CIVIL ACTION COVER SHEET	TRIAL COURT OF MASSACHUSETTS SUPERIOR COURT DEPARTMENT COUNTY: SUFFOLK	DOCKET NO. 13-0846 F

PLAINTIFF(S) Commonwealth of Massachusetts	DEFENDANT(S) Oppenheimer Asset Management Inc.
ATTORNEY, FIRM NAME, ADDRESS AND TELEPHONE Glenn Kaplan, AAG, Office of the Attorney General 1 Ashburton Place, 18th Floor, Boston MA 02108 617-963-2453	ATTORNEY (IF KNOWN)
BBO# 567308	

RECEIVED
MAR 1 X 2013
SUPERIOR COURT-CIVIL
MICHAEL JOSEPH DONOVAN
CLERK/MAGISTRATE

Origin code and track designation

Place an x in one box only:

[X] 1. F01 Original Complaint
[ ] 2. F02 Removal to Sup.Ct. C.231,s.104 (Before trial) (F)
[ ] 3. F03 Retransfer to Sup.Ct. C.231,s.102C (X)
[ ] 4. F04 District Court Appeal c.231, s. 97 &104 (After trial) (X)
[ ] 5. F05 Reactivated after rescript;relief from judgment/ Order (Mass.R.Civ.P. 60) (X)
[ ] 6. E10 Summary Process Appeal (X)

TYPE OF ACTION AND TRACK DESIGNATION (See reverse side)

CODE NO.	TYPE OF ACTION (specify)	TRACK	IS THIS A JURY CASE?
E99	Misc Other (specify) - X track Assurance of Discontinuance, pursuant to G.L. c. 93A §5		Yes/No No

The following is a full, itemized and detailed statement of the facts on which plaintiff relies to determine money damages. For this form, disregard double or treble damage claims; indicate single damages only.

TORT CLAIMS
(Attach additional sheets as necessary)

A. Documented medical expenses to date:
   1. Total hospital expenses $
   2. Total Doctor expenses $
   3. Total chiropractic expenses $
   4. Total physical therapy expenses $
   5. Total other expenses (describe) $

Subtotal $

B. Documented lost wages and compensation to date $
C. Documented property damages to date $
D. Reasonably anticipated future medical and hospital expenses $
E. Reasonably anticipated lost wages $
F. Other documented items of damages (describe) $
G. Brief description of plaintiff's injury, including nature and extent of injury (describe)

Total $ N/A

CONTRACT CLAIMS
(Attach additional sheets as necessary)

Provide a detailed description of claim(s):

TOTAL $ N/A

PLEASE IDENTIFY, BY CASE NUMBER, NAME AND COUNTY, ANY RELATED ACTION PENDING IN THE SUPERIOR COURT DEPARTMENT

"I hereby certify that I have complied with the requirements of Rule 5 of the Supreme Judicial Court Uniform Rules on Dispute Resolution (SJC Rule 1:18) requiring that I provide my clients with information about court-connected dispute resolution services and discuss with them the advantages and disadvantages of the various methods."

