OPPENHEIMER HOLDINGS INC
Form S-3/A
August 11, 2011

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As filed with the Securities and Exchange Commission on August 11, 2011.

Registration No. 333-174933

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
Amendment No. 1
to
FORM S-3
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933
OPPENHEIMER HOLDINGS INC.
and the Subsidiary Guarantors listed below
(Exact name of registrant as specified in its charter)

Delaware	**98-0080034**
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification Number)*

125 Broad Street
New York, New York 10004
(212) 668-8000
(Address, including zip code, and telephone number, including area code, of registrant s principal executive offices)

Dennis P. McNamara, Esq.
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Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this registration statement.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box. o

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest

reinvestment plans, check the following box. o

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box. o

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box. o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer o	Accelerated filer þ	Non-accelerated filer o (Do not check if a smaller reporting company)	Smaller reporting company o

The Registrants hereby amend this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrants shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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TABLE OF ADDITIONAL REGISTRANTS

Exact Name of Additional Registrant as Specified in its Charter*	State or Other Jurisdiction of Incorporation or Organization	I.R.S. Employer Identification Number
E.A. Viner International Co.	Delaware	74-0148280
Viner Finance Inc.	Delaware	98-0100459

* Each Additional Registrant is a direct or indirect subsidiary of Oppenheimer Holdings Inc. The address and telephone number of the principal executive offices of each of the Additional Registrants is 125 Broad Street, New York, New York 10004 and the telephone number is (212) 668-8000.

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EXPLANATORY NOTE

This Registration Statement is being filed, and the Prospectus that is part hereof will be used, solely in connection with offers and sales by Oppenheimer & Co. Inc. related to market-making transactions. We will not receive any proceeds of such sales.

The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

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SUBJECT TO COMPLETION, DATED AUGUST 11, 2011

PROSPECTUS

OPPENHEIMER HOLDINGS INC.

$200,000,000 8.75% Senior Secured Notes due 2018

The notes bear interest at the rate of 8.75% per year. Interest on the notes is payable on April 15 and October 15 of each year, beginning on October 15, 2011. The notes mature on April 15, 2018. We may redeem any of the notes beginning on April 15, 2014. The initial redemption price for the notes is 106.563% of their principal amount plus accrued and unpaid interest and additional interest, if any. In addition, at any time prior to April 15, 2014, we may redeem some or all of the notes at a price equal to 100% of the principal amount of the notes to be redeemed plus a make-whole premium, plus accrued and unpaid interest and additional interest, if any. On or prior to April 15, 2014, we may redeem up to 35% of the principal amount of the notes at a redemption price equal to 108.75% of the principal amount of the notes, plus accrued and unpaid interest and additional interest, if any, using the net cash proceeds from sales of certain types of capital stock. There is no sinking fund for, or mandatory redemption of, the notes. If a change of control occurs, we must give holders of the notes an opportunity to sell us their notes at a purchase price of 101% of the principal amount of such notes, plus accrued and unpaid interest and additional interest, if any, to the date of purchase. In addition, our obligations under the notes to comply with certain covenants will be suspended and cease to have any further effect from and after the first date when the rating of the notes is investment grade.

The notes are our senior obligations. The notes are unconditionally guaranteed by certain of our existing and certain of our future domestic subsidiaries. The notes and the guarantees with respect to the notes are secured by a first-priority security interest in substantially all of the assets of the company and the guarantors with certain exclusions. Most of our subsidiaries, including our broker dealer subsidiaries and certain of our operating subsidiaries, which generate substantially all of our revenue and net income and own substantially all of our assets, are not guarantors of the notes and certain of our subsidiaries, including our broker dealer subsidiaries, are not subject to many of the restrictive covenants in the indenture governing the notes.

No public market currently exists for the notes. We do not intend to list the notes on any securities exchange and, therefore, no active public market for the notes is anticipated to exist.

See Risk Factors beginning on page 15 for a discussion of certain risks you should consider before investing in the notes.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

This prospectus is to be used by Oppenheimer & Co. Inc. in connection with offers and sales of the notes in market-making transactions effected from time to time. Oppenheimer & Co. Inc. may act as principal or agent in such transactions. Such sales will be made at prevailing market prices at the time of sale, at prices related thereto or at negotiated prices. We will not receive any of the proceeds from such sales.

The date of this prospectus is , 2011.

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EX-5.1
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You should rely only on the information contained or incorporated by reference into this prospectus or any prospectus supplement to this prospectus filed by us with the Securities and Exchange Commission, or the SEC. We have not authorized anyone to provide you with different or additional information. If anyone provides you with different or inconsistent information, you should not rely on it. This document may only be used where it is legal to sell these securities. You should not assume that the information in this prospectus, any prospectus supplement to this prospectus, or any document incorporated by reference is accurate as of any date other than their respective dates. Our business, financial condition, results of operations and prospects may have changed since those dates.

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CAUTIONARY NOTICE REGARDING FORWARD-LOOKING STATEMENTS

The statements contained in or incorporated by reference in this prospectus include certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Statements contained in this prospectus or incorporated by reference that are not historical facts are identified as forward-looking statements for the purpose of the safe harbor provided by Section 21E of the Securities and Exchange Act of 1934, as amended (the Exchange Act), and Section 27A of the Securities Act of 1933, as amended (the Securities Act). Forward-looking statements are subject to uncertainties that could cause actual future events and results to differ materially from those expressed in the forward-looking statements. These forward-looking statements are based on estimates, projections, beliefs, and assumptions that we believe are reasonable but are not guarantees of future events and results. Actual future events and our results may differ materially from those expressed in these forward-looking statements as a result of a number of important factors. Factors that could cause actual results to differ materially from those contemplated in our forward-looking statements include, among others:

- transaction volume in the securities markets;
- the volatility of the securities markets;
- fluctuations in interest rates;
- changes in regulatory requirements which could affect the cost and method of doing business and reduce returns;
- fluctuations in currency rates;
- general economic conditions, both domestic and international;
- changes in the rate of inflation and the related impact on the securities markets;
- competition from existing financial institutions and other participants in the securities markets;
- legal developments affecting the litigation experience of the securities industry and us, including developments arising from the failure of the Auction Rate Securities markets and the results of pending litigation involving us;
- changes in federal and state tax laws which could affect the popularity of products sold by us or impose taxes on securities transactions;
- the effectiveness of efforts to reduce costs and eliminate overlap;
- war and nuclear confrontation as well as political unrest and regime changes;
- our ability to achieve our business plan;
- corporate governance issues;
- the impact of the credit crisis and tight credit markets on business operations;

- the effect of bailout, financial reform and related legislation, including, without limitation, the Dodd-Frank Act;
- the consolidation of the banking and financial services industry;
- the effects of the economy on our ability to find and maintain financing options and liquidity;
- credit, operations, legal and regulatory risks;
- risks related to foreign operations; and
- the factors set forth under Risk Factors in this prospectus and other factors described in our filings with the SEC.

We undertake no obligation to publicly update or review any forward-looking statements, whether as a result of new information, future developments or otherwise.

SUMMARY

This summary highlights selected information contained elsewhere or incorporated by reference in this prospectus. This summary may not contain all of the information that you should consider before buying any of the notes. You should read the following summary together with the more detailed information and consolidated financial statements and the notes to those statements incorporated into this prospectus by reference.

In this prospectus, except as otherwise indicated or as the content otherwise requires, the terms Company, we, us, and our refer to Oppenheimer Holdings Inc. and its consolidated subsidiaries. We refer to the directly and indirectly owned subsidiaries of Oppenheimer Holdings Inc. collectively as the Operating Subsidiaries.

Our Company

Company Overview

We are a leading middle-market investment bank and full service broker-dealer that provides financial services and advice to high net worth individuals, families, businesses and institutions. With roots tracing back to 1881 and a storied brand name, we are engaged in a broad range of activities in the securities industry, including retail securities brokerage, institutional sales and trading, investment banking (both corporate and public finance), research, market making, trust services, and investment advisory and asset management services. We own, directly or through subsidiaries, Oppenheimer & Co. Inc. (Oppenheimer), a New York-based securities broker-dealer, Oppenheimer Asset Management (OAM), a New York-based investment advisor, Freedom Investments Inc. (Freedom), a discount securities broker-dealer based in New Jersey, Oppenheimer Trust Company (Oppenheimer Trust), a New Jersey limited purpose bank, OPY Credit Corp., a New York corporation, organized to trade and clear syndicated corporate loans, and Oppenheimer Multifamily Housing & Healthcare Finance, Inc. (formerly known as Evanston Financial Corporation) (OMHHF), a Federal Housing Administration (FHA)-approved mortgage company based in Pennsylvania. Our international businesses are carried on through Oppenheimer E.U. Ltd. (United Kingdom), Oppenheimer Investments Asia Ltd. (Hong Kong), and Oppenheimer Israel (OPCO) Ltd. (Israel).

For the fiscal year 2010, our revenues and net income were $1,035.0 million and $38.3 million, respectively, compared with revenues and net income of $991.4 million and $19.5 million, respectively, for the fiscal year 2009. For the six months ended June 30, 2011, our revenues and net income were $497.9 million and $4.8 million, respectively, compared with revenues and net income of $503.2 million and $18.4 million, respectively, for the six months ended June 30, 2010. For the fiscal year 2010, our Consolidated Adjusted EBITDA and Consolidated Adjusted EBITDA margin were $108.2 million and 10.5%, respectively, compared with Consolidated Adjusted EBITDA and Consolidated Adjusted EBITDA margin of $84.9 million and 8.6%, respectively, for the fiscal year 2009. For the six months ended June 30, 2011, our Consolidated Adjusted EBITDA and Consolidated Adjusted EBITDA margin were $28.0 million and 5.6%, respectively, compared with Consolidated Adjusted EBITDA and Consolidated Adjusted EBITDA margin of $52.4 million and 10.4%, respectively, for the six months ended June 30, 2010. For the fiscal year 2010, our client assets and assets under management were $73.2 billion and $18.8 billion, respectively, compared with client assets and assets under management $66.0 billion and $16.4 billion, respectively, for the fiscal year 2009. At June 30, 2011, our client assets and assets under management were $73.9 billion and $19.7 billion, respectively, compared with client assets and assets under management $66.9 billion and $14.7 billion, respectively, at June 30, 2010.

At June 30, 2011, we employed 3,670 employees, of whom approximately 1,421 were financial advisors. We are headquartered in New York, New York and incorporated under the laws of the state of Delaware.

Private Client

Through its Private Client division, Oppenheimer provides a comprehensive array of financial services through a network of approximately 1,430 financial advisors in 96 offices located throughout the United States and in two offices in Latin America through locally incorporated and independently owned businesses. Clients include high-net-worth individuals and families, corporate executives, and small and mid-sized businesses.

Clients may choose a variety of ways to establish a relationship and conduct business including brokerage accounts with transaction-based pricing and/or with investment advisory accounts with asset-based fee pricing. Oppenheimer provides the following private client services: Full-Service Brokerage, Wealth Planning, Margin Lending and Securities Lending. The Private Client division generated revenues of $597.3 million and $283.2 million in the fiscal year 2010 and for the six months ended June 30, 2011, respectively, and at June 30, 2011, we held client assets of approximately $73.9 billion.

Oppenheimer Trust offers a wide variety of trust services to the clients of Oppenheimer. This includes custody services, advisory services and specialized servicing options for clients. At June 30, 2011, Oppenheimer Trust held custodial assets of approximately $2.5 billion.

Asset Management

We offer a wide range of investment advisory services to our retail and institutional clients through proprietary and third party distribution channels. Clients include high-net-worth individuals and families, foundations and endowments, and trust and pension funds. Asset management capabilities include equity, fixed income, large-cap balanced and alternative investments, which are offered through vehicles such as privately managed accounts, and retail and institutional separate accounts. Our asset management services include: Separate Managed Accounts, Uniform Managed Accounts, Other Managed Accounts, Investment Advisory Services, Discretionary Portfolio Management, Fee-Based Non-Discretionary Accounts, Institutional Investment Management and Alternative Investments. The Asset Management division generated $69.2 million and $37.8 million of revenues in the fiscal year 2010 and for the six months ended June 30, 2011, respectively, and at June 30, 2011, we had $19.7 billion of client assets under fee-based management programs.

Capital Markets

Our Capital Markets division generated revenues of $359.2 million and $177.0 million in the fiscal year 2010 and for the six months ended June 30, 2011, respectively.

Investment Banking. Oppenheimer employs over 130 investment banking professionals throughout the United States, the United Kingdom, Israel and Asia. The investment banking department provides strategic advisory services and capital markets products to emerging growth and middle market businesses. The investment banking business has industry coverage groups that focus on each of consumer and business services, energy, financial institutions, healthcare, industrial growth and services, media and entertainment, technology, telecom and financial sponsors.

Equities Capital Markets. In our Equities Capital Markets division we provide institutional sales and trading in Equities, Options and Derivatives, and Convertible Bonds, offering a wide range of trading products and strategies, market making and access to global capital markets for a diverse set of domestic and international investors. Oppenheimer provides listed block trades, NASDAQ market making, bulletin board trading, capital markets/origination, risk arbitrage, statistical arbitrage, special situations, pair trades, relative value, and portfolio and electronic trading. In addition, Oppenheimer offers a suite of quantitative and algorithmic trading solutions as well as access to liquidity in order to access the global markets. Oppenheimer also has a dedicated team for Event Driven Sales and Trading. Oppenheimer s Equity Research group employs over 33 senior analysts covering over 550 equity securities worldwide, and over 70 dedicated equity research sales professionals. In addition to providing regular research pieces, Oppenheimer sponsors numerous conferences, connecting investors and the management of covered companies.

