

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2015046355401**

TO: Department of Enforcement
Financial Industry Regulatory Authority ("FINRA")

RE: Oppenheimer & Co. Inc., Respondent
CRD No. 249

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Oppenheimer & Co., Inc. ("Oppenheimer," the "Firm," or "Respondent") submits this Letter of Acceptance, Waiver and Consent ("AWC") for the purpose of proposing a settlement of the alleged rule violations described below. This AWC is submitted on the condition that, if accepted, FINRA will not bring any future actions against Respondent alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. Respondent hereby accepts and consents, without admitting or denying the findings, and solely for the purposes of this proceeding and any other proceeding brought by or on behalf of FINRA, or to which FINRA is a party, prior to a hearing and without an adjudication of any issue of law or fact, to the entry of the following findings by FINRA:

BACKGROUND

Oppenheimer has been a FINRA member since 1945. Oppenheimer is a full-service broker-dealer headquartered in New York, New York. Oppenheimer has 107 branch offices and employs approximately 2,110 registered persons. It is a wholly-owned subsidiary of Oppenheimer Holdings, Inc., which is based in Toronto and listed on the New York Stock Exchange.

RELEVANT DISCIPLINARY HISTORY

On January 9, 2006, the NASD found that between January 2002 and March 2004, Oppenheimer failed to timely file 230 amendments to Forms U4 and U5 and 82 initial Form U5s, in violation of Article V of the NASD By-Laws. The NASD also found that during the same time period Oppenheimer failed to establish and maintain supervisory systems and procedures reasonably designed to achieve compliance with its reporting obligations. Oppenheimer was censured, fined \$250,000, and ordered to conduct an audit to assess the effectiveness of its

systems and procedures to ensure compliance with its Article V reporting obligations.

On March 26, 2015, FINRA found that Oppenheimer failed to supervise former registered representative Mark Hotton and failed to timely make 320 required Forms U4 and U5 amendments between 2005 and the April 5, 2013. FINRA also found that Oppenheimer failed to maintain adequate supervisory procedures related to wire transfers, Forms U4 and U5 amendments, and excessive trading. FINRA fined Oppenheimer \$2.5 million, ordered it to pay restitution totaling \$1,251,076.10, and required it to retain an independent consultant to revise its supervisory procedures.

OVERVIEW

Over the course of several years, Oppenheimer failed to establish, maintain, and implement supervisory systems and procedures reasonably designed to achieve compliance with certain securities regulations and FINRA and NASD rules, and to report violations of those rules to FINRA where appropriate. Oppenheimer failed to: (i) report required information to FINRA; (ii) apply applicable sales charge waivers to its customers; and (iii) produce relevant documents to customers who had filed arbitrations against it for failing to supervise registered representative Mark Hotton. In particular:

Between October 20, 2008 and February 18, 2016, Oppenheimer failed to timely make 365 required filings with FINRA pursuant to FINRA Rule 4530 and its predecessor rules, to report, among other things, disciplinary actions taken by Oppenheimer against its employees, settlements of securities-related arbitration and litigation claims, and the institution of securities-related civil litigation against the Firm. Oppenheimer also failed to timely file required Form U4 amendments disclosing that two of its employees had received Wells notices from the Securities and Exchange Commission. Although Oppenheimer had implemented revised reporting procedures beginning in mid-2013 as a result of the FINRA investigation that subsequently resulted in the March 26, 2015 Letter of Acceptance, Waiver, and Consent, it failed to implement procedures that adequately addressed its separate reporting obligations pursuant to FINRA Rules 4530 (a), (b), and (f), and its obligation to report regulatory events on Forms U4.

Between January 2009 and August 2016, Oppenheimer disadvantaged certain retirement plan and charitable organization customers that were eligible to purchase Class A shares in certain mutual funds without a front-end sales charge ("Eligible Customers"). These Eligible Customers were instead sold Class A shares with a front-end sales charge or Class B or C shares with back-end sales charges and higher ongoing fees and expenses. During this period, Oppenheimer failed to establish and maintain a supervisory system and procedures reasonably designed to ensure that the Eligible Customers received the benefit of applicable sales charge waivers.

