

Chou Francis S M  
 Form 4  
 February 09, 2011

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
 Chou Associates Management Inc.

(Last) (First) (Middle)

110 SHEPPARD AVENUE  
 EAST,, SUITE 301, BOX 18

(Street)

TORONTO, A6 M2N 6Y8

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

OVERSTOCK.COM, INC [OSTK]

3. Date of Earliest Transaction  
 (Month/Day/Year)

02/07/2011

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

\_\_\_ Director \_\_\_X\_\_\_ 10% Owner  
 \_\_\_ Officer (give title below) \_\_\_ Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)

\_\_\_ Form filed by One Reporting Person  
 \_\_\_X\_\_\_ Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|
|                                 |                                      |  |                                | (A) or (D)  | Code V Amount (D) Price   |  |  |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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 (9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

| 1. Title of Derivative Security | 2. Conversion or Exercise | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any | 4. Transaction Code | 5. Number of Derivative Securities Acquired | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount Underlying Securities (Instr. 3 and 4) |
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|---|--|--|
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|---|--|--|

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| (Instr. 3) | Price of<br>Derivative<br>Security                        | (Month/Day/Year) | (Instr. 8) | (A) or Disposed of<br>(D)<br>(Instr. 3, 4, and 5) | Code | V | (A)        | (D) | Date<br>Exercisable | Expiration<br>Date | Title           | Amount<br>Number<br>Shares |
|------------|---|------------------|------------|---|------|---|------------|-----|---------------------|--------------------|-----------------|----------------------------|
| 3.75%      | Convertible<br>Senior<br>Notes Due<br>December<br>1, 2011 |                  |            |   |      |   |            |     |                     |                    | Common<br>Stock | 132,7                      |
|            | (4) (5)   | 02/07/2011       | S          | \$  |      |   | 10,120,000 |     | (4)(5)              | (4)(5)             |                 |                            |

## Reporting Owners

| Reporting Owner Name / Address   | Relationships |           |         |       |
|--|---------------|-----------|---------|-------|
|  | Director      | 10% Owner | Officer | Other |
| Chou Associates Management Inc.<br>110 SHEPPARD AVENUE EAST,<br>SUITE 301, BOX 18<br>TORONTO, A6 M2N 6Y8 |               |           | X       |       |
| Chou Francis S M<br>110 SHEPPARD AVENUE EAST,<br>SUITE 301, BOX 18<br>TORONTO, A6 M2N 6Y8                |               |           | X       |       |

## Signatures

Chou Associates Management Inc., /s/ Francis S. M. Chou, Chief Executive Officer and Portfolio Manager 02/08/2011

\_\_Signature of Reporting Person Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, see Instruction 4(b)(v).
  - \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- This statement is jointly filed by and on behalf of each of Chou Associates Management Inc. and Francis S. M. Chou. Chou Associates Management acts as an investment adviser to, and manages investment and trading accounts of, other persons and may be deemed, by
- (1) reason of investment advisory contracts or otherwise, to beneficially own securities owned by other persons. Mr. Chou is the Chief Executive Officer and Portfolio Manager of Chou Associates Management and may be deemed to beneficially own securities owned by Chou Associates Management.
  - (2) Each reporting person states that neither the filing of this statement nor anything herein shall be deemed an admission that such person is, for purposes of Section 16 of the Act or otherwise, the beneficial owner of any securities covered by this statement. Each reporting person disclaims beneficial ownership of the securities covered by this statement, except to the extent of the pecuniary interest of such person in such securities.
  - (3) Each reporting person may be deemed to be a member of a group with respect to the issuer or securities of the issuer for the purposes of Section 13(d) or 13(g) of the Act. Each reporting person declares that neither the filing of this statement nor anything herein shall be construed as an admission that such person is, for the purposes of Section 13(d) or 13(g) of the Act or any other purpose, a member of a group with respect to the issuer or securities of the issuer.
  - (4) The issuer's 3.75% Convertible Senior Notes due December 1, 2011 are convertible at any time prior to maturity into shares of the issuer's common stock at the option of the note holders at a conversion price of \$76.23 per share (subject to adjustment in certain events,

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including stock splits, dividends and other distributions, certain repurchases of the issuer's stock, and certain fundamental changes in the ownership of the issuer).

- The issuer has the right to redeem the Convertible Senior Notes, in whole or in part, for cash at 100% of the principal amount plus accrued and unpaid interest. Upon the occurrence of a fundamental change (including the acquisition of a majority interest in the issuer, certain changes in the issuer's board of directors or the termination of trading of the issuer's stock) meeting certain conditions, holders of the Convertible Senior Notes may require the issuer to repurchase for cash all or part of their notes at 100% of the principal amount plus accrued and unpaid interest.
- (6) Includes accrued interest of \$72,738.

**Remarks:**

Exhibit Index

| Exhibit | Description of Exhibit   |
|---------|--|
| 99.1    | Joint Filer Information (furnished herewith)   |
| 99.2    | Joint Filing Agreement (incorporated herein by reference from Exhibit 99.2 to the Form 3 related to the issuer filed July 16, 2008 by the reporting person(s)) |

\*\*Signature of Reporting Person

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations.  
See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note:File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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