Debt Capital Markets. In our Debt Capital Markets division, we provide institutional sales and trading in Fixed Income, High Yield and Securitized products. Since June 2009, Oppenheimer has participated in auctions for

U.S. Government securities conducted by the Federal Reserve Bank of New York. We also provide Fixed Income Research and operate a Public Finance department that advises and raises capital for state and local governments. Through OPY Credit Corp., we participate in loan syndications and operate as underwriting agent in leveraged financing transactions as well as trade syndicated corporate loans in the secondary market.

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Oppenheimer Multifamily Housing & Healthcare Finance, Inc.

OMHHF is a leading company in the FHA-insured mortgage industry, providing origination, underwriting, closing and servicing on commercial mortgage loans throughout the United States, focusing on the multifamily, affordable housing and healthcare industries using FHA programs. These programs provide certain categories of loans with a government guarantee prior to becoming securities and being sold off to investors. OMHHF, through Oppenheimer, immediately hedges its principal risk with a broad set of counterparties until the loans have been securitized and provided with a government guarantee. OMHHF also maintains a mortgage servicing portfolio in which it collects mortgage payments from mortgagees and passes these payments on to mortgage holders, charging a fee for its services. The Company owns 67.0% of OMHHF and the remaining 33.0% is owned by two key employees.

Credit Strengths

Strong Track Record of Paying Down Debt

We have consistently paid down our debt, reducing our long-term indebtedness related to a 2003 acquisition by $202.5 million, from $225.0 million in 2003 to $22.5 million in 2010. We also significantly deleveraged through the credit crisis even as we were integrating a major acquisition, reducing our Debt to Last-Twelve-Months (LTM) Consolidated Adjusted EBITDA leverage ratio from 3.0x at the end of 2008 to 1.1x at the end of 2010. On an as adjusted basis to give effect to this offering, our LTM Consolidated Adjusted EBITDA leverage ratio would have been 1.8x at the end of 2010 (for the calculation of this ratio, the 2010 Consolidated Adjusted EBITDA represents historical Consolidated Adjusted EBITDA and has not been adjusted for the interest expense on long-term debt giving effect to this offering).

Robust Performance Across a Challenging Cycle

Despite the financial crisis of 2008 and its impact on the broader financial services sector, from the fiscal year 2005 to 2010, we grew revenue by 52.3% from $679.7 million to $1,035.0 million, we grew assets under management by 83% from $10.3 billion to $18.8 billion, and we grew book value per share from $24.46 to $37.02.

Primarily an Agency Business Model

Our business strategy is built on an agency model. We derive our revenues mainly by charging our clients commissions and fees on transactions we execute and assets we manage on their behalf. We take little principal risk, and when we do so, it is generally in order to facilitate our client facing business. In addition, we are not a bank holding company, therefore our operations will not be impacted by the limits on principal risk adopted in the recently enacted legislation aimed at financial institutions.

Strong Strategic Position

Our business model combines the full service capabilities of our larger competitors while maintaining the flexibility and independence of a boutique investment firm. We are one of the few full service firms that continues to consistently service middle market companies across the United States and internationally. We

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have a long-standing history in the private client business dating back to 1881 and have a focus on the attractive segment of clients with assets of $3 million to $15 million. We have a strong reputation in equity research and have an attractive niche position in middle-market banking and financial sponsor sectors. Oppenheimer is a leading market maker, making markets in over 550 stocks, with access to all international trading markets. Our full service boutique model positions us to compete for a broad range of business as the broader financial markets recover and retail and capital markets activity returns. Our independent and entrepreneurial culture is an advantage in recruiting financial advisors and other financial professionals. Our size allows us to adapt quickly in the changing market place and seek an attractive risk-adjusted return on capital, while being able to provide a full service offering. The loss of corporate independence by some of our competitors has improved our competitive position within middle market financial services and benefits our platforms for experienced financial advisors.

Diversified and Synergistic Business Model

We generate profits across three differentiated business segments. Our Private Client division earns revenues based on transaction volumes and assets under administration, our Asset Management division earns revenue based on assets under management and our Capital Markets division earns revenues based on transaction and trading volumes. The different drivers of revenues for the three divisions provides us with a diversified revenue stream. The Capital Markets division benefits from leads, distribution capabilities and brand recognition from the Private Client division, while providing additional opportunities for the Private Client division. The Asset Management division provides opportunities for us to monetize further fee streams from our Private Client division while providing more stable non-transactional revenues. Oppenheimer serves clients from 96 offices located in major cities and local communities in the United States, which limits our reliance on any one regional economy and provides clients with local high quality service with the benefits of a national full service business.

Proven Track Record of Profitable Growth with Attractive Future Prospects

We have a successful track-record of executing on both our organic and acquisition strategies. We have grown our revenues from $283.3 million in 2002 to $1,035.0 million in 2010, or 265.0%, organically and through acquisitions, including the 2003 acquisition of the U.S. Private Client and Asset Management Divisions of CIBC World Markets Corp. Our client assets under administration grew from $17.8 billion in 2002 to $73.2 billion in 2010, or 311.2%. Assuming the economy continues to recover, we are well positioned to benefit from the recovery of the broader financial services industry. We believe rebounding markets will likely increase trading activity by retail investors driving transactional revenues and increase asset values, which drive asset management fees. Increases in interest rates are expected to have a significant positive impact on the margin lending business and fees earned on cash products. We believe our Capital Markets division will also benefit from increasing activity in the financing and mergers and acquisitions markets. In addition, those financial services firms that survived the financial crisis will benefit from the greater stability and credibility provided by the recent regulatory reforms. We believe our strategic initiatives across our business segments, such as our application to become a New York Federal Reserve Primary Dealer and our investment in OMHHF, will provide

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new opportunities for growth. In addition we believe we have the business platform and meet the regulatory requirements to benefit from growth in international markets, particularly in Asia.

Well Recognized Brand

We have an internationally recognized brand name. Our history dates back to 1881, successfully navigating two World Wars and numerous financial crises. We are in the top eight U.S. full service securities brokerage firms by the number of financial advisors and are able to leverage our name recognition across all our divisions to generate new client business. Our Private Client division supports our middle market banking efforts, while our well recognized equity research increases awareness across private client, capital markets and asset management clients.

Experienced Management Team

We have a strong and experienced senior management team with extensive securities industry experience and significant tenure of working together. Our top twelve senior managers have, on average, more than 13 years of experience at Oppenheimer and, on average, more than 24 years of overall industry experience.

Conservative Risk Position and Robust Risk Management Culture

We believe we maintain a conservative risk position with an average value at risk, or VaR, for the fiscal year 2010 of $1.0 million and a year end VaR of $1.4 million. Our assets consist primarily of cash and assets which can be readily converted into cash, to give us a strong liquidity position if it becomes necessary. We also have significant additional liquidity available through short-term funding sources such as bank loans, stock loans and repurchase agreements. We believe we have a robust risk management culture with a focus on managing market risk, credit risk, liquidity risk and operational risk. We have risk management policies and procedures overseen by our risk management committee, which is made up of many of our most senior officers. Oppenheimer seeks to manage its assets and the maturity profile of its obligations in order to be able to liquidate its assets prior to its obligations coming due, even in times of severe market dislocation. We seek to accomplish this by a strict balance sheet and regulatory capital management and staying focused on our core business. Oppenheimer had $170.8 million in Regulatory Net Capital (pursuant to Rule 15c3-1 of the Securities and Exchange Act) and $146.3 million of Regulatory Excess Net Capital as of December 31, 2010. Oppenheimer maintains Regulatory Net Capital in excess of $150 million, the minimum amount required by the Federal Reserve Bank of New York for primary dealers.

Our Strategy

We have a number of strategic efforts in place to increase revenue and profitability in our Private Client, Asset Management and Capital Markets divisions. We continue to execute on our near-term strategies of new business and product development, streamlining our infrastructure, and investing in our technology. In the longer term, we plan to grow our business both organically and with opportunistic acquisitions within our areas of expertise, including branch acquisitions. We also see significant opportunities to expand our international operations in our Private Client and Capital Markets divisions.

Private Client. We intend to increase average production per financial advisor by leveraging the existing product platform through a greater percentage of our sales force, marketing and cross-selling our product offerings among our branch locations and enhancing our financial advisor technology. We will expand our sales force incrementally through efforts to recruit and retain top talent. We manage our recruitment costs and retention payments relative to competitors by taking advantage of our distinct culture and our favorable reputation with financial advisors frustrated with the large wire houses. We also intend to develop more products and services which target high net worth clients to attract new clients and leverage our existing

relationships to increase our share of customer spending on financial services. We believe our earnings from this segment of our business will improve significantly in a higher interest rate environment.

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Asset Management. Our clients have access to a team of specialists with expertise across many disciplines, from hedge funds to mutual funds, from domestic investments to offshore opportunities. We integrate traditional and non-traditional portfolios into a unified solution while offering ready access to the best managers in the investment management universe, both within and outside the firm. We intend to deepen and broaden our product offerings and penetration in asset management. One of our strategic advantages is our diligence process for identifying new asset managers and asset management strategies. Our diligence analysts are directly available for clients, which differentiates us from our competitors when working with high net worth individuals and family offices. We are also looking at additional opportunities to bring successful hedge fund and private equity investments to our clients. In addition, we are expanding our sales and marketing team in asset management in an effort to increase growth in client assets through new clients and increasing share of managed assets from existing clients.

Capital Markets. We intend to utilize our strong brand name to continue to develop our investment banking and research capabilities. Our institutional equities business is looking to grow through expansion of market share with existing clients by efficiently allocating resources across different products to focus on key targeted small to medium capitalization corporate clients. The increased penetration of institutional accounts will allow us to leverage our distribution capabilities. In investment banking, we intend to utilize our Private Client division for leads and continue to grow our middle-market banking and financial sponsor franchises, including our leveraged finance business. Longer term, we seek to increase our business footprint and reputation by hiring experienced bankers with diverse product and industry knowledge. In the taxable fixed income sector, we continue to expand our product line and selectively grow our recently established middle markets desk. We have also applied to be designated as a Primary Dealer with the U.S. Federal Reserve Bank of New York, which would give us access to bid directly in U.S. Treasury security auctions and provide new client service opportunities as more parties will be able to trade with us.

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Corporate Structure

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SUMMARY DESCRIPTION OF THE NOTES

The following is a brief summary of some of the terms of this offering. For a more complete description of the terms of the notes, see Description of the notes included elsewhere in this prospectus.

Issuer Oppenheimer Holdings Inc.

Securities Up to $200.0 million aggregate principal amount of 8.75% Senior Secured Notes due 2018.

Maturity April 15, 2018.

Interest 8.75% per annum, payable semi-annually in arrears on April 15 and October 15 of each year, beginning on October 15, 2011.

Subsidiary Guarantors All payments on the notes, including principal and interest, are jointly and severally and fully and unconditionally guaranteed on a senior secured basis by E.A. Viner International Co. and Viner Finance Inc. and future subsidiaries required to guarantee the notes pursuant to the Future Subsidiary Guarantees covenant (the Subsidiary Guarantors). See Description of the notes Covenants Future subsidiary guarantees.

Collateral The notes and the subsidiary guarantees are secured by a first-priority security interest in substantially all of the Company s and the Subsidiary Guarantors existing and future tangible and intangible assets, subject to certain exceptions and permitted liens. See Description of the notes Security.

Optional Redemption We may redeem the notes at any time on or after April 15, 2014. The redemption price for the notes (expressed as a percentage of principal amount), will be as follows, plus accrued and unpaid interest and additional interest, if any, to, but not including, the redemption date:

If Redeemed During the 12-Month Period Commencing April 15,	Redemption Price
2014	106.563%
2015	104.375%
2016	102.188%
2017 and thereafter	100.000%

In addition, at any time prior to April 15, 2014, we may redeem the notes at our option, in whole at any time or in part from time to time, at a redemption price equal to 100% of the principal amount of the notes redeemed plus a make-whole premium and accrued and unpaid interest and additional interest, if any.

In addition, at any time prior to April 15, 2014, we may redeem up to 35% of the principal amount of the notes with the net cash proceeds of one or more sales of our capital stock (other than disqualified stock) at a redemption price of 108.75% of their principal amount, plus accrued and unpaid interest and additional interest, if any; provided that at least 65% of the original aggregate principal amount of notes issued on the closing date remains outstanding after each such redemption and notice of any such redemption is mailed within 90 days of each such sale of capital stock.

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Change in Control

Upon a change of control we may be required to make an offer to purchase the notes. The purchase price will equal 101% of the principal amount of the notes on the date of purchase, plus accrued and unpaid interest and additional interest, if any. We may not have sufficient funds available at the time of a change of control to make any required debt payment (including repurchases of the notes).