Signature of Attorney of Record _____ Date: Mar 11, 2013

A.O.S.C. 3-2007

CIVIL ACTION COVER SHEET INSTRUCTIONS
SELECT CATEGORY THAT BEST DESCRIBES YOUR CASE

* CONTRACTS			* REAL PROPERTY			MISCELLANEOUS		
A01	Services, Labor and Materials	(F)	C01	Land Taking (eminent domain)	(F)	E02	Appeal from Administrative Agency G.L. c. 30A	(X)
A02	Goods Sold and Delivered	(F)	C02	Zoning Appeal, G.L. c.40A	(F)	E03	Claims against Commonwealth or Municipality	(A)
A03	Commercial Paper	(F)	C03	Dispute concerning title	(F)	E05	Confirmation of Arbitration Awards	(X)
A08	Sale or Lease of Real Estate	(F)	C04	Foreclosure of mortgage	(X)	E07	G.L. c.112, s.12S (Mary Moe)	(X)
A12	Construction Dispute	(A)	C05	Condominium Lien & Charges	(X)	E08	Appointment of Receiver	(X)
A99	Other (Specify)	(F)	C99	Other (Specify)	(F)	E09	General Contractor bond, G.L. c. 149, ss. 29, 29a	(A)
E03	Claims against Commonwealth or Municipality	(A)	E03	Claims against Commonwealth or Municipality	(A)	E11	Worker's Compensation	(X)
	*TORT			EQUITABLE REMEDIES		E12	G.L.c.123A, s.12 (SDP Commitment)	(X)
B03	Motor Vehicle Negligence-personal injury/property damage	(F)	D01	Specific Performance of Contract	(A)	E14	G.L. c. 123A, s. 9 (SDP Petition)	
B04	Other Negligence-personal injury/property damage	(F)	D02	Reach and Apply	(F)	E15	Abuse Petition, G. L. c. 209A	(X)
B05	Products Liability	(A)	D06	Contribution or Indemnification	(F)	E16	Auto Surcharge Appeal	(X)
B06	Malpractice-MedicaL	(A)	D07	Imposition of a Trust	(A)	E17	Civil Rights Act, G.L. c.12, s. 11H	(A)
B07	Malpractice-Other (Specify)	(A)	D08	Minority Stockholder's Suit	(A)	E18	Foreign Discovery Proceeding	(X)
B08	Wrongful Death, G.L. c.229, s.2A	(A)	D10	Accounting	(A)	E19	Sex Offender Registry G.L. c. 178M, s. 6	(X)
B15	Defamation (Libel-Slander)	(A)	D12	Dissolution of Partnership	(F)	E25	Plural Registry (Asbestos cases)	
B19	Asbestos	(A)	D13	Declaratory Judgment G.L. c. 231A	(A)	E95	**Forfeiture G.L. c. 94C, s. 47	(F)
B20	Personal Injury- slip & fall	(F)	D99	Other (Specify)	(F)	E96	Prisoner Cases	(F)
B21	Environmental	(A)				E97	Prisoner Habeas Corpus	(X)
B22	Employment Discrimination	(F)				E99	Other (Specify)	(X)
B99	Other (Specify)	(F)						
E03	Claims against Commonwealth or Municipality	(A)						

***Claims against the Commonwealth or a municipality are type E03, Average Track, cases.**

****Claims filed by the Commonwealth pursuant to G L c 94C, s 47 Forfeiture cases are type E95, Fast track.**

TRANSFER YOUR SELECTION TO THE FACE SHEET.

EXAMPLE:

CODE NO.	TYPE OF ACTION (SPECIFY)	TRACK	IS THIS A JURY CASE?
B03	Motor Vehicle Negligence-Personal Injury	(F)	[X] Yes [ ]

SUPERIOR COURT RULE 29

DUTY OF THE PLAINTIFF. The plaintiff or his/her counsel shall set forth, on the face sheet (or attach additional sheets as necessary), a statement specifying in full and itemized detail the facts upon which the plaintiff then relies as constituting money damages. A copy of such civil action cover sheet, including the statement as to the damages, shall be served on the defendant together with the complaint. If a statement of money damages, **where appropriate is not filed, the Clerk-Magistrate shall transfer the action as provided in Rule 29(5)(C).**

DUTY OF THE DEFENDANT. Should the defendant believe the statement of damages filed by the plaintiff in any respect inadequate, he or his counsel may file with the answer a statement specifying in reasonable detail the potential damages which may result should the plaintiff prevail. Such statement, if any, shall be served with the answer.

A CIVIL ACTION COVER SHEET MUST BE FILED WITH EACH COMPLAINT.

FAILURE TO COMPLETE THIS COVER SHEET THOROUGHLY AND ACCURATELY MAY RESULT IN DISMISSAL OF THIS ACTION.

COMMONWEALTH OF MASSACHUSETTS

SUFFOLK, ss.

