com/filer/citadel-advisors-llc#tabadv_ownership_tab_link))

IF LEVERAGED LIKE ARCHEGOS: \$1.5 TRILLION!

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<https://i.redd.it/lc7tgwbu0xj71.gif>

So what do you Apes think?

Do you think Kenny is not just buying swaps, but is using them to LEVERAGE his positions?

Or am I straying down the Tinfoil Rabbit hole too much?

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Wanna get more eyes on this?

Retweet here: <https://twitter.com/BadassTrader69/status/1431271433229979655>

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****Edit 1:**** Thanks to u/phoenixfenix for pointing out that Archegos was NOT margined at 5.6:1 they were actually 13:1 which makes it event WORSE...

But also to u/lightwhite that they were not using Derivatives but Contracted Obligations instead.

So the margin available on Derivatives may be DIFFERENT... but I still smell leverage!!!