Ranking

The notes are our general senior obligations and rank effectively senior in right of payment to all unsecured and unsubordinated obligations of the Company or the relevant Subsidiary Guarantor, to the extent of the value of the collateral owned by the Company or such Subsidiary Guarantor (and, to the extent of any unsecured remainder after payment of the value of the collateral, rank equally in right of payment with such unsecured and unsubordinated indebtedness of the Company). The notes also rank senior in right of payment to any subordinated debt of the Company or such Subsidiary Guarantor. The notes are secured on a first-priority basis by the collateral, subject to certain exceptions and permitted liens and it is intended that pari passu lien indebtedness, if any, will be secured on an equal and ratable basis. The notes are effectively junior in right of payment to all existing and future indebtedness, claims of holders of preferred stock and other liabilities (including trade payables) of subsidiaries of the Company that are not guarantors, including all Regulated Subsidiaries (as defined below) and unrestricted subsidiaries.

As of June 30, 2011, we had $200 million of senior debt, $200 million of which was secured, and no subordinated debt.

We currently derive the majority of our revenue from the operations of our Regulated Subsidiaries. As our obligations under the notes are not guaranteed by our Regulated Subsidiaries, creditors of a Regulated Subsidiary, including trade creditors, customers, and preferred stockholders, if any, of such Regulated Subsidiary generally have priority with respect to the assets and earnings of such Regulated Subsidiary over the claims of the holders. The notes, therefore, are effectively subordinated to the claims of creditors, including trade creditors, customers and preferred stockholders, if any, of our Regulated Subsidiaries. As of June 30, 2011, our Regulated Subsidiaries had $2.9 billion outstanding in such liabilities.

Certain Covenants

The Company agreed to covenants that limit the ability of the Company and its restricted subsidiaries and, in certain limited cases, its Regulated Subsidiaries, among other things, to:

incur additional debt and issue preferred stock;

pay dividends, acquire shares of capital stock, make payments on subordinated debt or make investments;

- place limitations on distributions from Regulated Subsidiaries or restricted subsidiaries;
- issue guarantees;
- sell or exchange assets;
- enter into transactions with shareholders and affiliates;

create liens; and

effect mergers.

These covenants are subject to important exceptions and qualifications, which are described under the heading Description of the notes Covenants in this prospectus. These exceptions and qualifications include, among other things, a variety of provisions that are intended to allow us to continue to conduct our brokerage operations in the ordinary course of business. In addition, if and for so long as the notes have an investment grade debt rating from both Standard & Poor s, a division of The McGraw-Hill Companies, Inc. (Standard & Poor s) and Moody s Investors Service, Inc. (Moody s) and no default has occurred and is continuing under the indenture, we will not be subject to certain of the covenants listed above. See Description of the notes.

Pursuant to the indenture, the following covenants apply to us and our restricted subsidiaries, but generally do not apply, or apply only in part, to our Regulated Subsidiaries:

limitation on indebtedness and issuances of preferred stock, which restricts our ability to incur additional indebtedness or to issue preferred stock;

limitations on restricted payments, which generally restricts our ability to declare certain dividends or distributions or to make certain investments;

limitation on dividend and other payment restrictions affecting restricted subsidiaries or Regulated Subsidiaries, which generally prohibits restrictions on the ability of certain of our subsidiaries to pay dividends or make other transfers;

future Subsidiary Guarantors, which prohibits certain of our subsidiaries from guaranteeing our indebtedness or indebtedness of any restricted subsidiary unless the notes are comparably guaranteed;

limitation on transactions with shareholders and affiliates, which generally requires transactions among our affiliated entities to be conducted on an arm s-length basis;

limitation on liens, which generally prohibits us and our restricted subsidiaries from granting liens unless the notes are comparably secured; and

limitation on asset sales, which generally prohibits us and certain of our subsidiaries from selling assets or certain securities or property of significant subsidiaries.

Under certain circumstances, however, the covenants under Description of the notes Covenants Limitation on indebtedness and issuances of preferred stock, Limitation on restricted payments, Limitation on dividend and other payment restrictions affecting restricted subsidiaries or regulated subsidiaries, Future subsidiary guarantees, Limitation on transactions with shareholders and affiliates, and Limitation on asset sales

may apply to our Regulated Subsidiaries, depending on the nature of the transaction in question, whether a Regulated Subsidiary is incurring any Indebtedness (as defined in the indenture) and a variety of other factors.

For purposes of the covenants, Regulated Subsidiaries refers to any direct or indirect subsidiary of the Company that is registered as (i) a broker dealer pursuant to Section 15 of the Exchange Act, (ii) a broker dealer or underwriter under any foreign securities law or (iii) a banking or insurance subsidiary regulated under state, federal or foreign laws. Restricted subsidiaries generally include any of our subsidiaries that are not Regulated Subsidiaries and that have not been designated by our board of directors as unrestricted.

As of June 30, 2011, our Regulated Subsidiaries represented 88% of our total assets. For the six months ended June 30, 2011 and the year ended December 31, 2010, our Regulated Subsidiaries represented 90% and 90% of our total revenues, respectively, and 1% and 54% of our net income, respectively.

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SUMMARY CONSOLIDATED HISTORICAL FINANCIAL DATA

The summary consolidated historical financial data set forth below for each of the years ended December 31, 2010, 2009 and 2008 has been primarily derived from our audited consolidated financial statements. The summary consolidated historical financial data set forth below for the six months ended June 30, 2011 has been primarily derived from our unaudited consolidated financial statements. The following data should be read in conjunction with Management s Discussion and Analysis of Financial Condition and Results of Operations and the consolidated historical financial statements and the related notes contained in our annual report on Form 10-K for the year ended December 31, 2010, and our quarterly report on Form 10-Q for the six months ended June 30, 2011, which are incorporated by reference into this prospectus.

	Six Months Ended		Year Ended December 31,		
	June 30, 2011	June 30, 2010	2010	2009	2008
			(Dollars in thousands)		
Consolidated Statements of Operation:					
REVENUE					
Commissions	$ 257,645	$ 277,779	$ 537,730	$ 555,574	$ 532,682
Principal transactions, net	24,304	36,957	77,183	107,094	20,651
Interest	28,438	20,776	45,871	35,960	61,793
Investment banking	62,158	61,520	134,906	90,960	83,541
Advisory fees	98,504	86,778	187,888	160,705	198,960
Other	26,886	19,361	51,494	41,140	22,443
Total revenues	497,935	503,171	1,035,072	991,433	920,070
EXPENSES:					
Compensation and related expenses	330,851	322,483	972,244	672,325	626,030
Clearing and exchange fees	12,613	14,385	25,754	26,748	31,007
Communications and technology	32,008	32,740	64,700	62,724	75,359
Occupancy and equipment costs	37,070	36,722	74,389	74,372	69,945
Interest	18,443	11,690	25,914	21,050	38,998
Other	55,417	53,145	101,305	99,401	114,774
Total expenses	486,402	471,165	964,306	956,620	956,113
Profit (loss) before income taxes	11,533	32,006	70,766	34,318	(36,043)
Income tax provision (benefit)	5,334	12,780	30,187	15,326	(15,273)
Net profit (loss) for the year	6,199	19,226	40,579	19,487	(20,770)
Less net profit attributable to non-controlling interest, net of tax	1,422	856	2,248		
Net profit attributable to Oppenheimer Holdings Inc.	$ 4,777	$ 18,370	$ 38,331	$ 19,487	$ (20,770)

Net profit (loss) for the period	$ 6,199	$ 18,370	$ 40,579	$ 19,487	$ (20,770)
Other comprehensive income (loss):					
Currency translation adjustment	119	(231)	1,597	(99)	31
Change in cash flow hedges, net of tax	1,322	(817)	(847)	884	(388)
Comprehensive income (loss) for the period	$ 7,640	$ 18,178	$ 41,329	$ 20,272	$ (21,127)

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	As at June 30, 2011	As at June 30, 2010	As at December 31, 2010	2009	2008
			(Dollars in thousands)		
Consolidated Balance Sheet Data:					
Cash and cash equivalents	$ 109,561	47,006	$ 52,854	$ 68,918	$ 46,685
Total assets	3,624,149	2,594,327	2,620,034	2,203,383	1,526,559
Total liabilities	3,123,935	2,120,796	2,122,438	1,751,936	1,100,833
Total equity	500,214	473,531	497,596	451,447	425,726

	As Adjusted As of December 31, 2010	Year Ended December 31, 2010	2009	2008
		(Dollars in thousands)		
Other Financial Data				
Consolidated Adjusted EBITDA(1)(2)		108,201	84,870	49,621
Long-term Debt to Consolidated Adjusted EBITDA(2)	1.8x	1.1x	1.6x	3.0x

(1) Consolidated Adjusted EBITDA is a measure of operating performance that is not defined under GAAP. We define Consolidated Adjusted EBITDA as net profit (loss) attributable to Oppenheimer Holdings Inc. before interest expense, income taxes, depreciation expense and amortization expense, adjusted to exclude share-based compensation expense which is not settled in cash and other non-cash charges. Our definitions and calculations of Consolidated Adjusted EBITDA may differ from the Consolidated Adjusted EBITDA or analogous calculations of other companies in our industry, and may limit is usefulness as a comparative measure.

Consolidated Adjusted EBITDA has limitations as an analytical tool. Consolidated Adjusted EBITDA is not a measurement of net income (loss), and should not be considered as an alternative to net income (loss) as a measure of operating performance. Rather, Consolidated Adjusted EBITDA should be considered as supplementary information to our GAAP results, shown here in order to provide a more complete understanding of our operating performance.

We use Consolidated Adjusted EBITDA in a number of ways to assess our consolidated operating performance, and we believe this measure is helpful to management and investors in identifying trends in our operating results. We use Consolidated Adjusted EBITDA as a measure of our consolidated operating performance exclusive of income and expenses that relate to the financing, income taxes and capitalization of the business. We believe this metric measures our financial performance based on operational factors that management can impact in the short-term, namely the cost structure and expenses of the organization. In addition, Consolidated Adjusted EBITDA as used in this prospectus corresponds to the definition of Consolidated EBITDA that will be used in the indenture related to the notes.

(2) For the as adjusted calculation, the 2010 Consolidated Adjusted EBITDA represents historical Consolidated Adjusted EBITDA and has not been adjusted for the interest expense on long-term debt giving effect to this

offering.

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The following table shows the reconciliation of our Consolidated Adjusted EBITDA from GAAP net profit attributable to Oppenheimer Holdings Inc.:

	Year Ended December 31,						Six Months Ended June 30, 2010	Six Months Ended June 30, 2011
	2005	2006	2007	2008	2009	2010		
	(Dollars in thousands)							
Net Profit Attributable to Oppenheimer Holdings Inc.:	$ 22,916	$ 44,577	$ 75,367	$ (20,770)	$ 19,487	$ 38,331	$ 18,370	$ 4,777
Add:								
Interest Expense(a)	9,005	8,742	8,097	15,540	13,925	11,539	6,001	7,180
Income Taxes	18,773	35,873	52,027	(15,274)	15,326	28,578	12,262	4,344
Depreciation Expense	9,347	9,583	9,695	44,474	12,630	12,448	6,007	6,437
Amortization Expense	17,081	12,520	9,772	8,569	7,065	5,885	3,137	3,095
Consolidated EBITDA	77,122	111,295	154,957	(460)	68,433	96,781	45,777	25,833
Share-Based Compensation Expense(b)	39	2,537	4,182	7,334	7,002	7,611	4,101	2,180
Other Non-Cash Charges(c)	5,093	(17,822)	(2,578)	42,747	9,435	3,809	2,478	
Consolidated Adjusted EBITDA	**$ 82,254**	**$ 96,009**	**$ 156,562**	**$ 49,621**	**$ 84,870**	**$ 108,201**	**$ 52,356**	**$ 28,013**

(a) Interest expense on long-term debt.

(b) Charges associated with Employee Share Plan restricted stock award program and Equity Incentive Plan stock option award program.

(c) Includes gains on extinguishment of debt ($4.1 million and $2.5 million in 2006 and 2007, respectively), gains/losses related to the exchange of three stock exchange seats for shares of the NYSE Group, resulting from the merger between NYSE and Archipelago, ($13.7 million gain and $2.6 million loss in 2006 and 2008, respectively), and charges related to deferred compensation and benefit arrangements in conjunction with acquisitions made in 2003 and 2008 ($5.1 million, $40.2 million, $9.4 million, and $3.8 million in 2005, 2008, 2009, and 2010, respectively).

RISK FACTORS

Any investment in the notes involves a high degree of risk. You should consider carefully the following information about these risks, together with the other information contained or incorporated by reference in this prospectus, including risks contained in our most recent annual report on Form 10-K, any subsequent quarterly or annual reports on Form 10-Q or Form 10-K or any current reports on Form 8-K, before buying any of the notes. If any of the following risks actually occur, our business, financial condition, prospects, results of operations or cash flow could be materially and adversely affected. Additional risks or uncertainties not currently known to us, or that we currently deem immaterial, may also impair our business operations. We cannot assure you that any of the events discussed in the risk factors below will not occur. If any of such events does occur, you may lose all or part of your original investment in the notes.

Certain of Our Subsidiaries, Which Generate Substantially all of Our Revenues and Own Substantially all of Our Assets, are not subject to Many of the Restrictive Covenants in the Indenture Governing the Notes.

