

Title: Found research for extra voting rights and a company giving "loyalty" shares to Directly registered shareholders. Another potential kill shot for RC and the GME board.

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Well... Hello again Friends,

For the first time in a while here is a non hype or meme related post by me to get you all jacked. I'm sure as hell RC and the board would nod this posts way as I regard all of you brothers as Quality Shareholders.

I've been digging into the terms "Loyal shareholders" & "Quality Shareholders". After all I'm sure 90% of the users here that aren't bots will stay on this rollercoaster ride for the long haul & don't intend on selling anytime soon. As well as the diamond balled shareholders here that wont be selling at all regardless of the price.

Well lets take a look at some of the benefits offered to "Quality Shareholders" and how companies reward them and how the GameStop Board could reward true Diamond hands. I personally feel there is another potential kill switch hidden here for RC and the board for predatory short sellers. The list of kill shots is large but we've seen what institutions (and the DTCC) will do.

[For those that can read, here's a book about us](<https://preview.redd.it/ir2ciosuccu91.png?width=128&format=png&auto=webp&s=28273a0038e312e52448eaefab0a90a4dc60ba25>)

What is a "Quality Shareholder"?

Anyone can buy stock in a public company, but not all shareholders are equally committed to a company's long-term success. In an increasingly fragmented financial world, shareholders' attitudes toward the companies in which they invest vary widely, from time horizon to conviction. Faced with indexers, short-term traders, and activists, it is more important than ever for businesses to ensure that their shareholders are dedicated to their missions. Today's companies need "quality shareholders," as Warren Buffett called those who "load up and stick around," or buy large stakes and hold for long periods.

[That's right Buffet said it \\\"Companies need \\\"Quality shareholders\\\" and GME has the best of the best Diamond Handing their stock.](<https://preview.redd.it/blolfrh1dcu91.png?width=800&format=png&auto=webp&s=250042c54c869fac0eb5b330bc6c9e7ac46dc818>)

Here is a breakdown from a wrinkly brained old man that worked under Buffet:

[^(https://www.tuckerellis.com/webfiles/The%20Underappreciated%20Advantage%20of%20Attracting%20Long-term%2C%20Loyal%20Shareholders_Northman%20and%20Lipsyc_December%202020.pdf)](https://www.tuckerellis.com/webfiles/The%20Underappreciated%20Advantage%20of%20Attracting%20Long-term%2C%20Loyal%20Shareholders_Northman%20and%20Lipsyc_December%202020.pdf)

Cunningham, a student of Berkshire Hathaway and Warren Buffett and a professor of law at George Washington School of Law, is a prolific and graceful writer. His argument is that a company benefits from attracting and keeping "Quality Shareholders" — a term Buffett coined.

Quality Shareholders are equally committed to a company's longterm success and typically invest more than short-term dollars into the business. In addition to concentrating much of their investments in a

company and staying for the long haul, they offer careful analysis, calculated suggestions, and a long-term focus to improve the company.

Quality Shareholders, Cunningham concludes, provide numerous comparative and competitive advantages for companies and their managers, including a longer runway to execute business strategy and a loyal cohort against adversity. Cunningham's research of public companies and their investors demonstrate the formidable benefits that attracting or becoming Quality Shareholders provide to companies and shareholders alike.

What do companies do for "Quality Investors"?

Well lets see what another company is doing for their (DRS) Directly Registered shareholders

[FREE SHARES FOR DRS SHAREHOLDERS!](<https://preview.redd.it/m2u4ac5jhcu91.png?width=1096&format=png&auto=webp&s=f3712ccca97b934c571424bc5f0319866e0f36c3>)

What does this do?

Well for one this will push the ratio of DRS shareholders well ahead from a percentage of the float owned in investors own names!