Finally, between 2010 and 2013, Oppenheimer failed to produce certain responsive documents to seven arbitration claimants who alleged that the Firm failed to supervise former registered representative Mark Hotton.

By reason of the conduct described above, Oppenheimer violated FINRA Incorporated NYSE Rule 351(a), NASD Rule 3070(f), FINRA Rule 4530(a), (b), and (f), NASD Conduct Rule 3010, FINRA Rule 3110, Article V, Section 2(c) of the FINRA By-Laws, FINRA Rule 1122, NASD Rule 2110, and FINRA Rule 2010.¹

FACTS AND VIOLATIVE CONDUCT

Oppenheimer Failed to Report Required Information to FINRA

FINRA Incorporated NYSE Rule 351(a) and, effective July 1, 2011, FINRA Rule 4530(a), require member firms to report certain information to FINRA within 30 calendar days after the member knows or should have known of the existence of certain events. In addition, NASD Rule 3070(f) and, effective July 1, 2011, FINRA Rule 4530(f), require member firms to promptly provide FINRA with copies of certain criminal actions, civil complaints, and arbitration claims. As described in Regulatory Notice 11-06, FINRA uses this information to identify and initiate investigations of member firms, offices, and associated persons that may pose a risk. Effective July 1, 2011, FINRA Rule 4530(b) also requires member firms to self-report to FINRA within 30 calendar days after the member has concluded or reasonably should have concluded that an associated person of the member, or the member itself, has violated any securities, insurance, commodities, financial or investment-related laws, rules, regulations or standards of conduct of any domestic or foreign regulatory body or self-regulatory organization. If the violative conduct involves a member firm, the firm must report conduct that has widespread or potential widespread impact to the firm, its customers or the markets, or conduct that arises from a material failure of the firm's systems, policies or practices involving numerous customers, multiple errors or significant dollar amounts.

Between October 20, 2008 and February 18, 2016, Oppenheimer failed to timely make 273 filings required by FINRA Incorporated NYSE Rule 351(a) and FINRA Rule 4530(a) or (b). Among the information that Oppenheimer failed to timely disclose to FINRA pursuant to these rules were regulatory findings of securities laws violations, disciplinary actions taken by Oppenheimer against its employees, and settlements of securities-related arbitration and litigation claims.

¹ Pursuant to the merger of the NASD and NYSE member regulation operations into FINRA, NYSE Rule 351 was incorporated into FINRA's rulebook and became FINRA Incorporated NYSE Rule 351. Effective July 1, 2011, FINRA Rule 4530 replaced NASD Rule 3070 and Incorporated NYSE Rule 351(a). Effective December 15, 2008, NASD Rule 2110 became FINRA Rule 2010. Effective December 1, 2014, NASD Rule 3010, except for certain subsections, was replaced by FINRA Rule 3110.

Oppenheimer also failed to file 92 copies of civil complaints and arbitration claims with FINRA, as required by NASD Rule 3070(f) and FINRA Rule 4530(f). When Oppenheimer eventually made these disclosures in 2015 and 2016, the disclosures were, on average, more than four years late. Although Oppenheimer self-reported its systemic reporting violations in July 2015, it should have reasonably concluded, prior to July 2015, that its Rule 4530 reporting was deficient. By failing to make the required disclosures, Oppenheimer violated FINRA Incorporated NYSE Rule 351(a), NASD Rule 3070(f), FINRA Rule 4530(a), (b) and (f), NASD Rule 2110, and FINRA Rule 2010.