Certain of our subsidiaries (which will be defined in the indenture as the Regulated Subsidiaries) including, among others, Oppenheimer & Co. Inc., and Freedom Investments Inc., are generally not subject to the restrictive covenants in the indenture that place limitations on our actions, and where they are subject to covenants there are numerous exceptions and limitations. As of June 30, 2011, our Regulated Subsidiaries represented 88% of our total assets. For the six months ended June 30, 2011 and the year ended December 31, 2010, our Regulated Subsidiaries represented 90% and 90% of our total revenues, respectively, and 1% and 54% of our net income, respectively. The indenture does not restrict our Regulated Subsidiaries from incurring debt, which would be structurally senior to the notes. Our Regulated Subsidiaries are also not subject to restrictions relating to making investments and are generally not subject to the restrictions on the sale of assets. The incurrence of debt, the sale of assets or the making of investments, without, or with limited, indenture restrictions, by our Regulated Subsidiaries may impair our ability to make payments on principal and interest on the notes.

Our Regulated Subsidiaries are subject to regulation by U.S. Federal and state regulatory agencies and securities exchanges and by various non-U.S. governmental agencies or regulatory bodies and securities exchanges, each of which has been charged with the protection of the financial markets and seek to protect the interests of our broker-dealer clients. Such regulations may not serve, and you should not rely on them, to protect your interests as a holder of the notes. Depending on these circumstances, these regulations may prevent our Regulated Subsidiaries from paying dividends or other distributions to us without which we cannot make payments of interest or principal on the notes.

We Depend Almost Entirely on the Cash Flow From Our Regulated Subsidiaries to Meet Our Obligations, and Your Right to Receive Payment on the Notes Will be Structurally Subordinate to the Obligations of These Subsidiaries.

Our Regulated Subsidiaries are separate and distinct legal entities with no obligation to pay any amounts due pursuant to the notes or to provide us with funds for our payment obligations. Our cash flow and our ability to service our debt, including the notes, will depend in part on the earnings of our Regulated Subsidiaries and on the distribution of earnings, loans or other payments to us by these subsidiaries. Our Regulated Subsidiaries represented substantially all of our revenues and more than a majority of our net income in 2010. As of June 30, 2011, our Regulated Subsidiaries represented substantially all of our assets. In addition, the ability of our Regulated Subsidiaries to make any dividend, distribution, loan or other payment to us could be subject to statutory or contractual restrictions. Oppenheimer & Co. Inc. and Freedom Investments, Inc. both require permission from the Financial Industry Regulatory Authority prior to

declaring dividends. Payments to us by these subsidiaries will also be contingent upon their earnings and their business considerations. Because we may depend in part on the cash flow of these subsidiaries to meet our obligations, these types of restrictions may impair our ability to make scheduled interest and principal payments on the notes.

If the Company is Unable to Repay its Outstanding Indebtedness When Due, its Operations May be Materially, Adversely Affected.

At June 30, 2011, the Company had liabilities of approximately $3.1 billion, a significant portion of which is collateralized by highly liquid and marketable government securities as well as marketable securities owned by customers. The Company cannot assure that its operations will generate funds sufficient to repay its existing debt obligations as they come due. The Company s failure to repay its indebtedness and make interest payments as required by its debt obligations could have a material adverse affect on its results of operations and financial condition, including the acceleration of the payment of the debt.

We May not be Able to Generate Sufficient Cash to Service the Notes or Our Other Indebtedness, and May be Forced to Take Other Actions to Satisfy Our Obligations Under Our Indebtedness, Which May not be Successful.

Our ability to make scheduled payments on or to refinance our debt obligations depends on our financial condition and operating performance, which is subject to prevailing economic and competitive conditions and to certain financial, business and other factors beyond our control. We may not be able to maintain a level of cash flows from operating activities sufficient to permit us to pay the principal, premium, if any, and interest on the notes or our other indebtedness.

If our cash flows and capital resources are insufficient to fund our debt service obligations, we may be forced to reduce or delay investments and capital expenditures, or to sell assets, seek additional capital or restructure or refinance the notes or our other indebtedness. Our ability to restructure or refinance our debt will depend on the condition of the capital markets and our financial condition at such time. Any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations. The terms of the indenture governing the notes and existing or future debt instruments may restrict us from adopting some of these alternatives. These alternative measures may not be successful and may not permit us to meet our scheduled debt service obligations.

Our Debt Agreements Contain Restrictions that Limit Our Flexibility in Operating Our Business.

The indenture governing the notes contains various covenants that limit the ability of the Company and its restricted subsidiaries and, in certain limited cases, its Regulated Subsidiaries, among other things, to:

- incur additional indebtedness;
- pay dividends on, repurchase or make distributions in respect of our capital stock or make other restricted payments;
- make certain investments;
- sell certain assets;
- create liens;
- consolidate, merge, sell or otherwise dispose of all or substantially all of our assets; and
- enter into certain transactions with our affiliates.

As a result of the covenants and restrictions contained in the indenture, we are limited in how we conduct our business and we may be unable to raise additional debt or equity financing to compete effectively or to take advantage of new business opportunities. The terms of any future indebtedness we may incur could include more restrictive covenants and may further limit our ability to enter into certain types of transactions.

We cannot assure you that we will be able to remain in compliance with these covenants in the future and, if we fail to do so, that we will be able to obtain waivers from the appropriate parties and/or amend the covenants.

The Value of the Collateral Securing the Notes and the Note Guarantees May not be Sufficient to Satisfy Our Obligations Under the Notes and the Note Guarantees.

No appraisal of the value of the collateral has been made in connection with the offering of the notes, and the fair market value of the collateral is subject to fluctuations based on factors that include general economic conditions and similar factors. The book value of the collateral should not be relied on as a measure of realizable value for such assets. In addition, the indenture allows us to incur additional secured debt, including under certain circumstances secured debt that is intended to share in the collateral that will secure the notes and the note guarantees. The amount to be received upon a sale of the collateral would be dependent on numerous factors, including the actual fair market value of the collateral at such time, the timing and the manner of the sale and the availability of buyers. Portions of the collateral may become illiquid and may have no readily ascertainable market value. Likewise, we cannot assure holders of the notes that the collateral will be saleable or, if saleable, that there will not be substantial delays in its liquidation. In the event of a foreclosure, liquidation, bankruptcy or similar proceeding, the value of the collateral and the amount that may be received upon a sale of collateral will depend upon many factors including, among others, the condition of the collateral and our industry, the ability to sell the collateral in an orderly sale, market and economic conditions, the availability of buyers and other factors. In addition, courts could limit recoverability with respect to the collateral if they deem a portion of the interest claim usurious in violation of applicable public policy. Accordingly, in the event of a foreclosure, liquidation, bankruptcy or similar proceeding, the collateral may not be sold in a timely or orderly manner, and the proceeds from any sale or liquidation of the collateral may not be sufficient to satisfy our obligations under the notes, the note guarantees and any future debt that is secured by the collateral.

In addition, under the terms of the indenture governing the notes we are also permitted in the future to incur additional indebtedness and other obligations that may share in the liens on the collateral securing the notes. Any additional obligations secured by a lien on the collateral (whether senior to or equal with the lien of the notes) will dilute the value of the collateral.

We cannot assure holders of the notes that the proceeds of any sale of the collateral following an acceleration of maturity with respect to the notes would be sufficient to satisfy, or would not be substantially less than, amounts due on the notes and the other debt secured thereby. If the proceeds of any sale of the collateral were not sufficient to repay all amounts due on the notes, holders of the notes (to the extent their notes were not repaid from the proceeds of the sale of the collateral) would have only an unsecured claim against the remaining assets of the Company and the Subsidiary Guarantors.

To the extent that liens, rights and easements granted to or obtained by third parties encumber assets located on property owned by us or constitute subordinate liens on the collateral, those third parties may have or may exercise rights and remedies with respect to the property subject to such encumbrances (including rights to require marshalling of assets) that could adversely affect the value of such collateral and the ability of the collateral agent to realize or foreclose on such collateral.

The Imposition of Certain Permitted Liens Could Adversely Affect the Value of the Collateral.

The collateral securing the notes is subject to liens permitted under the terms of the indenture governing the notes, whether arising prior to or on or after the date the notes are issued. The existence of any permitted liens could adversely affect the value of the collateral securing the notes as well as the ability of the collateral agent to realize or foreclose on such collateral. The collateral that secures the notes may also secure future indebtedness and other obligations of the Company and the Subsidiary Guarantors to the extent permitted by the indenture and the security documents. Your rights to the collateral would be diluted by any increase in the indebtedness secured by this collateral.

There are Certain Categories of Property that are Excluded From the Collateral.

Certain categories of assets are excluded from the collateral securing the notes and the note guarantees. Excluded assets include certain items of property, including without limitation items as to which a security interest cannot be granted without violating contract rights or applicable law, certain equity interests of our

first-tier foreign subsidiaries, capital stock of certain of our subsidiaries, certain promissory notes or other instruments payable by certain of our subsidiaries, foreign intellectual property and assets outside the United States to the extent a lien on such assets cannot be perfected by the filing of Uniform Commercial Code financing statements, certain applications for trademarks or service marks filed in the United States Patent and Trademark Office, deposit and securities accounts which consist of certain withheld income taxes, federal, state or local employment taxes, or amounts required to be paid over to an employee benefit plan pursuant to applicable law, all segregated deposit accounts constituting tax accounts, payroll accounts and trust accounts, cash and cash equivalents maintained in certain accounts of a Subsidiary Guarantor that is an investment advisor, deposit and securities accounts, to the extent the aggregate value of assets therein does not exceed a certain amount, motor vehicles and other similar assets in which a lien may be perfected only through compliance with a non-UCC certificate of title statute, letter of credit rights and commercial tort claims, equipment leased by us or our subsidiaries under a lease that does not permit the granting of a lien on such equipment, any leasehold improvements to the extent that the grant of security interest therein would violate the related lease, assets subject to a purchase money lien, capitalized lease obligation or similar arrangement, in each case to the extent the agreement governing such lease, obligation or arrangement prohibits such assets from being used as collateral, capital stock of or equity interest in any person other than wholly-owned subsidiaries to the extent not permitted by the terms of such person s organizational documents, any property and assets the pledge of which would require governmental consent, approval, license or authorization, Excluded Real Property (as defined in Description of the notes Definitions), proceeds and any products in the aforementioned (to the extent such proceeds or products would constitute excluded assets described above), and certain other items agreed to by the parties and as more fully set forth in the security documents. *See* Description of the notes included elsewhere in this prospectus. In addition, the assets of our broker-dealer and certain of our other subsidiaries are not part of the collateral securing the notes and note guarantees. If an event of default occurs and the notes are accelerated, the notes and the note guarantees rank equally with the holders of other unsubordinated and unsecured indebtedness of the relevant entity with respect to such excluded property.

To the extent that the claims of the holders of the notes and the holders of the other indebtedness and obligations secured by the collateral exceed the value of the assets securing the notes and such other indebtedness and obligations, those claims will rank equally with the claims of the holders of unsecured and unsubordinated creditors. As a result, if such proceeds were not sufficient to repay amounts outstanding under the notes, then holders of the notes (to the extent not repaid from the proceeds of the sale of the collateral) would only have an unsecured claim against our remaining assets.

The Notes are Structurally Subordinated to Claims of Creditors of Non-Guarantor Subsidiaries.

The notes are structurally subordinated to indebtedness and other liabilities of subsidiaries that are not guarantors under the notes including our Regulated Subsidiaries. Our non-guarantor subsidiaries had, before intercompany eliminations, $3.0 billion of total liabilities, including trade payables and $3.4 billion of total assets as of June 30, 2011, and had operating revenue, before intercompany eliminations, of $500.2 million and $1.0 billion for the six months ended June 30, 2011 and the year ended December 31, 2010, respectively. Any right that we or the Subsidiary Guarantors have to receive any assets of any of the non-guarantor subsidiaries upon the liquidation or reorganization of those subsidiaries, and the consequent rights of holders of the notes to realize proceeds from the sale of any of those subsidiaries assets, will be effectively subordinated to the claims of those subsidiaries creditors, including trade creditors and holders of preferred equity interests of those subsidiaries. Accordingly, in the event of a bankruptcy, liquidation or reorganization of any future non-guarantor subsidiaries, such non-guarantor subsidiaries will pay the holders of their debts, holders of their preferred equity interests and their trade creditors before they will be able to distribute any of their assets to us.

Because Each Subsidiary Guarantor s Liability Under its Note Guarantee May be Reduced to Zero, Avoided or Released Under Certain Circumstances, You May not Receive Any Payments From Some or all of the Subsidiary Guarantors.

Although you have the benefit of the note guarantees, a note guarantee is limited to the maximum amount that the applicable Subsidiary Guarantor is permitted to guarantee under applicable law. As a result, a Subsidiary Guarantor s liability under its note guarantee could be reduced to zero, depending upon the amount of other obligations of such Subsidiary Guarantor. Further, under the circumstances discussed more fully below, a court under federal and state fraudulent conveyance and transfer statutes could void the obligations under a note guarantee or further subordinate it to all other obligations of the Subsidiary Guarantor. *See* Federal and state fraudulent transfer laws may permit a court to void the notes and the note guarantees, subordinate claims in respect of the notes and any guarantees and require noteholders to return payments received and, if that occurs, you may not receive any payments on the notes included elsewhere in this prospectus. In addition, you will lose the benefit of a particular note guarantee if it is released under certain circumstances described under Description of the notes Use and Release of Collateral .

There May not be Sufficient Collateral to Pay all or Any of the Notes, Especially if We Incur Additional Secured Indebtedness as Permitted Under the Notes, Which Will Dilute the Value of the Collateral Securing the Notes.

