EMERGENCY RESEARCH REPORT

AMC JUNE 2021

Tokenized Derivatives, Execution Routing, Settlement Failures and the Citadel Connection

Prepared for The AMC Ape Cage emergency call | August 7, 2026

Original investigative hypothesis and research direction: James Allen

Public-record retrieval, data analysis and drafting: AI-assisted under James Allen's direction

EXECUTIVE VERDICT: This is the strongest documented operational pathway found to date connecting FTX's AMC derivative structure, CM-Equity's real hedge activity, Interactive Brokers' execution infrastructure and Citadel's enormous June 2021 AMC execution footprint. It establishes a targeted basis for investigation and discovery. It does not, standing alone, identify a CM-Equity AMC order executed by Citadel or prove criminal manipulation.

Opening Statement for the Emergency Call

Tonight we are not presenting another theory based on a chart or a coincidence. We are presenting a documented market-structure pathway that was operational during the AMC run of 2021. FTX sold an AMC-linked bilateral OTC derivative. CM-Equity was the product manufacturer and sole counterparty. CM-Equity's own reporting shows that it maintained hedge positions for liabilities arising from bilateral mass-customer contracts and routed almost all of its relevant execution activity through Interactive Brokers Central Europe.

Interactive Brokers' United States infrastructure had Citadel Securities available as an execution destination during that same quarter. Citadel's own June 2021 Rule 605 report then shows approximately 1.611 billion AMC shares represented by covered orders during the month, including approximately 954.2 million shares executed at Citadel. At the same time, AMC developed a substantial aggregate failure-to-deliver cluster and was placed on the NYSE threshold list.

That combination is significant because it replaces a broad allegation with a narrow, testable question: did any CM-Equity hedge order, FTX-related AMC exposure or associated settlement obligation enter Interactive Brokers and reach Citadel or a Citadel-connected venue? Public reports cannot answer that customer-level question. Trade confirmations, account statements, CAT records, blue sheets and clearing data can.

The responsible conclusion is therefore strong but precise: the pipe existed, actual hedge inventory existed, Citadel was inside the execution environment, Citadel handled extraordinary AMC order volume, and settlement failures were elevated. The missing evidence is the customer and order identifier that joins those facts into a single transaction chain.

ON-AIR GUARDRAIL: The evidence justifies investigating Citadel and demanding transaction-level records. Do not claim the public record already proves a Citadel crime.

1. What Changed Tonight

Five evidence upgrades materially narrow the inquiry.

1. The FTX AMC instrument is no longer being described generically as a tokenized stock. Its governing product document identifies it as a bilateral, cash-settled OTC derivative for which CM-Equity was the manufacturer and sole counterparty. The holder had no claim to delivery of AMC shares or shareholder rights. [S1]
2. CM-Equity's hedge activity was not merely theoretical. A reproduction of its 2021 management report states that its trading book increased by approximately €20 million, largely because hedge positions were acquired for liabilities arising from bilateral mass-customer contracts. A certified Bundesanzeiger copy should be obtained before litigation use. [S3]
3. CM-Equity's 2021 best-execution report identifies Interactive Brokers Central Europe as responsible for approximately 95.28% of its relevant equity volume and 98.95% of its equity-derivative volume. [S2]
4. Interactive Brokers' Q2 2021 public routing report lists Citadel Securities CDRG as a destination in the aggregate 'other NMS stocks' category. In June 2021, Citadel represented 1.86% of Interactive Brokers' orders in that aggregate category. Because the report combines all customers and all non-S&P 500 stocks, it does not identify AMC or CM-Equity. [S4–S5]
5. Citadel's June 2021 Rule 605 file documents an extraordinary AMC execution footprint during the same month. The report is security-specific but not customer-specific, account-specific or side-specific. [S6–S7]

How James Allen Unlocked the Pathway

The breakthrough came from James Allen's decision to stop treating the blockchain token as the endpoint. His working hypothesis was that a tokenized AMC liability had to connect to an off-chain hedge, a broker, an execution venue and ultimately a U.S. settlement record. That changed the research question from 'Does Citadel's name appear in the token contract?' to 'Who legally owed the derivative, how was that liability hedged, which broker handled the hedge and where could the resulting U.S. order execute?'