Oppenheimer Failed to Maintain Reasonably Designed Supervisory Procedures to Report Required Information to FINRA

NASD Conduct Rule 3010 and FINRA Rule 3110² require member firms to establish and maintain a supervisory system, and to enforce written supervisory procedures, which are reasonably designed to achieve compliance with all securities laws, rules, and regulations applicable to its business and the activities of its associated persons. Thus, member firms must have an adequate supervisory system and procedures to ensure that the filings mandated by FINRA Rule 4530 are timely made, and to detect and prevent late filings.³

Until August 15, 2015, Oppenheimer did not maintain procedures that gave direction to the Firm's employees on making the disclosures required by FINRA Rules 4530(a), (b), and (f). The Firm did not maintain any procedures that identified when a Rule 4530 (a), (b), or (f) filing was required, designating how information that was received by the Firm would be conveyed to the registration department so the information could be reported, or setting out the process that should be followed to make the filing. In addition, the Firm did not maintain a system to track when Rule 4530 filings needed to be made. As a result of these deficiencies, employees in various Firm departments did not adequately understand their respective roles in ensuring that Rule 4530 (a), (b), and (f) filings were made, and Oppenheimer failed to make required filings.

Oppenheimer's failure to maintain procedures that addressed FINRA rules 4530(a), (b), and (f) violated NASD Conduct Rule 3010, FINRA Rule 3110, and FINRA Rule 2010.

² Effective December 1, 2014, NASD Rule 3010, except for certain subsections, was replaced by FINRA Rule 3110.

³ With respect to member firms' obligation to self-report violations to FINRA, FINRA has published Frequently Asked Questions (FAQ), available at <http://www.finra.org/industry/faq-rule-4530-frequently-asked-questions>. The FAQs state that member firms' Rule 4530(b) procedures should, at a minimum: (i) clearly identify the person(s) responsible for determining whether a violation has occurred and whether it is of a nature that requires reporting under FINRA Rule 4530(b), as well as the level of seniority of such person(s); (ii) provide a protocol for escalating violations, and potential violations, to such person(s); and, (iii) provide a protocol regarding the reporting of internal conclusions of violations subject to FINRA Rule 4530(b) to FINRA within 30 calendar days after the firm has concluded, or reasonably should have concluded, that an enumerated violation has occurred.

Oppenheimer Failed to Timely Report Required Information on Form U4

Article V, Section 2(c) of the FINRA By-Laws of the Corporation requires that Forms U4 be kept current by making timely amendments no later than 30 days after learning of the facts or circumstances giving rise to the amendment. Failing to timely update Form U4 also violates FINRA Rule 2010 and FINRA Rule 1122.

In September 2013, Oppenheimer was informed that its then-Anti-Money-Laundering Compliance Officer and one of its branch administrative managers had received Wells notices from the Securities and Exchange Commission alleging violations of Sections 15(a) and 17(a) of the Securities Exchange Act in connection with unregistered penny stock transactions. Although several employees of Oppenheimer were aware of the Wells notices, Oppenheimer failed to take timely steps to disclose this information on Form U4, as required. On December 12, 2014 the employees' Form U4s were amended to disclose their receipt of the Wells notices.

By failing to timely file the Form U4 amendments between September 2013 and December 12, 2014, Oppenheimer violated Article V, Section 2(c) of the FINRA By-Laws of the Corporation, FINRA Rule 1122, and FINRA Rule 2010.

Oppenheimer Failed to Maintain Reasonably Designed Supervisory Procedures to Cause the Reporting of Regulatory Events on Forms U4 and U5

Oppenheimer failed to maintain adequate written procedures to ensure that regulatory events, including Wells Notices, were reported on Forms U4 and U5. Between 2013 and 2015, Oppenheimer had revised its supervisory procedures as a result of the prior FINRA investigation that resulted in the March 26, 2015 Letter of Acceptance, Waiver, and Consent. However, it failed to consider or adopt adequate procedures that addressed its specific obligation to report regulatory events involving its employees on Forms U4 and U5.