Under the terms of the indenture governing the notes we are also permitted in the future to incur additional indebtedness and other obligations that may share in the liens on the collateral securing the notes. Any additional obligations secured by a lien on the collateral (whether senior to or equal with the lien of the notes) will dilute the value of the collateral.

The proceeds from the sale of all such collateral may not be sufficient to satisfy the amounts outstanding under the notes and all other indebtedness and obligations secured by such liens. If such proceeds were not sufficient to repay amounts outstanding under the notes, then holders of the notes (to the extent not repaid from the proceeds of the sale of the collateral) would only have an unsecured claim against our remaining assets.

You May Have Limited Rights to Enforce Remedies Under the Security Documents, and the Collateral may be Released Without Your Consent in Certain Circumstances.

If we issue additional pari passu lien indebtedness, subject to our compliance with the restrictive covenants in the indenture governing the notes at the time we issue such additional senior secured indebtedness, the collateral agent will enter into an intercreditor agreement with the collateral agent for the holders of such additional pari passu lien indebtedness. Under the terms of the intercreditor agreement, the collateral agent will pursue remedies and take other action related to the collateral, including the release thereof, pursuant to the direction of the authorized representative for the holders of the largest class of outstanding obligations secured by liens on the collateral, including the notes. There can be no assurance that the notes will always represent the largest class of obligations secured by liens on the collateral. Accordingly, note holders may not always have the right to control the remedies and the taking of other actions related to the collateral.

In addition, all collateral sold or otherwise disposed of in accordance with the terms of the documents governing the pari passu lien obligations will automatically be released from the lien securing the notes and the lien securing the other pari passu lien obligations. Accordingly, any such sale or other disposition in a transaction that does not violate the asset disposition covenant of the indenture governing the notes may result in a release of the collateral subject to such sale or disposition. *See* Description of the notes Limitation on Asset Sales.

Under the intercreditor agreement, the collateral agent may not object following the filing of a bankruptcy petition to any debtor-in-possession financing or to the use of the collateral to secure that financing, subject to conditions and

limited exceptions, if at such time the notes are not the largest class of outstanding obligations

secured by liens on the collateral. After such a filing, the value of the collateral could materially deteriorate, and the note holders would be unable to raise an objection.

Rights of Holders of the Notes in the Collateral may be Adversely Affected by the Failure to Perfect Security Interests in Collateral.

Applicable law requires that a security interest in certain tangible and intangible assets can only be properly perfected and its priority retained through certain actions undertaken by the secured party. The liens on the collateral securing the notes and the note guarantees may not be perfected with respect to the claims of the notes and the note guarantees if the collateral agent is not able to take the actions necessary to perfect any of these liens on or prior to the date of the indenture.

The Company and the Subsidiary Guarantors have limited obligations to perfect the security interest for the benefit of the holders of the notes in specified collateral. There can be no assurance that the trustee or the collateral agent for the notes will monitor, or that we will inform such trustee or collateral agent of, the future acquisition of assets and rights that constitute collateral, and that the necessary action will be taken to properly perfect the security interest in such after-acquired collateral. Neither the trustee nor the collateral agent for the notes has an obligation to monitor the acquisition of additional assets or rights that constitute collateral or the perfection of any security interest. Such failure to monitor may result in the loss of the security interest in the collateral or the priority of the security interest in favor of the notes and the note guarantees against third parties.

Security Over Certain Collateral May not be in Place by the Closing Date of this Offering or May not be Perfected on the Closing Date of this Offering, Which Means that the Notes Will not be Secured to that Extent.

Certain recordations, notices, filings and other actions to create, perfect or protect the priority of the liens securing the notes and the note guarantees will be taken subsequent to the issuance of the notes. Any delay in such recordations, notices, filings and other actions increase the risk that the liens could be voided or subject to the liens of intervening creditors. To the extent any security interest in the collateral securing the notes cannot be perfected or a valid lien created with respect thereto on or prior to the closing date, we will be required to have all such security interests perfected and/or valid liens created, to the extent required by the indenture and the security documents, promptly following the closing date, but in any event no later than 60 days after such date and no later than 90 days after such date for deposit accounts. We cannot assure you that we will be able to perfect and/or create a valid lien with respect to any such security interests on or prior to that date, and our failure to do so may result in a default under the indenture. To the extent a security interest in any of the collateral is created or perfected following the issuance date of the notes, the security interest would remain at risk of being voided as a preferential transfer by a trustee in bankruptcy or being subject to the liens of intervening creditors.

We May not be Able to Repurchase the Notes Upon a Change of Control.

Upon the occurrence of specific kinds of change of control events, we will be required to offer to repurchase all outstanding notes at 101% of their principal amount plus accrued and unpaid interest. The source of funds for any such purchase of the notes will be our available cash or cash generated from our and our subsidiaries operations or other sources, including borrowings, sales of assets or sales of equity. We may not be able to repurchase the notes upon a change of control because we may not have sufficient financial resources to purchase all of the notes that are tendered upon a change of control. Accordingly, we may not be able to satisfy our obligations to purchase the notes unless we are able to obtain financing. Our failure to repurchase the notes upon a change of control would cause a default under the indenture governing the notes.

In addition, the change of control provisions in the indenture may not protect you from certain important corporate events, such as a leveraged recapitalization (which would increase the level of our indebtedness), reorganization, restructuring, merger or other similar transaction, unless such transaction constitutes a Change of Control under the indenture. Such a transaction may not involve a change in voting power or beneficial

ownership or, even if it does, may not involve a change that constitutes a Change of Control as defined in the indenture that would trigger our obligation to repurchase the notes. Therefore, if an event occurs that does not constitute a Change of Control as defined in the indenture, we will not be required to make an offer to repurchase the notes and you may be required to continue to hold your notes despite the event. *See* Description of the notes Repurchase of the Notes upon a Change of Control .

In the Event of a Bankruptcy of the Company or any of the Subsidiary Guarantors, Holders of the Notes May be Deemed to Have an Unsecured Claim to the Extent that Obligations in Respect of the Notes Exceed the Fair Market Value of the Collateral Securing the Notes.

In any bankruptcy case under Title 11 of the United States Code, as amended, or the Bankruptcy Code, with respect to the Company or any of the Subsidiary Guarantors, it is possible that the bankruptcy trustee, the debtor-in-possession or competing creditors will assert that the value of the collateral with respect to the notes on the date of such valuation is less than the then-current principal amount of the notes and all other obligations with equal and ratable security interests in the collateral. Upon a finding by the bankruptcy court that the notes are under-collateralized, the claims in the bankruptcy case with respect to the notes would be bifurcated between a secured claim and an unsecured claim, and the unsecured claim would not be entitled to the benefits of security in the collateral. Other consequences of a finding of under-collateralization would be, among other things, a lack of entitlement on the part of the notes to receive post-petition interest and a lack of entitlement on the part of the unsecured portion of the notes to receive adequate protection under the Bankruptcy Code. In addition, if any payments of post-petition interest had been made prior to the time of such a finding of under-collateralization, those payments could be recharacterized by the bankruptcy court as a reduction of the principal amount of the secured claim with respect to the notes.

Bankruptcy Laws May Limit the Ability of Holders of the Notes to Realize Value From the Collateral.

The right of the collateral agent to repossess and dispose of the collateral upon the occurrence of an event of default under the indenture is likely to be significantly impaired by applicable bankruptcy law if a bankruptcy case were to be commenced by or against the Company or any of the Subsidiary Guarantors before the collateral agent repossessed and disposed of the collateral. For example, under the Bankruptcy Code, pursuant to the automatic stay imposed upon the bankruptcy filing, a secured creditor is prohibited from repossessing its collateral from a debtor in a bankruptcy case, or from disposing of collateral repossessed from such debtor, or taking other actions to levy against a debtor, without bankruptcy court approval after notice and a hearing. Moreover, the Bankruptcy Code permits the debtor to continue to retain and to use collateral even though the debtor is in default under the applicable debt instruments, provided that the secured creditor is given adequate protection. The meaning of the term adequate protection is undefined in the Bankruptcy Code and may vary according to circumstances (and is within the discretion of the bankruptcy court), but it is intended in general to protect the secured creditor s interest in the collateral from diminishing in value during the pending of the bankruptcy case and may include periodic payments or the granting of additional security, if and at such times as the court in its discretion determines, for any diminution in the value of the collateral as a result of the automatic stay or any use of the collateral by the debtor during the pendency of the bankruptcy case. A bankruptcy court could conclude that the secured creditor s interest in its collateral is adequately protected against any diminution in value during the bankruptcy case without the need of providing any additional adequate protection. Due to the imposition of the automatic stay, the lack of a precise definition of the term adequate protection and the broad discretionary powers of a bankruptcy court, it is impossible to predict (i) how long payments under the notes could be delayed, or, if made at all, following commencement of a bankruptcy case, (ii) whether or when the collateral agent could repossess or dispose of the collateral or (iii) whether or to what extent holders of the notes would be compensated for any delay in payment or loss of value of the collateral through the requirement of adequate protection. The note holders may receive in exchange for their claims a recovery that could be substantially less than the amount of their claims (potentially even nothing) and any such recovery could be in the form of cash, new debt instruments or some other security.

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In addition to the limitations described above, the collateral agent s ability to exercise remedies with respect to the collateral on behalf of the note holders may also be challenged on the basis of the collateral agent s security interest not being perfected (or in the case of equity interests in foreign subsidiaries or their obligations, if any, included in the collateral, on grounds that such security interests are not created or perfected in accordance with applicable foreign law), the consent of third parties, contractual restrictions, priority issues, state law requirements and practical problems associated with the realization of the collateral agent s security interest in the collateral securing the notes, including cure rights, foreclosing on the collateral within the time periods permitted by third parties or prescribed by laws, statutory rights of redemption and the effect of the order of foreclosure. For example, the collateral agent may need to obtain the consent of a third party to obtain or enforce a security interest in a contract. We cannot assure you that the collateral agent will be able to obtain any such consent, transfer or maintain in effect any such contracts. Accordingly, the collateral agent may not have the ability to foreclose upon those assets and the value of the collateral may significantly decrease.

Any Future Pledge of Collateral or Guarantee in Favor of the Holders of the Notes Might be Voidable in Bankruptcy.

Any future pledge of collateral or guarantee in favor of the holders of the notes might be voidable (that is, cancelled) in a bankruptcy case of the pledgor or Subsidiary Guarantor if certain events or circumstances exist or occur, including, under the Bankruptcy Code, if the pledgor or Subsidiary Guarantor is insolvent at the time of the pledge or guarantee, the pledge or guarantee enables the holders of the notes to receive more than they would if the pledge or guarantee had not been made and the debtor were liquidated under chapter 7 of the Bankruptcy Code, and a bankruptcy case in respect of the pledgor is commenced within 90 days following the pledge (or one year before commencement of a bankruptcy case if the creditor that benefited from the lien or guarantee is an insider under the Bankruptcy Code).

The Notes Could be Wholly or Partially Voided as a Preferential transfer.

If we become the subject of a bankruptcy proceeding within 90 days after the date of the indenture (or, with respect to any insiders specified in bankruptcy law who are holders of the notes, within one year after we issue the notes), and the court determines that we were insolvent at the time of the closing (under the preference laws, we would be presumed to have been insolvent on and during the 90 days immediately preceding the date of filing of any bankruptcy petition), the court could find that the incurrence of the obligations under the notes involved a preferential transfer. In addition, to the extent that certain of our collateral is not perfected until after closing, such 90-day preferential transfer period would begin on the date of perfection. If the court determined that the granting of the security interest was therefore a preferential transfer, which did not qualify for any defense under bankruptcy law, then holders of the notes would be unsecured creditors with claims that ranked pari passu with all other unsecured creditors of the applicable obligor, including trade creditors. In addition, under such circumstances, the value of any consideration holders received pursuant to the notes, including upon foreclosure of the collateral securing the notes and the note guarantees, could also be subject to recovery from such holders and possibly from subsequent assignees, or such holders might be returned to the same position they held as holders of the notes.

Federal and State Fraudulent Transfer Laws May Permit a Court to Void the Notes and the Note Guarantees, Subordinate Claims in Respect of the Notes and Any Guarantees and Require Noteholders to Return Payments Received and, if That Occurs, You May not Receive any Payments on the Notes.

Federal and state fraudulent transfer and conveyance statutes may apply to the issuance of the notes, the incurrence of any guarantees of the notes entered into upon issuance of the notes and subsidiary guarantees that may be entered into thereafter under the terms of the indenture governing the notes and the granting of liens to secure the notes and the guarantees. Under federal bankruptcy law and comparable provisions of state fraudulent transfer or conveyance laws,

which may vary from state to state, the notes, any guarantee or any of the liens securing the notes and the guarantees could be voided as a fraudulent transfer or conveyance if (1) we or any of the guarantors, as applicable, issued the notes, incurred its guarantee or granted the liens with

the intent of hindering, delaying or defrauding creditors or (2) we or any of the guarantors, as applicable, received less than reasonably equivalent value or fair consideration in return for issuing the notes, incurring its guarantee or granting the liens and, in the case of (2) only, one of the following is also true at the time thereof:

we or any of the guarantors, as applicable, were insolvent or rendered insolvent by reason of the issuance of the notes or the incurrence of the guarantees;

the issuance of the notes or the incurrence of the guarantees left us or any of the guarantors, as applicable, with an unreasonably small amount of capital to carry on the business; or

we or any of the guarantors intended to, or believed that we or such guarantor would, incur debts beyond our or such guarantor s ability to pay such debts as they mature.