ORIGINALITY NOTE: This report records James Allen as the originator of this specific investigative framework and research sequence. In the public sources reviewed for this report, no prior analysis was located that assembled the same chain from FTX's AMC legal obligor, through CM-Equity's actual hedge inventory and Interactive Brokers gateway, to Citadel's June 2021 AMC execution data and the NSCC/DTC settlement inquiry.

- Identify the legal obligor behind FTX's AMC product: CM-Equity.
- Determine whether CM-Equity merely had hedging capacity or actually maintained hedge inventory.
- Use CM-Equity's MiFID best-execution disclosure to identify its dominant broker: Interactive Brokers Central Europe.

- Follow U.S. securities execution into Interactive Brokers' U.S. routing infrastructure.
- Use Rule 606 to identify Citadel as an available execution destination during Q2 2021.
- Use Citadel's Rule 605 file to quantify its actual AMC covered-order footprint during June 2021.
- Use SEC FTD data and T+2 rules to test the settlement timeline rather than assuming the price chart proved causation.
- Use the modern Ondo–Alpaca–Citadel structure as a separate operational comparison—not as retroactive proof of 2021 conduct.

How the Public Record Was Accessed

Public record	Access method and evidentiary use
FTX/CM-Equity AMC product document	Recovered through the Internet Archive after the original product page disappeared; established the governing legal instrument. [S1]
CM-Equity execution and financial reporting	Retrieved from CM-Equity's published MiFID report and a reproduction of its Bundesanzeiger filing; identified the broker and actual hedge activity. [S2–S3]
Interactive Brokers Rule 606	Downloaded as machine-readable Q2 2021 XML and parsed by month and venue; established Citadel CDRG as an aggregate destination. [S4–S5]
Citadel Rule 605	Downloaded as Citadel's raw June 2021 text file and totaled across all AMC rows; quantified orders, represented shares, cancellations and executions. [S6–S7]
SEC FTD files	Downloaded from the SEC's historical ZIP archive and filtered by AMC CUSIP 00165C104; reconstructed settlement-date balances. [S8]
Ondo, Alpaca and FINRA disclosures	Cross-checked official legal pages, partnership statements, broker-partner lists and FINRA Rule 606 bulk data; built the current comparison. [S12–S17]

ACCESS LIMIT: Every record in this report came from public filings, archived webpages or published regulatory datasets. No CAT data, blue sheets, private brokerage statements, subpoena returns or nonpublic account records were accessed. Those remain the records needed to complete transaction-level attribution.

Evidence Classification

Status	Finding	Meaning
Confirmed	FTX AMC was a CM-Equity bilateral OTC derivative.	Defines the legal liability and counterparty.
Confirmed	CM-Equity maintained hedge inventory for bilateral customer liabilities.	Moves the analysis from capability to actual hedging activity.
Confirmed	Interactive Brokers handled almost all relevant CM-Equity execution volume.	Identifies the primary gateway.
Confirmed	Citadel was an IBKR destination and executed enormous AMC volume in June 2021.	Establishes operational proximity and capacity.
Strong lead	A CM-Equity hedge order could have traveled through IBKR to Citadel.	Plausible and testable; not transaction-level proof.
Not established	A specific CM-Equity or FTX AMC order reached Citadel.	Requires customer/order identifiers.
Not established	Citadel used FTX AMC tokens as collateral or intentionally suppressed AMC.	Requires positions, collateral records, communications and intent evidence.

The Central Investigative Question

QUESTION: Can a CM-Equity originating account, FTX-related AMC liability or AMC hedge instruction be connected through an IBKR order identifier to Citadel's CDRG/CDED records and the corresponding NSCC/DTC settlement entry?

2. The 2021 Operational Pathway

The public evidence supports the following architecture. Each arrow represents an operational relationship; the final customer/order-level bridge remains unverified.