All of the Firm's supervisory and compliance procedures failed to specifically address reporting regulatory events, including Wells notices. The Firm's procedures failed to indicate when such events should be disclosed on Forms U4 or U5 or describe the roles and responsibilities of the Firm's employees and departments for doing so. In addition, although the Firm implemented a tracking chart in 2013 to ensure that Forms U4 and U5 filings were timely made, it failed to ensure that regulatory events, including Wells notices, were included on the tracking chart.

As a result of the Firm's inadequate procedures, employees in its various departments were uncertain of their individual responsibility for ensuring that regulatory events were disclosed on Forms U4 and U5.

By failing to maintain adequate procedures to ensure that regulatory events were

reported on Forms U4 and U5 between April 6, 2013 and June 4, 2015, Oppenheimer violated NASD Rule 3010 and FINRA Rule 3110.

Oppenheimer Failed to Identify and Apply Available Sales Charge Waivers to Eligible Retirement Accounts and Charitable Organizations

Oppenheimer sells mutual funds with different classes of shares representing interests in the same portfolio of securities, but differing in the structure and amount of both sales charges paid directly by shareholders and continuous, asset-based fees assessed on each shareholder's investment. Share class features, including fees and expenses and available sales charge waivers, are described by each mutual fund in its prospectus and/or statement of additional information.

Class A shares typically are subject to a front-end sales charge when originally purchased, and have annual fund expenses, including ongoing distribution and service fees ("fees") that are typically 0.25 percent. The majority of the front-end charge is paid to the selling broker-dealer as a concession. Investors purchase Class A shares at the applicable Net Asset Value ("NAV"), plus the initial sales charge. Most funds, however, offer certain investors a waiver of the initial sales charge associated with Class A shares under certain circumstances ("sales charge waiver").

Class B and C shares typically do not carry a front-end sales charge but have significantly higher distribution and service fees (typically 1.00 percent) and may be subject to a contingent deferred sales charge ("CDSC").

Some mutual funds offer Class R shares for purchase by certain retirement plans. Class R shares typically are sold without a front-end sales charge. However, Class R shares typically have higher fees than Class A shares.

The different sales charges, breakpoints, waivers and fees associated with different share classes affect mutual fund investors' returns. If an investor qualifies for a Class A sales charge waiver and purchases Class A shares, the investor will not pay a front-end sales load. In contrast, a purchase of Class B or C shares of the same fund will be subject to higher ongoing fees, as well as potential application of a CDSC. Therefore, if an investor qualifies for a Class A sales charge waiver, there would be no reason for the investor to purchase any other class of shares that has a sales load and/or higher annual expenses.

Many mutual funds waive the up-front sales charges associated with Class A shares for certain retirement plans and/or charitable organizations. Some of the mutual funds available on the Firm's retail platform during the Relevant Period offered such waivers and disclosed those waivers in their prospectuses. Notwithstanding the availability of the waivers, Oppenheimer failed to apply the waivers to mutual fund purchases made by Eligible Customers and instead sold them Class A shares with a front-end sales charge or Class B or C shares with

back-end sales charges and higher ongoing fees and expenses. These sales disadvantaged Eligible Customers by causing such customers to pay higher fees than they were actually required to pay.

Oppenheimer's Supervisory Failures Related to Sales Charge Waivers

Between January 2009 and August 2016, Oppenheimer failed to reasonably supervise the application of sales charge waivers to eligible mutual fund sales. The Firm relied on its financial advisors to determine the applicability of sales charge waivers, but failed to maintain adequate written policies or procedures to assist financial advisors in making this determination. For instance, Oppenheimer failed to establish and maintain written procedures to identify applicable sales charge waivers in fund prospectuses for Eligible Customers.

In addition, Oppenheimer failed to adequately notify and train its financial advisors regarding the availability of mutual fund sales charge waivers for Eligible Customers. Finally, Oppenheimer failed to adopt adequate controls to detect instances in which it did not provide sales charge waivers to Eligible Customers in connection with their mutual fund purchases.

