

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 71119 / December 18, 2013**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-14909**

**In the Matter of**

**OPPENHEIMERFUNDS, INC.,**

**and**

**OPPENHEIMERFUNDS**  
**DISTRIBUTOR, INC.,**

**Respondents.**

**NOTICE OF PROPOSED  
PLAN OF DISTRIBUTION  
AND OPPORTUNITY FOR  
COMMENT**

Notice is hereby given, pursuant to Rule 1103 of the Securities and Exchange Commission's ("Commission") Rules on Fair Fund and Disgorgement Plans, 17 C.F.R. § 201.1103, that the Division of Enforcement has submitted to the Commission a proposed plan for the distribution of monies placed into a Fair Fund established in the above-captioned matter.

On June 6, 2012, the Commission issued an Order Instituting Administrative and Cease-and-Desist Proceedings Pursuant to Section 8A of the Securities Act of 1933, Section 15(b)(4) of the Securities Exchange Act of 1934, Sections 203(e) and 203(k) of the Investment Advisers Act of 1940, and Sections 9(b) and 9(f) of the Investment Company Act of 1940, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order against Oppenheimerfunds, Inc. ("OFI") and Oppenheimerfunds Distributor, Inc. (collectively, "Respondents") (the "Order") (Securities Act Rel. No. 9329 (June 6, 2012)). As set forth in the Order, prior to and during the height of the 2008 financial crisis, Respondents made misrepresentations regarding two fixed income mutual funds managed by OFI: Oppenheimer Champion Income Fund and Oppenheimer Core Bond Fund. The Order required OFI to pay disgorgement of \$9,879,706, prejudgment interest of \$1,487,190, and a civil money penalty of \$24 million for a total of approximately \$35.4 million. The Order also created a Fair Fund pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002, as amended.

**OPPORTUNITY FOR COMMENT**

Pursuant to this Notice, all interested parties are advised that they may obtain a copy of the Proposed Plan of Distribution from the Commission's public website, <http://www.sec.gov>. Interested parties may also obtain a written copy of the Proposed

Plan of Distribution by submitting a written request to Nancy Chase Burton, Esq., United States Securities and Exchange Commission, 100 F Street, N.E., Washington, DC 20549-5631. All persons who desire to comment on the Proposed Plan of Distribution may submit their comments, in writing, no later than thirty (30) days from the date of this Notice:

1. To the Office of the Secretary, United States Securities and Exchange Commission, 100 F Street, N.E., Washington, DC 20549-1090;
2. By using the Commission's Internet comment form (<http://www.sec.gov/litigation/admin.shtml>); or
3. By sending an e-mail to [rule-comments@sec.gov](mailto:rule-comments@sec.gov).

Comments submitted should include "Administrative Proceeding File Number 3-14909" in the subject line. Comments received will be publicly available. Persons should submit only information that they wish to make publicly available.

## **THE DISTRIBUTION PLAN**

The Fair Fund is comprised of the amounts of disgorgement, prejudgment interest and civil monetary penalties paid by OFI, plus any accumulated interest, less any federal, state, or local taxes and fees and expenses. The Proposed Plan of Distribution provides for injured investors to receive monies from the Fair Fund pursuant to a two phase process. First, injured investors will be allocated their share of the advisory fees paid by each fund during the applicable recovery periods. Second, injured investors will be compensated, on a *pro rata* basis, for the decline in value of their investment in fund shares after benchmark indexing. The Fair Fund is not intended to compensate investors for losses they incurred because of fluctuations in securities markets that are unrelated to Respondents' conduct.

The Proposed Plan of Distribution follows a modified notice and claims process. The Fund Administrator, Epiq Class Actions & Claims Solutions, Inc. ("Epiq"), also acted as the Class Action Administrator in two class actions which arose out of similar violations alleged in the Order. The Proposed Plan of Distribution authorizes the Fund Administrator to use the claims information submitted in those class actions. The class actions recovery periods were longer than, but completely subsume, the recovery periods in this action. Consequently the

Proposed Plan of Distribution allows for the identification by Epiq of “Class Action SEC Authorized Claimants” who will automatically be deemed eligible claimants under the proposed plan. All other claimants will need to file a proof of claim form in order to establish their eligibility to participate in the Fair Fund.

By the Commission.

Elizabeth M. Murphy  
Secretary