SUPERIOR COURT
DEPARTMENT OF THE TRIAL COURT

Civil Action No. 13-0846F

In the Matter of	
OPPENHEIMER ASSET MANAGEMENT INC. and OPPENHEIMER ALTERNATIVE INVESTMENT MANAGEMENT, LLC	

ASSURANCE OF DISCONTINUANCE
PURSUANT TO M.G.L. CHAPTER 93A, § 5

I. INTRODUCTION

1. The Commonwealth of Massachusetts ("**Commonwealth**"), through the Office of Attorney General Martha Coakley ("**AGO**"), and Oppenheimer Asset Management Inc. and Oppenheimer Alternative Investment Management, LLC (collectively referred to as "**Respondents**"), enter into this Assurance of Discontinuance ("**AOD**"), pursuant to M.G.L. c. 93A, § 5. Pursuant to M.G.L. c. 93A, § 6, in a joint investigation with the New York Regional Office of the Securities and Exchange Commission, the AGO reviewed allegations that registered investment advisers Oppenheimer Asset Management Inc.'s ("**OAM**") and Oppenheimer Alternative Investment Management, LLC's ("**OAIM**") misrepresentations and omissions to investors and prospective investors about the asset value of a fund of private equity funds vehicle they managed, Oppenheimer Global Resource Private Equity Fund I, L.P. ("**OGR**") violated G.L. c. 93A § 2. Specifically, while their written policies and procedures required Respondents' compliance department to review and approve marketing materials, those procedures did not require a review of portfolio manager valuations and were not reasonably designed to ensure that valuations were determined in a manner consistent with written representations to investors.

2. From October 2009 through 2010, Respondents disseminated marketing materials to prospective investors and quarterly reports to existing investors that contained material misrepresentations and omissions concerning Respondents' valuation policies and OGR's performance. 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. Beginning in October 2009, while OGR was being marketed to new investors, OGR's portfolio manager ("**Portfolio Manager**") changed the value of OGR's largest holding, Cartesian Investors-A, LLC ("**Cartesian**"), using a different valuation method than that used by Cartesian's underlying manager. The Portfolio Manager did not inform, and caused Respondents not to inform, investors either of this change or of the fact that the new valuation method resulted in a significant increase in the value of Cartesian over that provided by Cartesian's underlying manager.

3. Additionally, former employees overseeing OAIM's investments misrepresented and caused Respondents to misrepresent to potential investors that: (i) the increase in Cartesian's value was due to an increase in Cartesian's performance when, in fact, the increase was attributable to the Portfolio Manager's new valuation method; (ii) a third party valuation firm used by Cartesian's underlying manager wrote up the value of Cartesian when that was not true; and (iii) OGR's underlying funds were audited by independent, third party auditors when, in fact, Cartesian was unaudited. Former employees overseeing OAIM's investments and the Respondents marketed OGR using the marked-up value of the Cartesian investment from October 2009 through June 2010 and succeeded in raising approximately $61 million in new investments in OGR during that period.

4. These misrepresentations and omissions were made possible, in part, by Respondents' failure to adopt and implement written policies and procedures reasonably designed to prevent violations of the Advisers Act and the rules adopted thereunder.

5. In lieu of litigation and in recognition of Respondents' assistance and cooperation, the AGO agrees to accept this AOD on the terms and conditions contained herein. The AGO and Respondents both voluntarily enter into this AOD. Respondents enter into this AOD for settlement purposes only. This AOD is made without a trial or adjudication of any issue of fact or law. OAM and OAIM enter into this AOD for settlement purposes only and neither admit nor deny the AGO's allegations.

II. BACKGROUND

6. OAM is located in New York City and is registered with the Securities and Exchange Commission ("**the Commission**") as an investment adviser. OAM is a subsidiary of E.A. Viner International Co., which is a subsidiary of Oppenheimer Holdings, Inc., a publicly held company listed on the New York Stock Exchange.

7. OAIM is located in New York City and is registered with the Commission as an investment adviser. OAIM is wholly owned by OAM, and OAM is the sole member of OAIM. OAIM is the general partner of, and (through employees of OAM) provides investment advisory services to, several funds, including OGR and other private equity funds. Accordingly, OAM can be deemed to have served as the investment adviser to OGR.