By failing to reasonably supervise mutual fund sales to ensure that Eligible Customers who purchased mutual fund shares received the benefit of applicable sales charge waivers, Oppenheimer violated NASD Conduct Rule 3010, FINRA Rule 3110, and FINRA Rule 2010.

Oppenheimer's Investigation and Self-Reporting to FINRA Related to Sales Charge Waivers

In August 2015, Oppenheimer began a review to determine whether the Firm provided available sales charge waivers to Eligible Customers. Based on this review, on November 12, 2015, Oppenheimer self-reported to FINRA that Eligible Customers had not received available sales charge waivers. Oppenheimer estimates that, since January 1, 2009, approximately 825 customer accounts purchased mutual fund shares for which an available sales charge waiver was not applied. As a result of the failure of Oppenheimer to apply available sales charge waivers, the Firm estimates that Eligible Customers were overcharged by approximately \$1,010,327 for mutual fund purchases made since January 1, 2009. As part of this settlement, Oppenheimer has paid restitution to Eligible Customers on the terms specified below, which is estimated to total \$1,142,619 (*i.e.*, the amount Eligible Customers were overcharged, inclusive of interest). Oppenheimer will also ensure that retirement and charitable waivers are appropriately applied to all future transactions.

Oppenheimer Failed to Produce Relevant Documents to Seven Arbitration Claimants between 2010 and 2013

In 2007 and 2008, the Surveillance Group at Oppenheimer prepared spreadsheets showing that its registered representative Mark Hotton had excessively traded multiple customer accounts. The spreadsheets also showed that the commissions charged in four of the accounts exceeded the total account values and that two of the accounts had been placed on ninety-day restrictions because they did not have sufficient funds to make entered trades.

In seven separate arbitrations filed by customers against Oppenheimer alleging that the Firm had failed to supervise Mark Hotton, Oppenheimer failed to produce certain relevant documents that were responsive to the claimants' document requests, including the spreadsheets identified above. Oppenheimer failed to implement adequate controls and procedures to ensure that all responsive documents were identified and produced to the claimants in the seven matters. The seven arbitration claimants each did not receive copies of certain responsive documents before their arbitrations were resolved through settlements or awards.

FINRA Rule 2010 requires that members, in the conduct of their business, observe high standards of commercial honor and just and equitable principles of trade. FINRA Code of Arbitration Procedure for Customer Disputes IM-12000 further states, in relevant part, that "it may be deemed conduct inconsistent with just and equitable principles of trade and a violation of Rule 2010 for a member or a person associated with a member to . . . fail to appear or to produce any document in his possession or control as directed pursuant to provisions of the Code." As described above, between 2010 and 2013 Oppenheimer failed to produce certain relevant documents related to its supervision of Mark Hotton to seven separate arbitration claimants. Accordingly, Oppenheimer violated FINRA Rule 2010.

OTHER FACTORS

Solely with respect to the portion of this matter that relates to Oppenheimer's failure to provide sales charge waivers, FINRA has recognized the cooperation of Oppenheimer for having: (1) initiated in August 2015, prior to detection or intervention by a regulator, an investigation to identify whether Eligible Customers received sales charge waivers during the relevant period; (2) promptly established a plan of remediation for Eligible Customers who did not receive appropriate sales charge waivers; (3) promptly self-reported to FINRA; (4) promptly taken action and remedial steps to correct the violative conduct; and (5) employed subsequent corrective measures, prior to detection or intervention by a regulator, to revise its procedures to avoid recurrence of the misconduct.

B. Oppenheimer also consents to the imposition of the following sanctions:

1. A censure;
2. A fine of \$1,575,000;
3. Remediation payments totaling \$703,122 to be paid to the seven sets of arbitration claimants listed on Attachment A; and,
4. Additional remediation totaling approximately \$1,142,619 paid to the Eligible Customers who, from January 2009 to August 2016, qualified for, but did not receive, the applicable mutual fund sales charge waivers described above.