A court would likely find that we or a guarantor did not receive reasonably equivalent value or fair consideration for the notes or such guarantee if we or such guarantor did not substantially benefit directly or indirectly from the issuance of the notes or the applicable guarantee. As a general matter, value is given for a transfer or an obligation if, in exchange for the transfer or obligation, property is transferred or new or antecedent debt is secured or satisfied.

We cannot be certain as to the standards a court would use to determine whether or not we or the guarantors were solvent at the relevant time or, regardless of the standard that a court uses, that the issuance of the guarantees would not be further subordinated to our or any of our guarantors other debt. Generally, however, an entity would be considered solvent if, at the time it incurred indebtedness:

the sum of its debts, including contingent liabilities, was greater than the fair saleable value of all its assets; or

the present fair saleable value of its assets was less than the amount that would be required to pay its probable liability on its existing debts, including contingent liabilities, as they become absolute and

mature; or

it could not pay its debts as they become due.

If a court were to find that the issuance of the notes or the incurrence of the guarantee was a fraudulent transfer or conveyance, the court could void the payment obligations under the notes or such guarantee or subordinate the notes or such guarantee to presently existing and future indebtedness of ours or of the related guarantor, or require the holders of the notes to repay any amounts received with respect to such guarantee. In addition, the court may avoid and set aside the liens securing the collateral. In the event of a finding that a fraudulent transfer or conveyance occurred, you may not receive any repayment on the notes.

Although each guarantee entered into by a subsidiary will contain a provision intended to limit that guarantor s liability to the maximum amount that it could incur without causing the incurrence of obligations under its guarantee to be a fraudulent transfer, this provision may not be effective to protect those guarantees from being voided under fraudulent transfer law, or may reduce that guarantor s obligation to an amount that effectively makes its guarantee worthless.

Your Ability to Transfer the Notes may be Limited by the Absence of an Active Trading Market, and There is no Assurance That any Active Trading Market Will Develop for the Notes.

The notes are new issues of securities for which there is no established public market. We do not intend to have the notes listed on a national securities exchange or included in any automated quotation system.

The initial purchasers have advised us that Morgan Stanley & Co. Incorporated currently intends to make a market in the notes and Oppenheimer & Co. Inc. may make a market in the notes, each as permitted by applicable laws and regulations. However, the initial purchasers are not obligated to do so, and the may discontinue any market-making activities with respect to the notes at any time without notice. The liquidity of any market for the notes will depend upon the number of holders of the notes, our performance, the market

for similar securities, the interest of securities dealers in making a market in the notes and other factors. If a market develops, the notes could trade at prices that may be lower than the initial offering price of the notes. If an active market does not develop or is not maintained, the price and liquidity of the notes may be adversely affected. Historically, the market for non-investment grade debt has been subject to disruptions that have caused substantial volatility in the prices of securities similar to the notes. The market, if any, for any of the notes may not be free from similar disruptions and any such disruptions may adversely affect the prices at which you may sell your notes. In addition, subsequent to their initial issuance, the notes may trade at a discount from their initial offering price, depending upon prevailing interest rates, the market for similar notes, our performance and other factors.

A Lowering or Withdrawal of the Ratings Assigned to Our Debt Securities by Rating Agencies May Increase Our Future Borrowing Costs and Reduce Our Access to Capital.

Our debt currently has a non-investment grade rating, and there can be no assurance that any rating assigned by the rating agencies will remain for any given period of time or that a rating will not be lowered or withdrawn entirely by a rating agency if, in that rating agency s judgment, future circumstances relating to the basis of the rating, such as adverse changes, so warrant. A lowering or withdrawal of the ratings assigned to our debt securities by rating agencies may increase our future borrowing costs and reduce our access to capital, which could have a material adverse impact on our financial condition and results of operations.

The Market Price for the Notes May be Volatile.

Historically, the market for non-investment grade debt has been subject to disruptions that have caused substantial fluctuations in the price of the securities. Even if a trading market for the notes develops, it may be subject to disruptions and price volatility. Any disruptions may have a negative effect on note holders, regardless of our prospects and financial performance.

An Increase in Market Interest Rates Could Result in a Decrease in the Value of the Notes.

In general, the market value of already outstanding debt instruments similar to the notes bearing interest at a fixed rate will decline if and as market interest rates for similar instruments of issuers generally rise. Consequently, if you purchase the notes and market interest rates increase, the market value of your notes may decline. We cannot predict the future level of market interest rates.

Certain Covenants Contained in the Indenture Will not be Applicable During Any Period in Which the Notes are Rated Investment Grade.

The indenture governing the notes provides that certain covenants will not apply to us during any period in which the notes are rated investment grade by either Standard & Poor s or Moody s and no default has otherwise occurred and is continuing under the indenture. The covenants that would be suspended include, among others, restrictions on our ability to pay dividends, incur indebtedness, sell certain assets, enter into transactions with affiliates and to enter into certain other transactions. Any actions that we take while these covenants are not in force will be permitted even if the notes are subsequently downgraded below investment grade and such covenants are subsequently reinstated. There can be no assurance that the notes will ever be rated investment grade, or that if they are rated investment grade, the notes will maintain such ratings. Holders of notes will have no recourse against us or any other parties in the event of a change in or suspension or withdrawal of such ratings. Any lowering, suspension or withdrawal of such ratings may have an adverse effect on the market price or marketability of the notes.

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USE OF PROCEEDS

This prospectus is delivered in connection with offers and sales of notes by Oppenheimer & Co. Inc. in market-making transactions. We will not receive any proceeds from these transactions.

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RATIO OF EARNINGS TO FIXED CHARGES

We present below our ratio of earnings to fixed charges, which is computed by dividing earnings, which is the sum of profit (loss) before income taxes and fixed charges, by fixed charges. Fixed charges represent interest expense, amortization of debt issuance costs, and an appropriate portion of rentals representative of the interest factor.

	Six Months Ended		Year Ended December 31,				
	June 30, 2011	June 30, 2010	2010	2009	2008	2007	2006
			(Dollars in millions)				
Profit (Loss) Before Income Taxes	$ 11,533	$ 32,006	$ 70,766	$ 34,813	$ (36,043)	$ 127,394	$ 80,450
Add Fixed Charges:							
Interest Expense(1)	18,443	11,690	25,914	21,050	38,998	56,643	62,867
Amortization of Debt Issuance Costs	571	391	643	1,164	1,227	1,218	352
Appropriate Portion of Rentals Representative of the Interest Factor(2)	8,115	8,373	16,793	16,853	15,687	11,036	11,090
Total Fixed Charges	27,129	20,454	43,450	39,067	55,912	68,897	74,309
Earnings	38,662	52,460	114,116	73,880	19,869	196,291	154,759
Ratio of Earnings to Fixed Charges(3)	1.4	2.6	2.6	1.9		2.8	2.1

(1) Includes interest expenses on short-term borrowings including bank call loans, securities lending, and repurchase agreements which generally have a corresponding asset that generates interest income that substantially offsets or exceeds the aforementioned interest expense.

(2) The percent of rent included in the computation is a reasonable approximation of the interest factor.

(3) Due to the Company s pre-tax loss in the year ended December 31, 2008 the ratio coverage was less than 1:1 in this period. The Company would have needed to generate additional earnings of $36 million to achieve a coverage of 1:1.

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DESCRIPTION OF THE NOTES

The 8.75% Senior Secured Notes due 2018 (the **notes**) were issued under an indenture, dated as of the April 12, 2011 (the **Indenture**) among us, as issuer, the Subsidiary Guarantors party thereto and The Bank of New York Mellon Trust Company, N.A., as trustee (in such capacity, the **Trustee**), and as collateral agent (in such capacity, the **Collateral Agent**).

The following is a summary of certain of the material provisions of the Indenture, the Registration Rights Agreement and the Security Documents but does not restate such documents in their entirety. We urge you to read the Indenture, the Registration Rights Agreement and the Security Documents because they, and not this description, define your rights as holders of the notes (the **Holders**). We will provide you with copies of the Indenture and the Security Documents upon request. Copies of the Registration Rights Agreement referred to herein are available as described in Additional Information. The terms of the notes include those stated in the Indenture and the Security Documents and those made part of the Indenture by reference to the Trust Indenture Act of 1939, as amended (the **TIA**). For purposes of this Description of the notes, the terms we, us, our or the Company means Oppenheimer Holdings, Inc. and it successors under the Indenture, in each case excluding its subsidiaries.

Certain of our subsidiaries, which we refer to as our Regulated Subsidiaries, are not subject to all of the restrictive covenants in the Indenture which place limitations on our actions, and where they are subject to covenants, there are numerous exceptions and limitations. As of June 30, 2011, Regulated Subsidiaries represented 88% of our total assets. For the six months ended June 30, 2011 and the year ended December 31, 2010, Regulated Subsidiaries represented 90% and 90% of our total revenues, respectively, and 1% and 54% of our net income, respectively.

General

The notes are our senior secured obligations, initially limited to $200,000,000 aggregate principal amount. The notes mature on April 15, 2018. Subject to the covenants described below under Covenants and applicable law, the Company may issue additional notes (**Additional Notes**) under the Indenture. References to notes means the notes initially issued and any Additional Notes *provided* that the Company Incurred such Additional Notes in compliance with the covenant described under the caption Covenants Limitation on Indebtedness and Issuances of Preferred Stock below. The notes and any Additional Notes would be treated as a single class for all purposes under the Indenture; *provided* that if the Additional Notes are not fungible with the notes and any exchange notes for U.S. federal income tax purposes, the Additional Notes will have a separate CUSIP number.

Interest on the notes will accrue, from the Closing Date, at the rate per annum shown on the cover page hereof and will be payable semiannually in cash on each April 15 and October 15, commencing October 15, 2011. We will make interest payments on the notes to the persons who are registered holders at the close of business on the April 1 and October 1 immediately preceding the applicable interest payment date. Interest on the notes will accrue from the most recent date on which interest on the notes was paid or, if no interest has been paid, from and including the date on which the notes were originally issued. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

Optional Redemption

We may redeem the notes at any time on or after April 15, 2014. The redemption price for the notes (expressed as a percentage of principal amount), will be as follows, plus accrued interest and Additional Interest (if any) to, but not including, the redemption date:

If Redeemed During the 12-Month Period Commencing April 15,	Redemption Price
2014	106.563%
2015	104.375%
2016	102.188%
2017 and thereafter	100.000%

In addition, prior to April 15, 2014, the Company may redeem the notes at its option, in whole at any time or in part from time to time, at a redemption price equal to 100% of the principal amount of the notes redeemed plus the Applicable Premium as of, and accrued and unpaid interest and Additional Interest (if any) to, but not including, the applicable redemption date.

In addition, at any time prior to April 15, 2014, we may redeem up to 35% of the principal amount of the notes with the Net Cash Proceeds of one or more sales of our Capital Stock (other than Disqualified Stock) at a redemption price of 108.75% of their principal amount, plus accrued interest and Additional Interest (if any) to, but not including, the redemption date; *provided* that at least 65% of the original aggregate principal amount of notes (calculated after giving effect to any issuance of Additional Notes) remains outstanding after each such redemption and notice of any such redemption is mailed within 90 days of each such sale of Capital Stock.

We will give not less than 30 days nor more than 90 days notice of any redemption. If less than all of the notes are to be redeemed, selection of the notes for redemption will be made by the Trustee:

- in compliance with the requirements of the principal national securities exchange, if any, on which the notes are listed, or

- if the notes are not listed on a national securities exchange, by lot or by such other method as the Trustee in its sole discretion shall deem to be fair and appropriate.

However, no note of $2,000 in principal amount or less shall be redeemed in part. If any note is to be redeemed in part only, the notice of redemption relating to such note will state the portion of the principal amount to be redeemed. A new note in principal amount equal to the unredeemed portion will be issued upon cancellation of the original note.

Ranking

The payment of the principal of, premium, if any, and interest and Additional Interest on the notes and the payment of any Subsidiary Guarantee:

- ranks effectively senior in right of payment to all unsecured and unsubordinated obligations of the Company or the relevant Subsidiary Guarantor, to the extent of the value of the Collateral owned by the Company or such Subsidiary Guarantor (and, to the extent of any unsecured remainder after payment of the value of the Collateral, rank equally in right of payment with such unsecured and unsubordinated Indebtedness of the Company);

- is secured on a first-priority basis by the Collateral, subject to certain Permitted Liens and it is intended that Pari Passu Lien Indebtedness will be secured on an equal and ratable basis;

- ranks senior in right of payment to any subordinated debt of the Company or such Subsidiary Guarantor; and

- ranks effectively junior in right of payment to all existing and future indebtedness, claims of holders of Preferred Stock and other liabilities (including trade payables) of Subsidiaries of the Company that are not guarantors, including all Regulated Subsidiaries and Unrestricted Subsidiaries.

