



## Overstock.com CEO Patrick Byrne Issues Statement on Recent Sale of Personal Shares of Overstock.com Stock

May 17, 2019

SALT LAKE CITY, May 17, 2019 (GLOBE NEWSWIRE) --

Dear Owners,

An unanticipated stir has been created this week among shareholders by my sale of approximately 900,000 shares of "founder's shares" of [Overstock.com, Inc.](#) (NASDAQ:OSTK), referenced in Form 4 filings on May 15, 2019, and today on May 17, 2019. Oddly, people of whom I have never heard are writing me demanding answers regarding my timing, reasoning, and purpose in such sales. Apparently, some find it unsettling and demand answers from me about why, after 20 years of working (generally without salary or compensation), I might sell several tens of millions of dollars' worth of stock. Frankly, I had no idea that shareholders would demand explanations of why and how I might want to use *my* cash derived from *my* labor and *my* property to pursue *my* ends in life. Not once have I ever asked a shareholder for his reasons in any decision he made. Yet, given the consternation this has caused, I will give answer, to preclude further recurrence of mass vapors.

A year ago, I told shareholders that I would be making significant sales to fund a variety of projects. Since then I have invested \$12.5 million in blockchain projects, approximately 2/3 of that directly alongside your company's investments (thus, I am not only *not* running from eating my own cooking, I have been asking for a double helping of it). I have donated and pledged to donate approximately \$50 million to charity, much of it involving education and education reform, including helping realize Milton Friedman's vision of school choice through vouchers and educational savings accounts (a mission which I consider the civil rights issue of the 21<sup>st</sup> century), and two \$5 million chairs at the Hoover Institute at Stanford in honor of professors who had remarkable influence on me: Fouad Ajami (a dear friend, may he rest in peace), and Thomas Sowell (who 30 years ago sent me some books that changed my life). Last Friday, I pledged another \$1 million to cancer research (assuming the PMC hits its \$60 million goal this year). And most exciting, I am working on an interesting (though as yet unapproved) \$1 million art project in Birmingham, Alabama in honor of Dr. King. While I was taught it is gauche to make a big deal of one's giving ("It counts more when no one knows you did it," says Dorothy Byrne, Mother), such explanation has been called for by the numerous far-more-gauche letters I have been receiving. So, there it is.

As to the timing: since I informed the public of my plans a year ago, there has barely been a day where my selling of stock would have been appropriate and legal. On nearly every one of those days I have been in possession of information that would have made such a sale inappropriate (or at least, arguably inappropriate). Nor could I sign a 10b5 plan, when such signature can only be made when one is not in a position of having asymmetric information with the marketplace. Only briefly, last fall, for about a week, did I feel I was not in possession of material non-public information. Recently I made a tremendous effort to disclose all possibly relevant information in our earnings release and our shareholder meeting (the latter of which has been overlooked), so that after the meeting, come what may, I could conduct such sales. While I hate to sell at this share price while the business continues to rebound quickly, but, as you may know, for many years I did not draw a salary in my role as CEO of Overstock, and even today it's a matter of public record that my annual salary is \$100,000. As we recently discussed in our Q1 2019 earnings call and shareholders meeting that occurred the same day, the quicker-than-expected rebound towards profitability of our top-of-class e-commerce machine coupled with our Medici Ventures keiretsu companies bringing world-changing products to market has me as optimistic as ever about the future. I simply had to supplement my nominal salary with stock sales in order to fulfill personal commitments to invest personally in blockchain projects such as Medici Land Governance, along with a need to meet charitable pledges such as those outlined above.

I do not intend to ever give such an explanation again. I owe shareholders staying within the law and not making decisions based on inside information, not explanations of my life and projects outside Overstock.

Your humble servant,  
Patrick M. Byrne

### About Overstock.com

[Overstock.com, Inc.](#) Common Shares (NASDAQ:OSTK) / Series A Preferred (Medici Ventures' tZERO platform: OSTKP) / Series B Preferred (OTCQX: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 Company's Form 10-Q for the quarter ended March 31, 2019, which was filed with the SEC on May 9, 2019, and any subsequent filings with the SEC.

SOURCE: Overstock.com, Inc.

**Media Contact:**

[pr@overstock.com](mailto:pr@overstock.com)

**Investor Contact:**

[ir@overstock.com](mailto:ir@overstock.com)



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