Oppenheimer further agrees to certify to FINRA Enforcement, within 90 days of the issuance of this AWC, in a writing signed by an officer of Oppenheimer, that it has adopted and implemented written supervisory policies and procedures reasonably designed to address the deficiencies identified in this AWC. The certification shall be submitted by letter addressed to Frank Mazzarelli, Director, FINRA Department of Enforcement, 15200 Omega Drive, 3rd Floor, Rockville, MD 20850.

Arbitration Claimant Remediation

A registered principal on behalf of Respondent firm shall submit satisfactory proof of payment of remediation or of reasonable and documented efforts undertaken to effect remediation to the customers identified on Attachment A. Such proof shall be submitted to Thomas Kimbrell, Senior Counsel, FINRA Department of Enforcement, 15200 Omega Drive, 3rd Floor Rockville, MD 20850, either by letter that identifies the Respondent and the case number or by e-mail from a work-related account of the registered principal of Respondent firm to EnforcementNotice@FINRA.org. This proof shall be provided to the FINRA staff member listed above no later than 90 days after acceptance of the AWC.

Within 30 days of the acceptance of this AWC, Oppenheimer shall notify by letter each of the customers on Attachment A of their rights pursuant to this AWC. Upon request by a customer identified on Attachment A, Oppenheimer shall provide the customer with a copy of each potentially responsive document that was not produced to that customer during the arbitration. As a condition for payment hereunder, Oppenheimer may request a specific release of claims arising out of Oppenheimer's failure to produce responsive documents as described herein. If a customer on Attachment A refuses the remediation payment to which he or she is entitled, that amount shall be paid to FINRA as a fine.

If for any reason Respondent cannot locate any customer identified in Attachment A after reasonable and documented efforts within 90 days from the date the AWC

is accepted, or such additional period agreed to by a FINRA staff member in writing, Respondent shall forward any undistributed restitution and interest to the appropriate escheat, unclaimed property or abandoned property fund for the state in which the customer is last known to have resided. Respondent shall provide satisfactory proof of such action to the FINRA staff member identified above and in the manner described above, within 14 days of forwarding the undistributed remediation to the appropriate state authority.

Sales Charge Remediation

Within 30 days of the date this AWC is accepted, the Firm will provide to FINRA a detailed plan to remediate Eligible Customers based on specific criteria that is not unacceptable to FINRA. In the event FINRA does object to the plan, the Firm will have an opportunity to address FINRA's objections and resubmit the plan within 20 days. The date that FINRA notifies the Firm that it does not object to the plan shall be called the Notice Date.

The remediation plan submitted by the Firm shall also address restitution for each retirement plan customer that, while not eligible to purchase Class A shares without a front-end sales charge, was eligible to purchase an alternative share class (including, but not limited to, R shares) without a front-end sales charge and with ongoing fees substantially similar to those of the Class A share.

Within 30 days from the Notice Date, the Firm will submit to FINRA a schedule of Eligible Customers identified for remediation and include the details of the qualifying purchases and total dollar amounts of restitution that has or will be provided to each customer. Each Eligible Customer will receive restitution, plus interest, from the date of purchase through the payment date at the rate set forth in Section 6621(a)(2) of the Internal Revenue Code, 26 U.S.C. 6621(a)(2) (the "IRS Rate").

A registered principal on behalf of Oppenheimer shall submit satisfactory proof of payment of restitution or of reasonable and documented efforts undertaken to effect restitution. Such proof shall be submitted to Gerard Murphy, Senior Counsel, Gerard Murphy, Senior Counsel, FINRA Department of Enforcement, 200 Liberty Street, 11th Floor, New York, NY 10281 either by letter that identifies Respondents and the case number or by e-mail from a work-related account of the registered principal(s) of Respondents to EnforcementNotice@FINRA.org. This proof shall be provided to the FINRA staff member listed above no later than 180 days from the Notice Date.