8. In 2007, Respondents formed OGR, a private equity fund of funds vehicle that began admitting limited partners in April 2008. As of September 30, 2009, OGR made commitments to four investment vehicles, including Cartesian Investors-A, LLC ("**Cartesian**"), a vehicle managed by Cartesian Capital Group, LLC ("**Cartesian Capital**"). Cartesian was formed by Cartesian Capital in June 2008 for the purpose of purchasing shares of S.C. Fondul Proprietatea S.A. ("**Fondul**"), and Fondul is Cartesian's only holding. Fondul, in turn, is a holding company set up by the Romanian government to compensate citizens whose property was seized by the communist regime. Upon adjudication of a citizen's claim for restitution and an assessment of the value of the seized property, the Romanian government issued an equivalent value of shares of Fondul at 1 RON per share (also referred to as the "par value" of the Fondul shares).

9. From at least October 2009 through June 2010, the Portfolio Manager and his group marketed OGR to investors, primarily institutions such as pensions, foundations and endowments, as well as high net worth individuals and families. The Portfolio Manager found prospective investors through Oppenheimer's network of financial advisors and through independent consulting firms ("**consultants**") that provided investment advice to institutional investor clients.

10. Respondents and the Portfolio Manager distributed pitch books to consultants and investors that summarized the performance of OGR's investments as of a particular quarter. Respondents and the Portfolio Manager also responded to consultants' questionnaires and other requests for information, and their communications and documents contained representations concerning OGR's valuation policies and performance.

11. Investors in OGR received quarterly reports that contained summaries of the performance of OGR's investments as of a particular quarter. The performance summaries also contained representations concerning OGR's valuation policies and performance.

III. MISREPRESENTATIONS AND OMISSIONS

12. By October 2009, OGR had raised approximately $70 million in capital commitments — approximately one-third of the goal of $200 million — and the Portfolio Manager had succeeded in securing an extension of the fund's closing date.

13. As of Thursday, October 22, 2009, Respondents' compliance department had approved an OGR pitch book that was to be used to market OGR. Pursuant to Respondents' practice, the compliance department assigned to the pitch book a compliance code, which is an alphanumeric code that is unique to each compliance-approved document.

14. The pitch book that was approved by the compliance department on October 22, 2009 stated that OGR's asset values were "based on the underlying managers' estimated values." The asset values of the underlying funds — including Cartesian — were in fact based upon the values provided by the underlying managers, as had been OGR's valuation practice since inception. However, the approval process did not contain a provision to ensure that the valuations were based on the values provided by such managers.

15. On or about October 22, 2009, the Portfolio Manager declined to value Cartesian using the methodology adopted by Cartesian Capital, the manager of Cartesian, and instead valued OGR's investment in Cartesian himself. Rather than relying on Cartesian's valuation methodology, the Portfolio

Manager valued OGR's investment in Cartesian at "par value" — that is, the price at which the Romanian government issued shares to claimants. Use of the par value of Fondul to value OGR's investment in Cartesian resulted in a material increase in the value of OGR's Cartesian investment and, because it was OGR's largest holding, in OGR's performance.

16. Immediately after Respondents' compliance department approved the OGR pitch book on October 22, the Portfolio Manager instructed members of his team to incorporate the higher par value of Fondul in any document that included performance numbers for Cartesian. Over the weekend of October 23-25, 2009, the Portfolio Manager, with the assistance of members of his team, revised OGR marketing materials (including the pitch book) to reflect his higher par value valuation. After revising these documents, no one resubmitted the pitch book to Respondents' compliance department for review, as required by Respondents' policies. Moreover, the Portfolio Manager and his team left the same compliance code that was affixed to the October 22 presentation on the revised presentation, thus creating the appearance that the revised presentation had been approved by Respondents' compliance department.

17. By no longer using Cartesian Capital's valuation, the presentation's performance table footnote, which stated that the asset values were based on the underlying managers' values, was no longer accurate.