Stage	Verified record	Unresolved element
1. FTX customer	Customer acquired AMC-linked exposure through FTX.	Exact customer position and trade instructions.
2. CM-Equity liability	CM-Equity was manufacturer and sole counterparty to the cash-settled AMC derivative. [S1]	Exact number of outstanding AMC contracts and liability by date.
3. Hedge inventory	CM-Equity reported acquiring hedge positions for bilateral mass-customer liabilities. [S3]	Whether the hedge book included physical AMC, options, swaps, baskets or cash substitutes.
4. Brokerage gateway	IBCE handled approximately 95.28% of relevant equities and 98.95% of equity-derivative execution volume. [S2]	CM-Equity's account statements and order blotter.
5. U.S. execution	IBKR's Q2 2021 Rule 606 report lists Citadel CDRG in the AMC-containing 'other stocks' category. [S4–S5]	Whether any AMC or CM-Equity order was among the aggregate flow.
6. Settlement	U.S. share trades clear through NSCC and settle at DTC; listed options clear through OCC.	Clearing-member account, CNS netting, delivery and securities-lending records.

Why This Is More Than Mere Proximity

- The AMC derivative contract was legally real and placed the bilateral liability on CM-Equity.
- CM-Equity reported maintaining hedge inventory for the same class of bilateral customer liabilities.
- Interactive Brokers was not one broker among many; it handled almost all relevant reported execution volume.
- Citadel was an available execution destination and separately reported extraordinary AMC order handling during June 2021.
- The remaining gap is narrow: the originating account, order ID, execution MPID and settlement record.

Why This Still Is Not Transaction-Level Proof

Rule 606 aggregates Interactive Brokers' routing across customers and securities. Rule 605 aggregates the covered orders received by Citadel for each security. Neither report reveals the customer, beneficial owner, originating broker, position purpose, long/short marking, locate source, derivative liability or collateral agreement. Matching two aggregate reports cannot manufacture a customer identifier that neither report contains.

3. June–July 2021 Price and Settlement Timeline

Prices and share quantities below use the historical 2021 basis, before AMC's later reverse stock split. FTD figures are aggregate NSCC Continuous Net Settlement balances, not daily new fails and not Citadel-specific. [S8]

Date (2021)	AMC close / high	Aggregate FTD	Event and significance
May 28	—	—	CM-Equity AMC product document dated; instrument defined as bilateral OTC derivative. [S1]
June 1	$32.04	1,799,143	AMC issued 8.5 million shares to Mudrick; June 2 record-date event followed. [S11]
June 2	$62.55 close; $72.62 high	1,259,609	AMC nearly doubled from the prior close. This is the price peak used in later comparisons.
June 3	$51.34	5,448,460	AMC completed an 11.55 million-share ATM at an average $50.85, raising $587.3 million. [S10]
June 4	$47.91	1,402,677	Regular T+2 settlement date for June 2 trades. Aggregate fail balance does not reveal originating trade or member.
June 18	$59.26	2,333,859	Large fail cluster re-emerged while price remained elevated.
June 21	$55.69	4,053,113	Aggregate fails crossed four million shares.
June 25	$54.06	4,419,417	Largest balance in this selected timeline; AMC appeared on the NYSE threshold list.
June 30	$56.68	4,207,210	Fails remained above four million while price remained in the mid-$50s.
July 1	$54.22	3,519,354	Fails remained elevated.
July 6	$49.96	41,296	Exactly 34 calendar days after June 2. Price was down 20.1% from the June 2 close, not 50%.
July 7	$45.07	9,058	Reported aggregate fails had fallen sharply.
July 14	$33.43	63,943	First close below half the $72.62 intraday peak: 42 calendar days after June 2.

The Exact Price Claim

- Thirty-four calendar days after June 2 was July 6. AMC closed at $49.96: 20.1% below the June 2 close and 31.2% below the intraday high.
- On July 14, AMC closed at $33.43: 46.6% below the June 2 close and 54.0% below the intraday high. That occurred 42 calendar days after June 2.
- The accurate on-air phrase is: 'AMC fell below half its June 2 intraday peak by July 14, after a period of extraordinary order volume and a substantial FTD cluster.'