As of June 30, 2011, we had $200 million of senior debt, $200 million of which was secured, and no subordinated debt. Although the Indenture contains limitations on the amount of additional Indebtedness and secured Indebtedness that the Company and its Restricted Subsidiaries may incur, the amount of additional Indebtedness, including secured Indebtedness, could be substantial. In addition, the Company and its Restricted Subsidiaries may, subject to certain

conditions, incur Indebtedness (including Additional Notes) in addition to the notes that is entitled to be secured by the Collateral on a ratable basis with the notes. See Limitation on Indebtedness and Issuances of Preferred Stock.

We currently derive the majority of our revenue from the operations of our Regulated Subsidiaries. As our obligations under the notes are not guaranteed by our Regulated Subsidiaries, creditors of a Regulated Subsidiary, including trade creditors, customers, and preferred stockholders, if any, of such Regulated

Subsidiary generally will have priority with respect to the assets and earnings of such Regulated Subsidiary over the claims of the Holders.

The notes, therefore, are effectively subordinated to the claims of creditors, including trade creditors, customers and preferred stockholders, if any, of our Regulated Subsidiaries. As of June 30, 2011, our Regulated Subsidiaries had $2.9 billion outstanding in such liabilities.

The Indenture does not treat (1) unsecured Indebtedness as subordinated or junior to Secured Indebtedness merely because it is unsecured, (2) Indebtedness as subordinated or junior to any other Indebtedness merely because it has a junior priority with respect to the same collateral or (3) Indebtedness that is not guaranteed as subordinated or junior to Indebtedness that is guaranteed merely because of such guarantee.

Subsidiary Guarantees

The Subsidiary Guarantors have, jointly and severally, fully and unconditionally guaranteed, on a senior secured basis, the Company s obligations under the notes and the Indenture (each such guarantee, a **Subsidiary Guarantee**). Each Subsidiary Guarantee is secured on a first-priority basis, subject to Permitted Liens, together with all other Pari Passu Lien Indebtedness of the Subsidiary Guarantors, by the Collateral owned by such Subsidiary Guarantor to the extent set forth under Security . The obligations of each Subsidiary Guarantor under its Subsidiary Guarantee include a limitation intended to prevent that Subsidiary Guarantee from constituting a fraudulent conveyance or fraudulent transfer under applicable law. It is uncertain, however, whether such provisions would be effective to prevent the Subsidiary Guarantees from constituting a fraudulent conveyance or fraudulent transfer under applicable law. See Risk factors Risk related to the Notes Under certain circumstances a court could cancel the notes or the related guarantees and the security interests that secure the notes and any Subsidiary Guarantees under fraudulent conveyance laws . Most of the Company s Subsidiaries do not Guarantee the notes including, without limitation, Regulated Subsidiaries. As of and for the six months ended June 30, 2011, the Company s Subsidiaries that will not Guarantee the notes represented 93% of our total assets. For the six months ended June 30, 2011 and for the year ended December 31, 2010, the Company s Subsidiaries that will not Guarantee the notes represented, before intercompany eliminations, 100% and 100% our revenue, respectively.

Each Subsidiary Guarantee by a Subsidiary Guarantor under the Indenture and the obligations of such Subsidiary Guarantor under the Security Agreement and other Security Documents to which it is a party, are automatically and unconditionally released and discharged upon:

(i) any sale, exchange or transfer (by merger or otherwise) of the Capital Stock of such Subsidiary Guarantor, following which such Subsidiary Guarantor ceases to be a direct or indirect Subsidiary of the Company if such sale or disposition either does not constitute an Asset Sale or does constitute an Asset Sale effected in compliance with the covenants set forth under Limitation on Asset Sales and Consolidation, Merger and Sale of Assets ;

(ii) if such Subsidiary Guarantor is dissolved or liquidated;

(iii) the designation of any Restricted Subsidiary that is a Subsidiary Guarantor as an Unrestricted Subsidiary in compliance with the applicable provisions of the Indenture; or

(iv) the exercise by the Company of its legal defeasance option or covenant defeasance option as described under Defeasance or the discharge of the Company s obligations under the Indenture in accordance with the terms of the Indenture.

Security

The obligations of the Company with respect to the notes and the obligations of the Subsidiary Guarantors under the Subsidiary Guarantees are secured by a first-priority security interest, subject to

Permitted Liens, in substantially all of the Company s and the Subsidiary Guarantors existing and future tangible and intangible assets, including (without limitation):

(a) 100% of the Capital Stock of or Equity Interests in direct Domestic Subsidiaries owned by the Company and the Subsidiary Guarantors and 65% of the voting stock and 100% of the non-voting stock of direct Subsidiaries that are not Domestic Subsidiaries owned by the Company and the Subsidiary Guarantors;

(b) accounts;

(c) equipment, goods, inventory and fixtures;

(d) documents, instruments and chattel paper;

(e) investment property;

(f) general intangibles (including intellectual property);

(g) deposit accounts;

(h) money;

(i) supporting obligations;

(j) books and records;

(k) present and future real estate (other than any leased real property and any owned real property having a purchase price of less than $5.0 million (**Excluded Real Property**)); and

(l) proceeds of each of the foregoing (collectively, the **Collateral**).

Notwithstanding the foregoing, the Collateral does not include any of the following assets (collectively, the **Excluded Property**):

(1) any asset or property right of the Company or any Subsidiary Guarantor of any nature:

(a) if the grant of a security interest shall constitute or result in (i) the abandonment, invalidation or unenforceability of such asset or property right or the Company or any Subsidiary Guarantor loss of use of such asset or property right or (ii) a breach, termination or default under any lease, license, contract, property right, permit or agreement (other than to the extent that any such term would be rendered ineffective pursuant to Sections 9-406, 9-407, 9-408 or 9-409 of the Uniform Commercial Code (or any successor provision or provisions) of any relevant jurisdiction or any other applicable law (including the U.S. Bankruptcy Code) or principles of equity) to which the Company or such Subsidiary Guarantor is party;

(b) to the extent that any applicable law or regulation prohibits the creation of a security interest thereon (other than to the extent that any such term would be rendered ineffective pursuant to Sections 9-406, 9-407, 9-408 or 9-409 of the UCC (or any successor provision or provisions) of any relevant jurisdiction or any other applicable law or principles of equity);

(2) Equity Interests of each class of voting equity interests issued by any first-tier Subsidiary that is not a Domestic Subsidiary in excess of 65% of such class of voting Equity Interests issued by such first-tier Subsidiary and all the Equity Interests in Oppenheimer Cooperative U.A., an entity formed under the laws of the Netherlands;

(3) Capital Stock of (i) Oppenheimer Trust Company, a corporation formed under the laws of New Jersey and Oppenheimer Cooperative U.A., an entity formed under the laws of the Netherlands, (ii) any Foreign Subsidiary that is not a first-tier Foreign Subsidiary and (iii) in the case of Capital Stock of any Subsidiary, only to the extent that the value thereof, together with the value of all promissory notes or other instruments payable by such Subsidiary constituting Collateral, equals 20% or more of the notes plus the principal amount at maturity of any other collateral permitted to be taken into consideration in

determining whether separate financial information with respect to the issuer thereof would be required to be filed pursuant to Rule 3-16 of Regulation S-X;

(4) promissory notes or other instruments payable by any Subsidiary, to the extent that the value thereof, together with the value of all Capital Stock of such Subsidiary constituting Collateral, equals 20% or more of the notes plus the principal amount at maturity of any other collateral permitted to be taken into consideration in determining whether separate financial information with respect to the issuer thereof would be required to be filed pursuant to Rule 3-16 of Regulation S-X;

(5) any foreign intellectual property and any assets located outside the United States to the extent a Lien on such assets cannot be perfected by the filing of Uniform Commercial Code financing statements;

(6) any applications for trademarks or service marks filed in the United States Patent and Trademark Office (the **PTO**) pursuant to 15 U.S.C. § 1051 Section 1(b) unless and until evidence of use of the mark in interstate commerce is submitted to the PTO pursuant to 15 U.S.C. § 1051 Section 1(c) or Section 1(d);

(7) (i) deposit and securities accounts the balance of which consists exclusively of (a) withheld income taxes and federal, state or local employment taxes in such amounts as are required to be paid to the IRS or state or local government agencies within the following two months with respect to employees of the Company or any of the Subsidiary Guarantors, and (b) amounts required to be paid over to an employee benefit plan pursuant to DOL Reg. Sec. 2510.3-102 on behalf of or for the benefit of employees of the Company or any Subsidiary Guarantor, and (ii) all segregated deposit accounts constituting (and the balance of which consists solely of funds set aside in connection with) tax accounts, payroll accounts and trust accounts;

(8) cash and Cash Equivalents maintained in any account of any Subsidiary Guarantor that is an investment adviser registered under the Investment Advisers Act of 1940 so long as such account is maintained to satisfy qualified professional asset manager requirements under ERISA;

(9) deposit and securities accounts to the extent the aggregate value of assets therein does not exceed $2.0 million;

(10) motor vehicles and other similar assets in which a Lien may be perfected only through compliance with a non-UCC certificate of title statute of any state of the United States of America or the District of Columbia, letter of credit rights and commercial tort claims;

(11) equipment leased by the Company or any of its Subsidiaries under a lease that prohibits the granting of a Lien on such equipment;

(12) any leasehold improvements to the extent that the grant of a security interest therein would violate the related lease;

(13) assets subject to a purchase money lien, capitalized lease obligation or similar arrangement, in each case as permitted by the Indenture, to the extent that the contract or other agreement in which such Lien is granted (or the documentation providing for such capitalized lease obligation or similar arrangement) prohibits such assets from being Collateral and only for so long as such Lien remains outstanding;

(14) capital stock of or Equity Interests in any Person other than Wholly Owned Subsidiaries to the extent not permitted by the terms of such Person s organizational documents;

(15) any property and assets the pledge of which would require governmental consent, approval, license or authorization;

(16) Excluded Real Property; and

(17) proceeds and products of any and all of the foregoing excluded assets described in clauses (1) through (16) above only to the extent such proceeds and products would constitute property or assets of the type described in clauses (1) through (16) above.

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Certain security interests in the Collateral will not be in place on the date of the indenture or will not be perfected on the date of the indenture. The Company and the Subsidiary Guarantors will use commercially reasonable efforts to perfect on the date of the indenture the security interests in the Collateral for the benefit of the holders of the notes that are created on the date of the indenture, but to the extent any such security interest cannot be perfected by such date, the Company and the Subsidiary Guarantors will agree to do or cause to be done all acts and things that may be reasonably required to have all security interests in the Collateral duly created and enforceable and perfected, to the extent required by the Security Documents, promptly following the date of the indenture, but in any event no later than 60 days thereafter (or 90 days thereafter in the case of perfecting security interests in deposit accounts).

It is intended that the obligations of the Company and the Subsidiary Guarantors under the Additional Notes and other Permitted Pari Passu Lien Obligations will be secured on an equal and ratable basis with the obligations of the Company with respect to the notes and the obligations of the Subsidiary Guarantors under the Subsidiary Guarantees by a first-priority security interest, subject to Permitted Liens, in the Collateral. The respective rights in respect of the Collateral of the Collateral Agent, the Trustee, the holders, any Pari Passu Debt Collateral Agent and the other Pari Passu Secured Parties will be subject to the terms of the Intercreditor Agreement.

The Equity Interests or intercompany note of a Restricted Subsidiary that are included in the Collateral will constitute Collateral only to the extent that such Equity Interests or intercompany note can secure the notes without Rule 3-16 of Regulation S-X under the Securities Act (or any other law, rule or regulation) requiring separate financial statements of such Restricted Subsidiary to be filed with the SEC. In the event that Rule 3-16 of Regulation S-X under the Securities Act requires or is amended, modified or interpreted by the SEC to require (or is replaced with another rule or regulation, or any other law, rule or regulation is adopted, that would require) the filing with the SEC of separate financial statements of any Restricted Subsidiary due to the fact that such Restricted Subsidiary s Equity Interests or intercompany note secures the notes, then the Equity Interests or intercompany note of such Restricted Subsidiary shall automatically be deemed not to be part of the Collateral. In such event, the Security Documents may be amended or modified, without the consent of any Holder of notes, to the extent necessary to release the Liens on the Equity Interests or intercompany note that is so deemed to no longer constitute part of the Collateral.

In the event that Rule 3-16 of Regulation S-X under the Securities Act is amended, modified or interpreted by the SEC to permit (or is replaced with another rule or regulation, or any other law, rule or regulation is adopted, which would permit) such Restricted Subsidiary s Equity Interests or intercompany note to secure the notes without the filing with the SEC of separate financial statements of such Restricted Subsidiary, then the Equity Interests or intercompany note of such Restricted Subsidiary shall automatically be deemed to be a part of the Collateral. In such event, the Security Documents may be amended or modified, without the consent of any Holder of notes, to the extent necessary to subject such Equity Interests or intercompany note to the Liens under the Security Documents.

In accordance with the limitations set forth in the immediately two preceding paragraphs as in effect on the date hereof, the Collateral will include Equity Interests or intercompany note of any Restricted Subsidiaries, only to the extent that the applicable value of such Equity Interests or intercompany note (on a Restricted Subsidiary-by-Restricted Subsidiary basis) is less than 20% of the aggregate principal amount of the notes outstanding. Accordingly, the portion of the Equity Interests or intercompany note of Restricted Subsidiaries constituting Collateral in the future may decrease or increase as described above.