18. The Portfolio Manager never subsequently informed the compliance department that he had changed the valuation of one of OGR's investments so as to deviate from the policy stated in the footnote to the performance table, which stated that the values were based on values provided by the underlying managers. Because Respondents did not verify that the asset values were in fact based on values provided by

the underlying managers, the misleading footnote continued to appear in later versions of the pitch book that the compliance department did approve.

19. The Portfolio Manager incorporated the new valuation into performance summary tables in pitch books and quarterly reports that were used to market OGR to prospective investors from October 26, 2009 through June 2010.

20. The performance summary tables in the pitch books and quarterly reports used with prospective investors contained explanatory footnotes stating that OGR's asset values were "based on the underlying managers' estimated values" as of a particular quarter. For the October 2009 through December 2010 period during which the Portfolio Manager valued OGR's Cartesian investment using his par value rather than adopting Cartesian Capital's value, these statements about valuation policy were false and misleading.

21. The Portfolio Manager's use of par value rather than Cartesian Capital's value resulted in a material increase in both the value and internal rate of return ("IRR") of OGR's Cartesian investment. As Cartesian was OGR's largest holding, the change in Cartesian's IRR had a significant impact on the IRR of OGR. For example, for the quarter ended June 30, 2009, the Portfolio Manager's mark-up of the Cartesian investment changed OGR's IRR from approximately 3.8% to 38.3%.

22. During their marketing efforts, the Portfolio Manager and others in his group touted the performance of Cartesian and OGR to prospective investors, pointing to OGR's high IRR. No one told investors and prospective investors that the reported increase in OGR's performance was a result of the

Portfolio Manager's change in valuation method and that, if OGR had used Cartesian Capital's value, as OGR had done in the past and as was stated in the quarterly statements and pitch books, the performance numbers would have been materially lower.

23. The former employees overseeing OAIM's investments made additional misrepresentations in connection with the marketing of OGR. They represented that: (i) the increase in Cartesian's value was due to an increase in performance when, in fact, the increase was attributable to the Portfolio Manager's new valuation method; (ii) a third party valuation firm used by Cartesian's underlying manager wrote up the value of Cartesian when that was not true; and (iii) OGR's underlying funds were audited by independent, third party auditors when, in fact, Cartesian was unaudited.

IV. DEFICIENT POLICIES AND PROCEDURES

24. 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 prospective and existing investors. As a result, the Cartesian valuation stated in quarterly reports and pitch books was not in fact that of the underlying manager, as was represented in the documents.

V. VIOLATIONS AND REMEDY

25. As a result of the conduct described above, Respondents violated M.G.L. c. 93A §2. Respondents have agreed to and shall do the following:

26. Distribution:

a) Respondents undertake to distribute, within sixty (60) days of the date of this AOD, a payment in the amount of $2,269,098 ("**Disgorgement Fund**") to OGR investors who invested in OGR during the time period October 2009 through June 2010 ("**Marketed Investors**"). The Disgorgement Fund represents the management fees collected by OAM from the Marketed Investors from October 2009 through September 2012, and an amount for reasonable interest. The records provided by Respondents and reviewed by AGO staff of the management fees paid by each of the investors shall be the basis for the distribution allocation. For purposes of this AOD, payments from the Disgorgement Fund to a Marketed Investor equal to the amount owed to the Marketed Investor based on the calculations under this paragraph will fulfill the Respondents' obligation to pay that Marketed Investor under this AOD and under the parallel administrative order of the United States Securities and Exchange Commission (the "Commission") stemming from the joint investigation. Nothing in this AOD shall be construed to require Respondents to make double or duplicative payments to any Marketed Investors. The total amount disgorged pursuant to this AOD and/or the parallel administrative order of the Commission shall not exceed the total amount of the Disgorgement Fund referenced in this paragraph.

b) Respondents undertake to administer the distribution of the Disgorgement Fund. Respondents undertake to:

i. deposit the Disgorgement Fund into an escrow account acceptable to AGO staff within twenty (20) days of the date of the filing of this AOD, and shall

provide AGO staff with evidence of such deposit in a form acceptable to AGO staff; and

ii. distribute on a pro rata basis to Marketed Investors the Disgorgement Fund described in paragraph 26(a) within sixty (60) days of the date of the filing of this AOD.

