



ICO Market Transformed by ATS Security Token Joint Venture Forged by iZERO, RenGen and the Argon Group

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First SEC and FINRA compliant ATS to transform the initial coin offering market

SALT LAKE CITY, Sept. 27, 2017 (GLOBE NEWSWIRE) -- [iZERO](#), a subsidiary of [Overstock.com, Inc.](#) (NASDAQ:OSTK), [RenGen LLC](#) and the [Argon Group](#) today announced an exclusive joint venture that teams the market-leading strengths of each company to launch an Alternative Trading System (ATS) that will transform the trading of security tokens issued in Initial Coin Offerings (ICO) in compliance with SEC and FINRA regulations (Joint Venture). This rapidly emerging asset class of blockchain-based digital tokens has raised more than \$2 billion so far this year (per [CoinDesk.com's](#) [ico-track](#)) and cryptocurrencies overall (including digital tokens) have a current market cap of \$137 billion (per [CoinMarketCap.com](#)), making this a huge growth industry. Digital tokens and cryptocurrencies are also changing the face of emerging growth company financing. In the first half of this year, more money was invested in FinTech through cryptocurrencies than through venture capital (over \$1.2 billion, per [CBInsights](#)).

"With ICO blockchain offerings surpassing traditional early stage VC funding and U.S. regulators seeking legitimate venues to support security token offerings, with this JV iZERO continues to maintain its leading edge in blockchain financial technology," said Patrick M. Byrne, CEO of Overstock. "iZERO has been at the forefront of the blockchain revolution for years, working closely with regulators since 2015 -- launching the world's first SEC compliant ATS for blockchain assets, the first private blockchain bond offering, and the first ever public issuance of a blockchain security," continued Dr. Byrne.

"Now, by combining our expertise with Argon's advisory services and RenGen's electronic trading, deep liquidity and market making capabilities, we are in a position to launch the only U.S. SEC compliant token trading venue," concluded Dr. Byrne.

The landmark Joint Venture aims to redefine the way the ICO market looks at security tokens, and enhance liquidity to accelerate market development. Lack of liquidity has been a significant impediment to security token market development. This topic has received much attention since the issuance of the [SEC Report on the DAO Report No. 81207-1 July 25, 2012](#), where the SEC made clear that any digital token with an income stream is a security, and furthermore that security tokens may only be traded on an ATS or a National Securities Exchange.

"We have long been advocating that issuing digital tokens as securities gives issuers and purchasers the greatest certainty about the legal regime that applies to the sale and the widest range of options to provide an attractive return for investors," said Emma Channing, CEO and General Counsel of the Argon Group. "The key issue to date has been the need for an appropriate marketplace to provide liquidity. This joint venture between iZERO, RenGen and Argon has the potential to completely change the face of ICOs."

The Joint Venture will be built in an exclusive collaboration that draws on the distinct strengths of each company, combining iZERO's groundbreaking, blockchain-based trading platform with RenGen's ability to provide liquidity, market making and algorithm technology, and the Argon Group's premier ICO advisory experience and security token clients. The Joint Venture will also take advantage of [SafeLaunch](#) for AML and KYC capabilities.

"This Joint Venture allows us to continue achieving our goal of leveraging our existing U.S. equity market infrastructure and smart order routing technologies within the blockchain space," said Joe Cammarata, President of iZERO.

"I have long believed that securitization is one of the best use cases for blockchain technology -- and the transformative ICO market has proven so," said Süleyman Duyar, Managing Partner, RenGen LLC. "Patrick Byrne and iZERO had great foresight in developing and registering the first digital ATS, and now, in partnership with Argon, an industry-leading ICO consultancy, we are excited to bring our high-volume participation in cryptocurrencies, technology and trading expertise to this promising venture. It is a very exciting time to be an investor in ICOs."

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About Overstock.com

[Overstock.com, Inc.](#) (NASDAQ:OSTK) (Series A Preferred) (Market Vantage) (OTCXX:OSTP) is an online retailer based in Salt Lake City, Utah that sells a broad range of products at low prices, including [books](#), [electronic books](#), and [home improvement](#). In addition to home goods, Overstock.com offers a variety of products including jewelry, electronics, apparel, and more, as well as a marketplace providing customers access to hundreds of thousands of products from third-party sellers. Additional stores include Worldstock.com, dedicated to selling artisan-crafted products from around the world. Forbes ranked Overstock in its list of the Top 100 Most Trustworthy Companies in 2014. Overstock regularly posts information about the company and other related matters under Investor Relations on its website, <http://www.overstock.com>.

About iZERO

iZero.com, Inc. ("iZERO") 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, iZERO has pioneered the effort to bring greater efficiency and transparency to capital markets through the integration of blockchain technology. More information is available at [iZERO.com](#).

About The Argon Group

The Argon Group (the "Group") is an investment bank with a focus on digital finance -- the emerging cryptocurrency and token-based capital markets. The Group provides financial advisory, placement, and technology services to companies seeking to raise equity, debt, and non-dilutive capital. The Group develops technical placement solutions, including digital tokens powered by advanced smart contracts, which Argon operates through a digital asset placement platform [TokenHub.com](#). For more information, please email info@argongroup.com, follow [@theargongroup](#), visit www.argongroup.com.

About RenGen LLC

RenGen LLC is an investment, technology and financial services firm focusing on innovative blockchain technologies. We are high volume participants in ICOs and an active cryptocurrency secondary market participant. Our issuance portal [SafeLaunch.com](#) offers a unique service for companies seeking to issue an ICO or raise funds through a SAFT agreement, including a proprietary AML/KYC solution and positions us to co-invest into the best early stage projects in the pre-ICO phase.



Overstock.com, Inc.