



**Longtime Market Reform Advocate Issues Statement on SEC's Proposed New Fannie/Freddie Regs**

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Overstock.com Wonders When The Rule of Law Will Be Extended to All Companies Instead of the SEC's Apartheid Solution  
SALT LAKE CITY, July 15, 2008 (PRNewswire-FirstCall via COMTEX News Network) -- Today, in response to news that the SEC will institute an emergency order to curtail naked short selling of Fannie Mae and Freddie Mac stock by requiring traders to pre-borrow the stock, Overstock.com chairman and CEO and a longtime advocate for anti-naked short selling reform, Patrick Byrne issued the following statement:  
"I wholeheartedly celebrate Christopher Cox's decision to enforce the rule of law as it regards trading in Fannie Mae and Freddie Mac stock. It looks like the SEC may finally be getting the joke. For years, members of Congress, the U.S. Chamber of Commerce, academics, Overstock and other companies have been calling for a pre-borrow to stop the manipulative trading of abusive naked short sellers. What I don't understand is why the SEC is extending the rule of law only to Fannie Mae and Freddie Mac. We now have an apartheid capital market.  
"The act of trading stocks without borrowing them first is a particularly egregious form of illegal market manipulation that has threatened our financial system for too long. I urge the SEC to extend the rule of law to the entire market, and not simply favored quasi-governmental corporations. Now that we are experiencing systemic failure, precisely as naked shorting activists predicted, we should ask the SEC: Why should two corporations alone deserve the protection for which hundreds of other firms have been unsuccessfully clamoring?" said Byrne.  
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This press release contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Such forward-looking statements include, but are not limited to, statements regarding the SEC's grasp of the problem and whether the SEC will extend protections beyond favored companies. Our Form 10-K for the year ended December 31, 2007, our subsequent quarterly reports on Form 10-Q, or any amendments thereto, and our other subsequent filings with the Securities and Exchange Commission identify important factors that could cause our actual results to differ materially from those contained in our projections, estimates or forward-looking statements.  
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