Here's this Air Liquide companies breakdown on how it works:

[^(<https://www.airliquide.com/stories/shareholding/what-difference-between-loyalty-bonus-and-free-share-attribution>)](<https://www.airliquide.com/stories/shareholding/what-difference-between-loyalty-bonus-and-free-share-attribution>)

"Air Liquide also regularly issues free shares to all of its shareholders, whether they hold their shares through a financial establishment (intermediary registered) or directly with Air Liquide (direct registered). The Group distributes a portion of its retained earnings (past undistributed net profit) via this method.*

Patrick Renard, Head of Shareholder Services, was explaining this to you in video a few months ago:

Unlike the loyalty bonus, for which you must fulfill certain requirements, ***all Air Liquide Shareholders benefit from this scheme***. You simply have to hold Air Liquide shares on the date specified in the offer terms and conditions. The offer was made several times in the past on the basis of one share issued for every 10 shares held. Where the number of securities held is not a multiple of 10, a "fractional rights" payment will be made. This means that if the number of shares you hold is not a multiple of the attribution transaction, you will be receive a payment for the portion of the share that cannot be distributed , which will be paid in cash directly into your bank account.*

Shareholders benefiting from the loyalty bonus will also enjoy a 10% bonus on their free share attribution.

The free securities attributed have the same features as those they were issued from in terms of loyalty bonus, seniority, voting rights and dividend rights."

[Nothing beats free](<https://preview.redd.it/1ozupiutkc91.png?width=400&format=png&auto=webp&s=fcb541492b4f1ed1ca0e21cde07eac447728fd5>)

Free shares for holding shares directly registered in your own name and being a long term shareholder?!?
I like the sound of that! Much better than constant dilution that we've seen of other stocks Directors!
Shares going to the investors that believed in the company!

Additional voting rights / Quality Voting:

A new approach to shareholder voting designed to increase the voting power of long-term committed shareholders: adding votes to shares based on both long holding periods and high concentrations. Called quality voting, the approach would give more votes to corporate shares held in large amounts for long periods. Quality voting should be far less controversial than dual class share structures and would avoid the drawbacks of time-weighted plans. "

Quality Voting

Quality voting refines time-weighted voting to account not only for duration but conviction. That is, quality voting grants additional votes to shares owned for a long time in large stakes.

The proxy for conviction is shares representing a substantial portion of a shareholders' portfolio, measured as a percentage of the shareholder's total public company equity portfolio. For example, two votes per share could be granted to shareholders allocating between 1 percent and 5 percent of such a portfolio to the company and three votes per share to those allocating more than 5 percent. If tenured voting implicitly assumes that longer-held shares cast higher-quality votes, the hypothesis follows that shares owned by those with greater exposure will also have such merit.

To adjust the previous illustration, suppose portfolio concentration is randomly distributed across durations. Combining duration with concentration, the short term unconcentrated cohort would remain entitled to 33 votes while the longest-holding and most-concentrated would enjoy 199 votes. The outcome of any vote would be determined by a fluid combination of shareholders boasting relatively longer durations and relatively higher concentrations.

^(Reference for above:)

[^(<https://clsbluesky.law.columbia.edu/2019/11/21/quality-shareholder-voting/>)](<https://clsbluesky.law.columbia.edu/2019/11/21/quality-shareholder-voting/>)

Who is this beautiful person preaching this?

[Lawrence A. Cunningham](<https://preview.redd.it/o89kaamhjc91.png?width=250&format=png&auto=webp&s=61ae1d739b08114e5eeae19ab0e704a5b531fc74>)

Apart from this beautiful man dripping with raw sex appeal he does have a great way around recommending ways companies can reward their "Quality Shareholders". It might be worth an AMA for many GameStop shareholders being long term Holders invested in the long term prospects of GameStop. u/PlatinumSparkles not sure if this will be something that you are open to looking at.

[Peace out and see you all soon on the moon](<https://preview.redd.it/p7a5nyozkcu91.png?width=1300&format=png&auto=webp&s=dd933cac99d8a6a4aa0b5af323ffa135cc76a996>)