4. What T+2 and the FTD Data Actually Establish

Regular Settlement

In June 2021, regular-way U.S. equity settlement was T+2. A trade executed Wednesday, June 2 ordinarily settled Friday, June 4. The June 4 AMC FTD balance was 1,402,677 shares. That number is the aggregate outstanding NSCC CNS balance across all members as of that settlement date; it cannot be assigned exclusively to June 2 trades. [S8–S9]

Closeout Requirements

Rule 204 generally required a short-sale fail to be closed by the beginning of regular trading on the settlement day following settlement. Long-sale and bona fide market-making fails had different closeout treatment. The limited 35-calendar-day extension applied to securities a seller was deemed to own but could not deliver because restrictions had not yet been removed. It was not a universal market-maker or short-sale grace period. [S9]

What the FTD Cluster Proves

- Millions of AMC shares remained undelivered in the aggregate CNS system on multiple late-June settlement dates.
- The persistence and size justified threshold-security treatment and a regulator-level reconstruction of the settlement chain.
- The cluster overlapped Citadel's extraordinary June AMC execution footprint, making Citadel-related records relevant to the inquiry.

What the FTD Cluster Does Not Prove

- The identity of the failing NSCC member, broker, customer or beneficial owner.
- Whether the failed delivery originated in a long sale, short sale, market-making activity, transfer delay or processing issue.
- Whether Citadel held the fail, caused the fail, received the relevant order or used an FTX/CM-Equity instrument as collateral.
- The age of a fail. SEC balances combine prior fails, new fails and fails resolved that day.

IMPORTANT PATTERN: The largest reported fail balances occurred in late June while AMC traded mainly in the mid-$50s. The sharper fall toward $33 occurred after the aggregate reported fail balance had dropped dramatically. That timing does not eliminate manipulation, but it prevents the public FTD series from proving a simple one-step causal story.

Competing Explanations That Must Be Controlled For

Any serious analysis must separate potentially manipulative trading from lawful causes of supply and volatility, including AMC's June 3 sale of 11.55 million new shares, the earlier 8.5 million-share Mudrick issuance, profit-taking after an approximately 95% single-day rise, options-market hedging, securities lending, ETF and basket trading, retail order flow and ordinary market-maker inventory management. The presence of lawful alternatives does not disprove manipulation; it means the actor-specific trading record is indispensable.

5. Citadel's June 2021 AMC Execution Footprint

Citadel's Rule 605 file reports the following totals across its AMC rows for the full month of June 2021. These are covered-order statistics—not Citadel's proprietary position, customer identity or criminal-intent evidence. [S6–S7]

Rule 605 measure	June 2021 AMC total	Correct interpretation
Covered orders	3,111,546	Number of covered orders represented across the AMC rows.
Shares represented	1,611,170,621	Shares represented by covered orders for the entire month—not shares executed on June 2.
Canceled shares	648,352,983	Shares canceled before execution; cancellation alone does not prove spoofing.
Executed at Citadel	954,232,368	Covered-order shares executed by Citadel during June.
Executed elsewhere	8,276,661	Covered-order shares routed and executed away.

Why the Numbers Matter

The data establish capacity, proximity and actual AMC activity on an extraordinary scale. Citadel handled enormous AMC covered-order volume during the same month in which CM-Equity's derivative and hedge infrastructure existed and AMC developed substantial settlement failures.

Why the Numbers Do Not Establish Criminality

Rule 605 contains no customer, side, beneficial owner, short marking, locate, position, collateral or communication. Large cancellations can arise from changing limit orders and partial fills as well as spoofing. Manipulation requires order-level evidence of activity intended to create a false or misleading market appearance. [S20]

The Criminal-Proof Bridge

Required element	Record needed	What it would answer
Actor	CM-Equity/IBKR confirmation; Citadel blue sheet; CAT linkage	Whose order reached Citadel?
Act	Order lifecycle, cancellations, short marks and executions	What conduct occurred?
Settlement	NSCC member fail and DTC position movement	Who owed and delivered?
Economic link	Positions, swaps, collateral and securities-lending records	What exposure or benefit existed?
Intent	Communications, strategy and recurring non-economic patterns	Was artificial supply or price the purpose?

6. The Current Ondo–Alpaca–Citadel Parallel

The AMCon product visible today is a separate, later instrument from FTX's 2021 AMC derivative. It is important as proof of present market structure, but it cannot retroactively prove what happened in June 2021.

