

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES ACT OF 1933
Release No. 9392 / March 11, 2013

ADMINISTRATIVE PROCEEDING
File No. 3-15238

In the Matter of	:	
	:	
	:	
OPPENHEIMER ASSET	:	ORDER UNDER RULE 602(e) OF THE
MANAGEMENT INC. and	:	SECURITIES ACT OF 1933 GRANTING
OPPENHEIMER	:	A WAIVER OF THE RULE 602(c)(3)
ALTERNATIVE	:	DISQUALIFICATION PROVISION
INVESTMENT	:	
MANAGEMENT, LLC,	:	
	:	
Respondents.	:	
	:	
	:	
	:	

I.

Oppenheimer Asset Management Inc. ("OAM") and Oppenheimer Alternative Investment Management, LLC ("OAIM") (collectively, "Respondents"), have submitted a letter, dated January 25, 2013, requesting a waiver of the Rule 602(c)(3) disqualification from the exemption from registration under Regulation E arising from Respondents' settlement of an administrative proceeding commenced by the Commission.

On March 11, 2013, pursuant to Respondents' Offer of Settlement, the Commission issued an Order Instituting Proceedings Pursuant to Section 8A of the Securities Act of 1933 ("Securities Act") and Sections 203(e) and (k) of the Investment Advisers Act of 1940 ("Advisers Act"), Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order against Respondents. Under the Order, the Commission found that Respondents disseminated marketing materials to prospective investors and quarterly reports to existing investors that contained material misrepresentations and omissions concerning Respondents' valuation policies and the performance of Oppenheimer Global Resource Private Equity Fund I, L.P. ("OGR"), a fund of private equity funds vehicle. The Commission found that Respondents stated in the marketing materials and quarterly reports to investors that OGR's asset values were "based on the underlying managers' estimated values" when that was not the case with respect to one of the assets in OGR's investment portfolio. The Commission also found that Respondents'

written policies and procedures were not reasonably designed to ensure that valuations provided to prospective and existing investors were presented in a manner consistent with written representations to investors and prospective investors. In the Order, the Commission (i) ordered Respondents to cease and desist from committing or causing any violations and any future violations of Section 17(a)(2) and 17(a)(3) of the Securities Act and Section 206(4) of the Advisers Act and Rules 206(4)-7 and 206(4)-8 promulgated thereunder, (ii) censured Respondents, (iii) required Respondents to pay a civil money penalty in the amount of \$617,579, (iv) required Respondents to pay a total of \$2,269,098 in disgorgement and pre-judgment interest to certain OGR investors, and (v) required that Respondents comply with certain undertakings, including retaining, at their own expense, the services of an independent consultant to conduct a review of Respondents' valuation policies and procedures.

The Regulation E exemption is unavailable for the securities of small business investment company issuers or business development company issuers if, among other things, any investment adviser or underwriter for the securities to be offered is subject to an order of the Commission entered pursuant to Section 203 (e) of the Investment Advisers Act of 1940. 17 C.F.R. § 230.602(c)(3). Rule 602(e) of the Securities Act of 1933 ("Securities Act") provides, however, that the disqualification "shall not apply . . . if the Commission determines, upon a showing of good cause, that it is not necessary under the circumstances that the exemption be denied." 17 C.F.R. § 230.602(e).

Based upon the representations set forth in Respondents' request, the Commission has determined that pursuant to Rule 602(e) under the Securities Act a showing of good cause has been made that it is not necessary under the circumstances that the exemption be denied as a result of the Order.

Accordingly, **IT IS ORDERED**, pursuant to Rule 602(e) under the Securities Act, that a waiver from the application of the disqualification provision of Rule 603(c)(3) under the Securities Act resulting from the entry of the Order is hereby granted.

By the Commission.

Elizabeth M. Murphy
Secretary