If for any reason Oppenheimer cannot locate any Eligible Customer after reasonable and documented efforts, Oppenheimer shall move the money to an appropriate escheat account. Respondent will follow the standard escheatment process, adhering with each state's required time frames based on the state in which an Eligible Customer is last known to have resided. Oppenheimer shall

provide satisfactory proof of such action to the FINRA staff member identified above and in the manner described above, within 14 days of moving the undistributed restitution and interest to the appropriate escheat account.

Upon written request showing good cause, FINRA staff may extend any of the procedural dates set forth above.

Oppenheimer agrees to pay the monetary sanction upon notice that this AWC has been accepted and that such payment(s) are due and payable. Oppenheimer has submitted an Election of Payment form showing the method by which I propose to pay the fine imposed.

Oppenheimer has specifically and voluntarily waived any right to claim an inability to pay at any time hereafter the restitution and any monetary sanctions imposed in this matter.

The imposition of a restitution order or any other monetary sanction herein, and the timing of such ordered payments, does not preclude customers from pursuing their own actions to obtain restitution or other remedies.

The sanctions imposed herein shall be effective on a date set by FINRA staff.

II.

WAIVER OF PROCEDURAL RIGHTS

Respondent specifically and voluntarily waives the following rights granted under FINRA's Code of Procedure:

- A. To have a Complaint issued specifying the allegations against Respondent;
- B. To be notified of the Complaint and have the opportunity to answer the allegations in writing;
- C. To defend against the allegations in a disciplinary hearing before a hearing panel, to have a written record of the hearing made and to have a written decision issued; and
- D. To appeal any such decision to the National Adjudicatory Council ("NAC") and then to the U.S. Securities and Exchange Commission and a U.S. Court of Appeals.

Further, Respondent specifically and voluntarily waives any right to claim bias or prejudgment of the Chief Legal Officer, the NAC, or any member of the NAC, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including acceptance or rejection of this AWC.

Respondent further specifically and voluntarily waives any right to claim that a person violated the ex parte prohibitions of FINRA Rule 9143 or the separation of functions prohibitions of FINRA Rule 9144, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including its acceptance or rejection.

III.

OTHER MATTERS

Respondent understands that:


- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against Respondent; and
- C. If accepted:
 - 1. this AWC will become part of Respondent's permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against Respondent;
 - 2. this AWC will be made available through FINRA's public disclosure program in accordance with FINRA Rule 8313;
 - 3. FINRA may make a public announcement concerning this agreement and the subject matter thereof in accordance with FINRA Rule 8313; and
 - 4. Respondent may not take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, any finding in this AWC or create the impression that the AWC is without factual basis. Respondent may not take any position in any proceeding brought by or on behalf of FINRA, or to which FINRA is a party, that is inconsistent with any part of this AWC. Nothing in this provision affects Respondent's: (i) testimonial obligations; or (ii) right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.
- D. Respondent may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. Respondent understands that Respondent may not deny the charges or make any

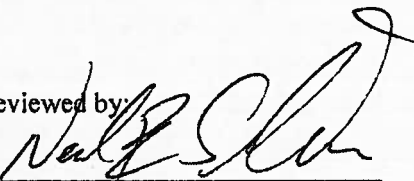
statement that is inconsistent with the AWC in this Statement. This Statement does not constitute factual or legal findings by FINRA, nor does it reflect the views of FINRA or its staff.

The undersigned, on behalf of the Firm, certifies that a person duly authorized to act on its behalf has read and understands all of the provisions of this AWC and have been given a full opportunity to ask questions about it; that Respondent has agreed to its provisions voluntarily; and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein and the prospect of avoiding the issuance of a Complaint, has been made to induce the Firm to submit it.