Current fact	Verified source	Limitation
Ondo tokenized stocks are structured notes/debt instruments backed by underlying securities held at U.S. custodial broker-dealers.	Ondo legal and trust documentation. [S12–S13]	Tokenholder is not the shareholder and does not own the underlying share directly.
Alpaca supplies brokerage infrastructure to the Ondo Global Markets Alliance.	Ondo alliance announcement. [S14]	Does not identify the execution venue for AMCon.
Citadel is an Alpaca execution partner, and Alpaca says the relationship dates to 2019.	Alpaca partner list and partnership announcement. [S15–S16]	Shows network access, not AMCon-specific routing.
In September 2025, Citadel received 57.9125% of Alpaca's aggregate 'other NMS stocks' held-order flow.	FINRA Q3 2025 Rule 606 bulk file, Alpaca CRD 288202. [S17]	Aggregate across securities and customers; AMCon/AMC is not identified.

CORRECT CONCLUSION: The modern Ondo structure proves that tokenized-equity liabilities can coexist with a U.S. brokerage and execution network in which Citadel is a documented participant. It does not prove that Citadel executed an AMCon hedge, received AMCon as collateral or participated in the 2021 FTX product.

Why the Parallel Still Matters

- It demonstrates that the hypothesized mechanics—issuer liability, underlying hedge, U.S. custodial broker and external execution partner—are operational market infrastructure, not science fiction.
- It creates a second, current test: obtain Ondo Global Markets' and Alpaca's AMCon trade confirmations, positions and execution-venue records.
- It supplies a controlled comparison between a disclosed modern tokenized-stock structure and the less transparent FTX/CM-Equity structure.

7. The Records That Would Close the Gap

Priority One: 2021 CM-Equity / FTX / IBKR Records

- CM-Equity's IBKR monthly statements, trade confirmations and complete AMC order blotter for May–July 2021.
- The CM-Equity sub-ledger mapping FTX AMC derivative liabilities to hedge positions.
- IBKR parent/child order IDs, execution reports, MPIDs and venue timestamps for the CM-Equity account.
- FTX and Digital Assets AG token-issuance records, outstanding AMC contract quantities and cash-settlement ledger.
- CM-Equity's audited trading inventory schedules and auditor workpapers identifying the securities or instruments used as hedges.

Priority Two: Citadel and U.S. Settlement Records

- Citadel CDRG/CDED blue-sheet records for AMC during May–July 2021, including account, side, price, quantity and market center.
- CAT order-lifecycle data linking any CM-Equity/IBKR originating order to Citadel, an ATS, exchange or away venue.
- Citadel and IBKR short-sale markings, locate records, market-maker-exemption usage and securities-borrow transactions.
- NSCC member-level CNS fail positions and buy-in/closeout activity; DTC participant position and delivery records.
- OCC records only where the hedge involved listed AMC options; OCC is not the settlement system for ordinary AMC share purchases.

Priority Three: Current AMCon Records

- Ondo Global Markets' AMCon daily reserve/attestation detail and custodial broker account identification.
- Alpaca trade confirmations and execution-venue detail for AMC purchases or sales supporting AMCon creation/redemption.
- DTC position reconciliation against AMCon liabilities across supported chains, adjusted for any bridging or burned supply.
- Any agreement permitting the underlying AMC shares or tokenized notes to be lent, pledged, rehypothecated or posted as collateral.

Access Reality

CAT data are restricted to regulators, and blue sheets are regulator-requested member records. Rule 606(b)(3) is customer-specific and generally covers the prior six months—not a third party's 2021 activity. Historical CM-Equity records therefore require account-holder cooperation, insolvency or bankruptcy discovery, regulatory process or subpoena. [S18–S19]

8. Emergency Call Messaging

The Strongest Defensible Statement

READ THIS: We have documented an operational pathway connecting FTX's AMC derivative counterparty, CM-Equity's actual hedge activity, Interactive Brokers' execution infrastructure and Citadel's extraordinary June 2021 AMC order handling. That pathway, combined with the late-June settlement-failure cluster and subsequent price collapse, creates substantial grounds for a transaction-level investigation. Public aggregate reports do not yet identify a specific CM-Equity AMC order executed by Citadel or establish criminal intent.