Unless and until all of the Equity Interests of and intercompany notes issued by Oppenheimer & Co., Inc. are pledged as Collateral without regard to this limitation, Oppenheimer & Co., Inc. will remain a direct Wholly-Owned Subsidiary of Viner Finance Inc. and the Company shall not permit such Equity Interests or intercompany loans to be subject to other Liens.

The Collateral was pledged pursuant to a security agreement (as amended, supplemented or otherwise modified from time to time, the **Security Agreement**) and other security documents, in each case by and among the Company, the Subsidiary Guarantors party thereto and the Collateral Agent. For the avoidance of

doubt, no assets of any Subsidiary that is not a Subsidiary Guarantor (including any Capital Stock owned by any such Subsidiary) shall constitute Collateral.

No appraisals of any of the Collateral have been prepared by or on behalf of the Company in connection with the issuance and sale of the notes. The value of the Collateral is subject to fluctuations based on factors that include, among others, the condition of the particular assets and availability of competing assets, general economic conditions, and the ability to realize on the Collateral as part of a going concern and in an orderly fashion to available and willing buyers and not under distressed circumstances. By its nature, large portions of the Collateral may be illiquid and may have no readily ascertainable market value. Likewise, there can be no assurance that the Collateral will be saleable, or, if saleable, that there will not be substantial delays in its liquidation.

To the extent that third parties establish Liens on the Collateral, such third parties could have rights and remedies with respect to the assets subject to such Liens that, if exercised, could adversely affect the value of the Collateral or the ability of the Trustee or the Holders of the notes to realize or foreclose on the Collateral. The Company may also issue Additional Notes as described above or additional Pari Passu Lien Indebtedness, which would be secured by the Collateral, the effect of which will be to increase the amount of Indebtedness secured by the Collateral.

In addition, the fact that the Collateral may be shared with holders of Pari Passu Lien Indebtedness, that the Collateral excludes certain property, and that certain creditors secured by Permitted Liens may be entitled to a prior claim on certain Collateral, there is no assurance that, in a foreclosure or other exercise of remedies after an Event of Default will result in proceeds of Collateral that are sufficient to repay the notes, or that the amount of such proceeds so available would not be substantially less than amounts owing under the notes. Moreover, the ability of the holders to realize on the Collateral may be subject to certain bankruptcy law limitations in the event of a bankruptcy. If the proceeds of any of the Collateral were not sufficient to repay all amounts due on the notes, the Holders of the notes (to the extent not repaid from the proceeds of the sale of the Collateral) would have only an unsecured claim against the remaining assets of the Company and the Subsidiary Guarantors.

Intercreditor Agreement

If additional secured Indebtedness intended to constitute Pari Passu Lien Indebtedness is issued or incurred in the future, the Company, the Subsidiary Guarantors, the Collateral Agent, and the Authorized Representative for the lenders and other persons holding such additional secured debt (the **Pari Passu Debt Collateral Agent**) will enter into an Intercreditor Agreement (as the same may be amended, supplemented or otherwise modified from time to time, the **Intercreditor Agreement**), with respect to the Collateral, which Intercreditor Agreement may be amended, supplemented or modified from time to time without the consent of the Holders of the notes to add additional lenders or other persons holding Pari Passu Obligations permitted to be incurred under the indenture, the Intercreditor Agreement and any Pari Passu Agreements then in effect.

Collateral Agent

By accepting the notes, each Holder will be deemed to have irrevocably appointed The Bank of New York Mellon Trust Company, N.A., as the Collateral Agent, to act as its agent under the Intercreditor Agreement, the Security Agreement and the other Security Documents, and to have irrevocably authorized the Collateral Agent to perform the duties and exercise the rights powers and discretions that are specifically given to it under the indenture, the Intercreditor Agreement, the Security Agreement and the other Security Documents, together with any other incidental rights power and discretion. Under the terms of the indenture, the Collateral Agent may resign on 30 days prior written notice, and the Collateral Agent may also be removed for cause and replaced by a replacement collateral agent selected by the Trustee, in consultation with the Company.

The Collateral Agent will hold (directly or through co-trustees, co-agents, agents or sub agents), and will be entitled to enforce, all Liens on the Collateral created by the Security Documents in accordance with the following.

Enforcement of Security Interests

Under the Intercreditor Agreement, the Applicable Authorized Representative has the right, under certain circumstances, to direct the Collateral Agent and each Pari Passu Debt Collateral Agent to foreclose or take other actions with respect to the Collateral, and no other party to the Intercreditor Agreement will have the right to direct any action with respect to the Collateral. Except as described below, the Applicable Authorized Representative will be the Authorized Representative of the Series of Pari Passu Obligations that constitutes the largest Outstanding Amount of all then outstanding Pari Passu Obligations (the **Controlling Authorized Representative**). Upon the occurrence of the Non-Controlling Authorized Representative Enforcement Date (as defined below), the then Applicable Authorized Representative will be replaced as Applicable Authorized Representative by the Authorized Representative of the Series of Pari Passu Obligations that then constitutes the next largest Outstanding Amount of all then outstanding Pari Passu Obligations with respect to the Collateral (the **Major Non-Controlling Authorized Representative**).

The Non-Controlling Authorized Representative Enforcement Date, with respect to which a Non-Controlling Authorized Representative becomes the Applicable Authorized Representative is the date that is 90 days (throughout which 90-day period the applicable Non-Controlling Authorized Representative was the Major Non-Controlling Authorized Representative) after the occurrence of both (a) an event of default that has occurred and is continuing, as defined in the indenture or any other applicable Pari Passu Agreement for that Series of Pari Passu Obligations, and (b) the Collateral Agent s and each other Authorized Representative s receipt of written notice from that Authorized Representative certifying that (i) such Authorized Representative is the Major Non-Controlling Authorized Representative and that an event of default, as defined in the indenture or any other Pari Passu Agreement for that Series of Pari Passu Obligations, has occurred and is continuing and (ii) the Pari Passu Obligations of that Series are currently due and payable in full (whether as a result of acceleration thereof or otherwise) in accordance with the indenture or other applicable Pari Passu Agreement, as applicable, for that Series of Pari Passu Obligations; *provided* that the Non-Controlling Authorized Representative Enforcement Date will be stayed and shall not occur and shall be deemed not to have occurred with respect to any Collateral if (1) at any time the Applicable Authorized Representative has commenced and is diligently pursuing any enforcement action with respect to such Collateral or (2) at any time the Company or any Subsidiary Guarantor that has granted a security interest in such Collateral is then a debtor under or with respect to (or otherwise subject to) any insolvency or liquidation proceeding. If no such stay occurs, or is deemed to occur, then the Major Non-Controlling Authorized Representative will become the Applicable Authorized Representative from and after the occurrence of the Non-Controlling Authorized Representative Enforcement Date.

Restrictions on Enforcement of Priority Liens

Subject to the terms of the Intercreditor Agreement, the Applicable Authorized Representative will have the sole right to instruct the Collateral Agent and each Pari Passu Debt Collateral Agent to act or refrain from acting with respect to the Collateral, and (a) neither Collateral Agent nor any Pari Passu Debt Collateral Agent will follow any instructions (other than certain types of instructions to exercise rights other than enforcement rights) with respect to the Collateral from any representative of any Non-Controlling Secured Party or other Pari Passu Secured Party (other than the Applicable Authorized Representative), and (b) no Authorized Representative of any Non-Controlling Secured Party or other Pari Passu Secured Party (other than the Applicable Authorized Representative) will instruct the Collateral Agent or any Pari Passu Debt Collateral Agent to commence any judicial or non-judicial foreclosure proceedings with respect to, seek to have a trustee, receiver, liquidator or similar official appointed for or over, attempt any action to take possession of, exercise any right, remedy or power with respect to, or otherwise take any action to enforce its interests in or realize upon, or take any other action available to it in respect of, the Collateral.

No representative of any Non-Controlling Secured Party may contest, protest or object to any foreclosure proceeding or action brought by or at the direction of the Controlling Authorized Representative in connection with the

Intercreditor Agreement or the exercise of remedies against the Collateral in accordance with the terms of the Intercreditor Agreement. Each Authorized Representative will agree that it will not accept any Lien on any Collateral for the benefit of any series of Pari Passu Obligations (other than funds deposited for

the discharge or defeasance of the indenture or any Pari Passu Agreement and other exceptions set forth in the Intercreditor Agreement) unless each other series of Pari Passu Obligations is also secured by a Lien on such Collateral. Each of the Pari Passu Secured Parties will also agree that it will not contest or support any other person in contesting, in any proceeding (including any insolvency or liquidation proceeding), the perfection, priority, validity or enforceability of a Lien held by or on behalf of any of the Pari Passu Secured Parties in all or any part of the Collateral, or the provisions of the Intercreditor Agreement.

None of the Pari Passu Secured Parties may institute any suit or assert in any suit, bankruptcy, insolvency or other proceeding any claim against the Collateral Agent or any other Pari Passu Secured Party seeking damages from or other relief by way of specific performance, instructions or otherwise with respect to any Collateral, except to the extent expressly permitted by the terms of the Intercreditor Agreement. In addition, none of the Pari Passu Secured Parties may seek to have any Collateral or any part thereof marshaled upon any foreclosure or other disposition of such Collateral. If any Pari Passu Secured Party obtains possession of any Collateral or realizes any proceeds or payment in respect thereof, at any time prior to the discharge of each of the Pari Passu Obligations, then it must hold such Collateral, proceeds or payment in trust for the other Pari Passu Secured Parties and promptly transfer such Collateral, proceeds or payment to the Applicable Authorized Representative to be distributed in accordance with the Intercreditor Agreement.

The Pari Passu Secured Parties acknowledge that the Pari Passu Obligations may, subject to the limitations set forth in the indenture, the Security Documents, the applicable Pari Passu Agreement or Pari Passu Security Documents, as the case may be, be increased, extended, renewed, replaced, restated, supplemented, restructured, repaid, refunded, refinanced or otherwise amended or modified from time to time, all without affecting the priorities set forth in the Intercreditor Agreement defining the relative rights of the Pari Passu Secured Parties; *provided* that the authorized representative of the holders of such Pari Passu Obligations, if not a party to the Intercreditor Agreement, shall have executed a Joinder Agreement to the Intercreditor Agreement on behalf of the holders of such Pari Passu Obligations.

Notwithstanding the foregoing, with respect to any Collateral for which a third party (other than a Pari Passu Secured Party) has a lien or security interest that is junior in priority to the security interest of any Series of Pari Passu Obligations but senior (as determined by appropriate legal proceedings in the case of any dispute) to the security interest of any other Series of Pari Passu Obligations (such third party, an **Intervening Creditor**), the value of any Collateral or proceeds which are allocated to such Intervening Creditor will be deducted on a ratable basis solely from the Collateral or proceeds to be distributed in respect of the Series of Pari Passu Obligations with respect to which such impairment exists. In addition, the Pari Passu Secured Parties of each Series bear the risk that a court may deem that the Pari Passu Obligations of such Series (and not of any other Series) (i) are unenforceable under applicable law, (ii) are equitably subordinated to any other obligations or (iii) do not have an enforceable security interest in any of the Collateral that secures any other Series of Pari Passu Obligations. In the event of any such impairment, the rights of the holders of Pari Passu Obligations of the impaired Series under the Intercreditor Agreement will be modified to the extent necessary so that the effects of the impairment are borne solely by such impaired holders and not the holders of any other Series of Pari Passu Obligations.

Amendment of Security Documents

The Applicable Authorized Representative may enter into any amendment to any Pari Passu Security Document, so long as the Applicable Authorized Representative receives a certificate of the Company stating that such amendment is permitted by the terms of the indenture and each Pari Passu Agreement then in effect. The Applicable Authorized Representative will give notice to each other Authorized Representative of any release of Collateral and of any amendment to any Pari Passu Security Document. The Applicable Authorized Representative may not enter into any amendment that releases all or substantially all of the Collateral from the Liens under any Pari Passu Security Document without the written consent of each Authorized Representative; *provided* that, to the extent the release of

all or substantially all of the Collateral from the Liens under the applicable Pari Passu Security Documents relates solely to one or more (but not all) Series of Pari Passu Obligations (and such release is permitted under, and in accordance with, the indenture, the Security Documents, the Pari Passu Agreement or Pari Passu Security Documents, as the case may be, applicable to

such Series), such release shall not require the prior written consent of any Authorized Representative of any other Series of Pari Passu Obligations (it being understood that the Liens securing such other Series of Pari Passu Obligations shall not be affected by such release and shall remain in effect).

Use and Release of Collateral

Subject to the terms of the Security Documents, the Company and the Subsidiary Guarantors will have the right to remain in possession and retain exclusive control of the Collateral, subject to certain exceptions, to freely operate the Collateral and to collect, invest and dispose of any income thereon. The indenture requires the Company to comply with Section 313(b) of the Trust Indenture Act (the **TIA**) relating to reports, and Section 314(d) of the TIA, relating to the release of property and to the substitution therefor of any property to be pledged as Collateral for the notes. Any certificate or opinion required by Section 314(d) of the TIA may be made by an Officer of the Company except in cases where Section 314(d) requires that such certificate or opinion be made by an independent engineer, appraiser or other expert, who shall be reasonably satisfactory to the Trustee. Notwithstanding anything to the contrary herein, the Company and the Subsidiary Guarantors will not be required to comply with all or any portion of Section 314(d) of the TIA if they determine, in good faith based on advice of counsel (which may be internal counsel), that under the terms of that section