11/7/16
Date (mm/dd/yyyy)

Oppenheimer & Co., Inc., Respondent

By: 
Dennis P. McNamara
General Counsel

Reviewed by: 
Neal E. Sullivan
Counsel for Respondent
Sidley Austin LLP
1501 K Street, N.W.
Washington, D.C. 20005
Phone: (202) 736-8471

Jeffrey J. Kalinowski
Counsel for Respondent
Bryan Cave LLP
One Metropolitan Square, 211 North Broadway, Suite 3600
St. Louis, MO 63102-2750
Phone: (314) 259 2949

statement that is inconsistent with the AWC in this Statement. This Statement does not constitute factual or legal findings by FINRA, nor does it reflect the views of FINRA or its staff.

The undersigned, on behalf of the Firm, certifies that a person duly authorized to act on its behalf has read and understands all of the provisions of this AWC and have been given a full opportunity to ask questions about it; that Respondent has agreed to its provisions voluntarily; and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein and the prospect of avoiding the issuance of a Complaint, has been made to induce the Firm to submit it.

11/7/16

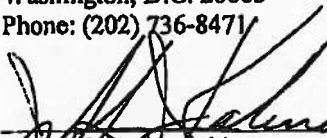
Date (mm/dd/yyyy)

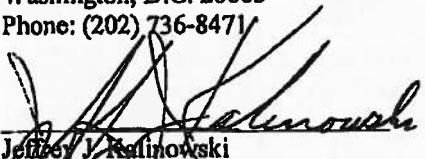
Oppenheimer & Co., Inc., Respondent

By: 

Dennis P. McNamara
General Counsel

Reviewed by:

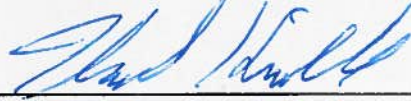

Neal E. Sullivan
Counsel for Respondent
Sidley Austin LLP
1501 K Street, N.W.
Washington, D.C. 20005
Phone: (202) 736-8471


Jeffrey J. Radimowski
Counsel for Respondent
Bryan Cave LLP
One Metropolitan Square, 211 North Broadway, Suite 3600
St. Louis, MO 63102-2750
Phone: (314) 259 2949

Accepted by FINRA:

11/17/2016
Date

Signed on behalf of the
Director of ODA, by delegated authority



Thomas S. Kimbrell
Senior Counsel
FINRA Department of Enforcement
15200 Omega Drive
Rockville, MD 20850-3241
Phone: (301) 258-8550
Facsimile: (202) 721-6515
thomas.kimbrell@finra.org

ELECTION OF PAYMENT FORM

I intend to pay the fine set forth in the attached Letter of Acceptance, Waiver and Consent by the following method (check one):

- ☒ A personal, business or bank check for the full amount;
- ☐ Wire transfer;
- ☐ Credit card authorization for the full amount;⁴ or
- ☐ The installment payment plan (only if approved by FINRA staff and the Office of Disciplinary Affairs).⁵

Respectfully submitted,

Date

11/7/16

Respondent

Oppenheimer & Co. Inc.

By:



⁴ You may pay a fine of \$50,000.00 or less using a credit card. Only Mastercard, Visa and American Express are accepted for payment by credit card. If this option is chosen, the appropriate forms will be mailed to you, with an invoice, by FINRA's Finance Department. Do not include your credit card number on this form.

⁵ The installment payment plan is only available for fines of \$5,000 or more. Certain interest payments, minimum initial and monthly payments, and other requirements apply. You must discuss these terms with FINRA staff prior to requesting this method of payment.

Attachment A
AWC No. 2015046355401

Customer	Restitution Amount
D.J.S.	\$150,000.00
J.S.P. and S.C.P.	\$111,081.00
W.T.W.	\$58,500.00
H.E. and R.E.	150,000.00
A.M. and H.M.	\$8,541.00
N.P., N.P., and M.P.	\$150,000.00
L.P. and D.P.	\$75,000.00