c) Any amounts remaining after distribution, and any amounts Respondents are unable, due to factors beyond their control, to pay to investors, shall: (i) in the case of amounts payable to Massachusetts investors, be paid to the Commonwealth of Massachusetts and (ii) in the case of non-Massachusetts investors, be paid to the United States Treasury.

d) Respondents agree to be responsible for all tax compliance responsibilities associated with distribution of the Disgorgement Fund and may retain any professional services necessary. The costs and expenses of any such professional services shall be borne by Respondents and shall not be paid out of the Disgorgement Fund.

e) Within ninety (90) days after the date of the filing of this AOD, Respondents shall submit to the AGO staff a final accounting and certification of the disposition of the Disgorgement Fund not unacceptable to the staff, which shall be in a format to be provided by the AGO staff. The final accounting and certification shall include: (i) the amount paid to each payee; (ii) the date of each payment; (iii) the check number or other identifier of money transferred; (iv) the date and amount of any returned payment; (v) a description of any effort to locate a prospective payee whose payment was returned, or to whom payment was

not made due to factors beyond Respondents' control, (vi) any amounts to be paid to the Commonwealth of Massachusetts or the United States Treasury pursuant to paragraph 26 above; and (vii) an affirmation that the amount paid to the investors represents a fair calculation of the Disgorgement Amount. Respondents shall submit proof and supporting documentation of such payments in a form acceptable to the AGO staff. Any and all supporting documentation for the accounting and certification shall be provided to the AGO staff upon request.

27. Independent Consultant:

a) Within ninety (90) days of the date of the filing of this AOD, Respondents shall retain an independent consultant ("**IC**") not unacceptable to the AGO staff to:

i. conduct a review of the adequacy of Respondents' valuation policies and procedures, pertaining to:

1. Respondents' valuation process and oversight, controls and compliance relating thereto;

2. Respondents' written communications with current or prospective investors concerning valuation;

3. Respondents' use of independent parties such as auditors and valuation experts; and

4. Respondents' oversight, control and compliance with respect to marketing materials concerning OAIM funds prepared by entities with which it has a sub-advisory relationship.

ii. recommend any additional policies and procedures which, on the basis of its review, the IC believes are necessary to ensure that Respondents' valuation policies and procedures described in items (a)(i)(1)-(4) above are adequate (the "**Recommendations**");

iii. submit to Respondents and the AGO staff, within thirty (30) days of the completion of its review, and in any event no later than one hundred and eighty (180) days after being retained by Respondents, a report describing the scope and results of the IC's review ("**Report**"), and the Recommendations, if any, made by the IC to Respondents;

iv. conduct a follow-up review commencing no earlier than one hundred and twenty (120) days after completion of the Report to determine if the Recommendations (either in their original form or modified pursuant to paragraph 27(b) below) were properly implemented by Respondents and are operating to ensure Respondents' compliance with applicable provisions of the federal securities laws and M.G.L. c. 93A; and

v. submit to Respondents and the AGO staff, within thirty (30) days of the completion of the follow-up review, and in any event no later than three hundred and sixty (360) days after being retained by Respondents, a follow-up IC report ("**Follow-up Report**") describing the results of the IC's follow-up review.

b) Respondents shall adopt all Recommendations of the IC within sixty (60) days of the Report; provided, however, that within forty-five (45) days of the completion of the review described in paragraph 27(a)(i) above, Respondents shall in writing advise the IC and the AGO staff of any Recommendations that it considers to be unnecessary, inappropriate, or unduly burdensome. With respect to any Recommendation that Respondents consider unnecessary, inappropriate, or unduly burdensome, Respondents need not adopt that Recommendation at that time but shall propose in writing an alternative policy, procedure or system designed to achieve the same objective or purpose. As to any Recommendation on which Respondents and the IC do not agree, such parties shall attempt in good faith to reach an agreement within thirty (30) days after Respondents serve the advice described above. In the event that Respondents and the IC are unable to agree on an alternative proposal, Respondents will abide by the determinations of the IC.