Statements Supported by the Evidence

- 'FTX's AMC product was a bilateral cash-settled derivative owed by CM-Equity, not direct ownership of an AMC share.'
- 'CM-Equity's reporting shows real hedge positions existed for bilateral customer liabilities.'
- 'Interactive Brokers handled almost all of CM-Equity's relevant reported execution volume.'
- 'Citadel was inside the IBKR execution network and handled approximately 954.2 million covered-order AMC shares during June 2021.'
- 'AMC's aggregate fail balance exceeded four million shares on multiple late-June settlement dates.'
- 'The missing record is the customer/order identifier joining CM-Equity's hedge to Citadel's execution or settlement account.'

Statements the Public Record Does Not Yet Support

- 'Citadel definitely executed CM-Equity's AMC hedge.'
- 'The 1.611 billion shares were executed on June 2.'
- 'Every AMC failure to deliver was a naked short or belonged to Citadel.'
- 'AMCon is the same token that traded on FTX in 2021.'
- 'Citadel used FTX or Ondo AMC tokens as collateral.'
- 'The public documents already prove a criminal conspiracy.'

Recommended 20-Minute Run of Show

Time	Segment	Purpose
0:00–2:00	Opening verdict	Read the opening statement and state the evidentiary guardrail.
2:00–5:00	Define the FTX product	Explain the bilateral OTC derivative and CM-Equity's liability.
5:00–8:00	Show the execution pipe	CM-Equity hedge activity → IBCE/IBKR → Citadel as a documented venue.
8:00–12:00	June–July timeline	Correct the 34-day claim, show T+2 and the FTD cluster.
12:00–15:00	Citadel volume	Explain the 1.611 billion represented vs. 954.2 million executed distinction.
15:00–17:00	Ondo parallel	Show current infrastructure without merging 2025/26 with 2021.
17:00–20:00	Close with the demand	Name the exact records needed and invite accountable disclosure.

Closing Statement

The evidence does not permit us to skip the final step, but it tells us exactly where that step is. We are no longer asking whether the architecture existed. It did. We are asking which CM-Equity orders entered that architecture, where they executed, how they settled and whether any party used those transactions to create artificial supply or conceal exposure. Those questions are answerable from records that regulators, brokers, clearing agencies and insolvency estates can obtain.

That is why this is the closest documented pathway found so far—and why precision tonight matters more than exaggeration.

9. Source Register

[S1] Archived CM-Equity / FTX AMC Key Information Document, dated May 28, 2021

[S2] CM-Equity 2021 MiFID II execution-quality report

[S3] Reproduction of CM-Equity 2021 management-report text from Bundesanzeiger filing

[S4] Interactive Brokers broker-dealer Rule 605/606 report library

[S5] Interactive Brokers Q2 2021 Rule 606 XML

[S6] Citadel Securities Rule 605/606 report library

[S7] Citadel Securities June 2021 Rule 605 raw file

[S8] SEC fails-to-deliver data, methodology and historical downloads

[S9] SEC Regulation SHO investor guidance

[S10] AMC June 3, 2021 announcement completing 11.55 million-share ATM

[S11] AMC Q2 2021 Form 10-Q describing June share issuances

[S12] Ondo Global Markets launch description

[S13] Ondo Stocks legal and regulatory structure

[S14] Ondo Global Markets Alliance announcement identifying Alpaca

[S15] Alpaca execution broker-partner list

[S16] Alpaca announcement describing Citadel execution relationship since 2019

[S17] FINRA Q3 2025 Rule 606 NMS bulk file

[S18] SEC Rule 606 frequently asked questions

[S19] CAT NMS Plan: access to CAT data

[S20] 15 U.S.C. § 78i, manipulation of security prices

Method and Limitations

This report distinguishes primary records from secondary reproductions, corrects split-adjusted price confusion by using the historical 2021 share basis, and treats Rule 605, Rule 606 and SEC FTD files according to their published aggregation limits. The conclusions are investigative assessments, not adjudicated findings. Legal claims should be reviewed by qualified securities counsel before filing or publication as allegations of fact.