

tZERO Security Tokens Now Tradable by Non-Accredited Investors

August 12, 2019

NEW YORK--(BUSINESS WIRE)--Aug. 12, 2019-- [tZERO](#), the global leader in blockchain innovation for capital markets, announced today that its preferred equity security tokens (TZROP), which were issued in a private placement in August 2018, and which have been traded by accredited investors since January 2019, are now available to be resold to non-accredited investors, too (under Rule 144 under the Securities Act of 1933). Investors with an account at Dinosaur Financial, LLC may trade their tZERO security tokens on the PRO Securities alternative trading system (ATS). Investors seeking to purchase or resell tZERO security tokens who do not have an account at Dinosaur Financial should visit <https://dino.tzero.com/login> for details on how to create an account to start trading.

tZERO CEO Saum Noursalehi said, "Following the one-year anniversary of the close of our security token offering, non-accredited investors now have the ability to purchase and trade in our security tokens. Today marks another milestone as we further democratize access so all investors, regardless of net worth, can invest in the business opportunity of a blockchain-based capital market."

TZROP provides investors with direct exposure to tZERO's revenue growth through its quarterly dividend model. Subject to approval from tZERO's Board of Directors and in accordance with the terms of the tokens, Delaware law and accounting requirements, tZERO may distribute a quarterly dividend equal to 10% of tZERO's adjusted gross revenue to its security token holders. Adjusted gross revenue is equivalent to the gross profit reported on tZERO's financial statements. Dividends may be paid in U.S. dollars, Bitcoin, Ether or additional security tokens.

tZERO is a technology firm that was founded in 2014 with the goal of utilizing blockchain technology to revolutionize Wall Street so that financial processes no longer need to rely on traditional institutional market structures in favor of using blockchain to bolster and enhance market integrity. tZERO is a keiretsu company of [Medici Ventures](#), the blockchain subsidiary of [Overstock.com, Inc.](#) (NASDAQ:OSTK). In 2016, tZERO provided the technology behind trading the world's first public digital security, Overstock.com's OSTKO (formerly OSTKP), on the PRO Securities ATS. The highly publicized issuance of tZERO's security tokens in August 2018 raised approximately \$134 million in aggregate consideration from over 1,000 global investors. Resales of tZERO security tokens among accredited investors commenced in January 2019. In June 2019, OSTKO, a digital preferred share of Overstock's public security, became the second security token available for trading on the PRO Securities ATS (again, solely for investors with a brokerage account at Dinosaur Financial). For more information on tZERO, please visit <https://www.tzero.com/>.

Investor Notice

Investors should note that trading security tokens could involve substantial risks, including no guarantee of returns, costs associated with selling and purchasing, no assurance of liquidity which could impact the price and ability to sell, and possible loss of principal invested. Further, an investment in single security token could mean lack of diversification and, consequently, higher risk.

As of the date of this press release, tZERO has not authorized peer to peer transfers of the tZERO security tokens. tZERO security token holders may resell their tZERO security tokens on the PRO Securities' SEC Registered ATS only through a brokerage account established with Dino, a subscriber to the ATS, with clearing and custody provided by Electronic Transaction Clearing, a registered broker-dealer, and Computershare, as transfer agent. In order to comply with and manage our obligations under applicable laws and regulations and ensure the security and functionality of the tZERO security tokens, tZERO may, at any time, prohibit tZERO security token holders from transferring tZERO security tokens from Dino brokerage accounts to personal wallets. When such a prohibition is in effect, tZERO may permit such transfers only in extraordinary circumstances and subject to any and all conditions that tZERO may determine.

No Offer, Solicitation, Investment Advice or Recommendations

This release is for informational purposes only and does not constitute an offer to sell, a solicitation to buy, or a recommendation for any security or token, nor does it constitute an offer to provide investment advisory or other services by the tZERO or any of its affiliates, subsidiaries, officers, directors or employees. No reference to any specific security or token constitutes a recommendation to buy, sell or hold that security or token or any other security or token. Nothing in this release shall be considered a solicitation or offer to buy or sell any security, token, future, option or other financial instrument or to offer or provide any investment advice or service to any person in any jurisdiction. Nothing contained in this release constitutes investment advice or offers any opinion with respect to the suitability of any security or token, and the views expressed in this release should not be taken as advice to buy, sell or hold any security or token. In preparing the information contained in this release, we have not taken into account the investment needs, objectives and financial circumstances of any particular investor. This information has no regard to the specific investment objectives, financial situation and particular needs of any specific recipient of this information and investments discussed may not be suitable for all investors. Any views expressed in this release by us were prepared based upon the information available to us at the time such views were written. Changed or additional information could cause such views to change. All information is subject to possible correction. Information may quickly become unreliable for various reasons, including changes in market conditions or economic circumstances.

About tZERO

[tZERO Group, Inc.](#) ("tZERO") is a majority owned subsidiary of [Overstock.com](#), focusing on the development and commercialization of financial technology (FinTech) based on cryptographically-secured, decentralized ledgers – more commonly known as blockchain technologies. Since its inception, tZERO has pioneered the effort to bring greater efficiency and transparency to capital markets through the integration of blockchain technology. For more information on tZERO, please visit: <https://www.tzero.com/>.

tZERO is not a registered broker-dealer, funding portal, underwriter, investment bank, investment adviser or investment manager, and is not providing brokerage, investment banking or underwriting services, recommendations or investment advice to any person, and does not provide any brokerage services. tZERO takes no part in the negotiation or execution of secondary market transactions for the purchase or sale of securities and at no time has possession of investor funds or securities in connection with such transactions.

About PRO Securities, LLC

PRO Securities, LLC, which operates the PRO Securities alternative trading system, is a broker-dealer registered with the SEC and a member of FINRA and SIPC. More information about PRO Securities may be found at www.finra.org.

About Overstock.com

Overstock.com, Inc Common Shares (OSTK) / Digital Voting Series A-1 Preferred Stock (Medici Ventures' tZERO platform:OSTKO) / Series B Preferred (OSTBP) is an online retailer and technology company based in Salt Lake City, Utah. Its leading e-commerce website sells a broad range of new products at low prices, including furniture, décor, rugs, bedding, home improvement, and more. The online shopping site, which is visited by nearly 40 million customers a month, also features a marketplace providing customers access to millions of products from third-party sellers. Overstock was the first major retailer to accept cryptocurrency in 2014, and in the same year founded Medici Ventures, its wholly-owned subsidiary developing and accelerating blockchain technologies to democratize capital, eliminate middlemen, and re-humanize commerce. Overstock regularly posts information about the company and other related matters on the [Newsroom](#) and [Investor Relations](#) pages on its website, Overstock.com.

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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 all statements other than statements of historical fact. Additional information regarding factors that could materially affect results and the accuracy of the forward-looking statements contained herein may be found in the Overstock's Form 10-Q for the quarter ended June 30, 2019, which was filed with the SEC on August 8, 2019, and any subsequent filings with the SEC. Overstock expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein and to reflect any change in its expectation with regard thereto or any change in events, conditions, or circumstances on which any such statement is based.

About Dinosaur Financial Group, LLC

[Dinosaur Financial Group](#), LLC is a broker-dealer registered with the SEC and a member of FINRA, SIPC, MSRB and NFA. Dinosaur is a full service, independent financial services firm headquartered in New York, New York with an office in Miami, Florida. It offers investment banking and sales and trading services across equity and debt products for its clients. Its affiliated entities offer global access through offices in London, United Kingdom, Milan, Italy and Madrid, Spain.

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