c) Within ninety (90) days of Respondents' adoption of all of the Recommendations as determined pursuant to the procedures set forth herein, Respondents shall certify in writing to the IC and the AGO staff that Respondents have adopted and implemented all of the IC's Recommendations. Unless otherwise directed by the AGO staff, all Reports, certifications, and other documents required to be provided to the AGO staff shall be sent to Glenn Kaplan, Assistant Attorney General, Office of the Attorney General, One Ashburton Place, 18th Floor, Boston, MA 02108, or such other address as the AGO staff may provide.

d) Respondents shall cooperate fully with the IC and shall provide the IC with access to such of their files, books, records, and personnel as are reasonably requested by the IC for review.

e) To ensure the independence of the IC, Respondents: (1) shall not have the authority to terminate the IC or substitute another independent compliance consultant for the initial IC without the prior written approval of the AGO staff; and (2) shall compensate the IC and persons engaged to assist the IC for services rendered pursuant to this AOD at their reasonable and customary rates.

f) Respondents shall require the IC to enter into an agreement that provides that for the period of engagement, and for a period of two (2) years from completion of the engagement, the IC shall not enter into any employment, consultant, attorney-client, auditing or other professional relationship with Respondents, or any of their present or former affiliates, directors, officers, employees, or agents acting in their capacity. The agreement will also provide that the IC will require that any firm with which the IC is affiliated or of which the IC is a member, and any person engaged to assist the IC in the performance of the IC's duties under this AOD shall not, without prior written consent of the AGO staff, enter into any employment, consultant, attorney-client, auditing or other professional relationship with Respondents, or any of their present or former affiliates, directors, officers, employees, or agents acting in their capacity as such for the period of the engagement and for a period of two (2) years after the engagement.

g) Respondents shall not be in and shall not have an attorney-client relationship with the IC and shall not seek to invoke the attorney-client privilege or any other doctrine or privilege to prevent the IC from transmitting any information, reports, or documents to the AGO staff.

28. Recordkeeping: Respondents shall preserve for a period of not less than six (6) years from the end of the fiscal year last used, the first two (2) years in an easily accessible place, any record of Respondents' compliance with the provisions set forth in this AOD.

29. Notice to Advisory Clients: Within ten (10) days of the filing of this AOD, Respondents shall prominently post on their principal website a hyperlink to the entire AOD. Respondents shall maintain the posting and hyperlink on the website for a period of twelve (12) months from the filing of this AOD. Within thirty (30) days of the filing of this AOD, Respondents shall provide a copy of the AOD to each of OAIM's existing advisory clients as of the date of filing of this AOD via mail, e-mail, or such other method as may be acceptable to the AGO staff, together with a cover letter in a form not unacceptable to the AGO staff.

30. Deadlines: The AGO staff shall have the authority, in its discretion, to extend any of the deadlines in this AOD. Deadlines for procedural dates shall be counted in calendar days, except that if the last day falls on a weekend or federal holiday, the next business day shall be considered to be the last day.

31. Certifications of Compliance by Respondents: Respondents shall certify, in writing, compliance with its undertakings set forth above. The certification shall identify the undertakings, provide written evidence of compliance in the form of a narrative, and be supported by exhibits sufficient to demonstrate compliance. The AGO staff may make reasonable requests for further evidence of compliance, and Respondents agree to provide such evidence. The certification and supporting material shall be sent to such address as the AGO staff may provide, no later than sixty (60) days from the date of the completion of the undertakings.

32. Cooperation: Respondents shall cooperate fully with the AGO in any and all investigations, litigations or other proceedings relating to or arising from the matters described in the AOD. In connection with such cooperation, Respondents shall: (i) produce, without service of a notice or subpoena, any and all non-privileged documents and other information requested by the AGO staff subject to any restrictions under the law of any foreign jurisdiction; (ii) use their best efforts to cause their officers, employees, and directors to be interviewed by the AGO staff at such time as the staff reasonably may direct; and (iii) use their best efforts to cause their officers, employees, and directors to appear and testify without service of a notice or subpoena in such investigations, depositions, hearings or trials as may be requested by the AGO staff.

33. Respondents also shall:

a) cease and desist from committing or causing any violations and any future violations of M.G.L. c. 93A, Sections 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; and

b) pay a civil money penalty in the amount of $132,421 to the Commonwealth of Massachusetts by certified check addressed to Sabrina Maynard, Insurance and Financial Services Division, Office of the Attorney General, One Ashburton Place, 18th Floor, Boston, MA 02108. This payment shall be made no later than thirty (30) days after the submission of the final accounting and certification referenced in Paragraph 26.

If, at any time following the filing of the AOD, the AGO obtains information indicating that Respondents knowingly provided materially false or misleading information or materials to the AGO relating to this investigation or in a related proceeding, the AGO may, at its sole discretion and without prior notice to the Respondents, reopen this matter and seek an order from the Superior Court directing that the Respondents pay an additional civil penalty under M.G.L. c. 93A §4. Respondents may not, by way of defense to any resulting proceeding: (1) contest the allegations and factual statements in the AOD; or (2) assert any defense to liability or remedy including, but not limited to, any statute of limitations defense.

34. Respondents agree not to take any action or to make or permit to be made any public statement denying, directly or indirectly, any statements or allegations in the AOD or creating the impression that the AOD is without factual basis.

35. Respondents agree that they shall not seek or accept, directly or indirectly, reimbursement or indemnification from any source including, but not limited to, payment made pursuant to any insurance policy with regard to any penalty amounts that Respondents shall pay pursuant to this AOD, regardless of whether such penalty amounts or any part thereof are added to a distribution fund or otherwise used for the benefit of investors. Respondents further agree that they shall not claim, assert, or apply for a tax deduction or tax credit with regard to any federal, state or local tax for any penalty amounts that Respondents shall pay pursuant to this AOD, regardless of whether such penalty amounts or any part thereof are added to a distribution fund or otherwise used for the benefit of investors.

VI. MISCELLANEOUS PROVISIONS

36. Except as provided for in paragraph 33, the AGO releases Respondents from any and all claims under M.G.L. c. 93A §4 and M.G.L. c. 12 §5A et seq. for Respondents' actions as set forth in paragraphs 1-24 of this AOD.

37. The AOD constitutes the entire agreement between the AGO and Respondents and supersedes any prior communication, understanding or agreements, whether written or oral, concerning the subject matter of the AOD. This AOD can be modified or supplemented only by a written document signed by both parties.

38. The AOD will be binding upon Respondents, their agents, subsidiaries and subdivisions, as well as their successors, assigns, and/or purchasers of all or substantially all of their assets.

39. The AOD is not intended to indicate that OAM or OAIM, their affiliates, or their respective current employers, successors, assigns, or purchasers of all or substantially all of their assets shall be subject to any disqualifications contained in the federal securities laws, the rules and regulations thereunder, the rules and regulations of self-regulatory organizations or various states' securities laws, including any disqualifications from relying upon registration exemptions or safe harbor provisions. In addition, this AOD is not intended to form the basis for any such disqualifications.

40. The AOD and its provisions will be effective on the date that it is filed in the Superior Court for Suffolk County.

41. By signing below, Respondents agree to comply with all of the terms of this AOD and to complete the tasks identified in the undertakings herein. Any violation of this AOD may be pursued in a civil action or proceeding under M.G.L. c. 93A hereafter commenced by the AGO.

Signed this 3/7/2013 ~~day of February, 2013~~

FOR OPPENHEIMER ASSET MANAGEMENT INC. and OPPENHEIMER ALTERNATIVE INVESTMENT MANAGEMENT, LLC

By: _____

Dennis P. McNamara, Esq.
Secretary
Oppenheimer Asset Management, Inc.
Oppenheimer Alternative Investment Management LLC
85 Broad Street
New York, NY 10004

FOR THE ATTORNEY GENERAL

By: _____ 3/7/2013

Glenn Kaplan, BBO #567308
Assistant Attorney General
Office of the Attorney General
One Ashburton Place, 18th Floor
Boston, MA 02108