

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

Administrative Proceeding File No. 3-14909

In the Matter of OppenheimerFunds, Inc. and OppenheimerFunds Distributor, Inc.

DISTRIBUTION PLAN NOTICE
TO OPPENHEIMER CHAMPION INCOME FUND AND
OPPENHEIMER CORE BOND FUND INVESTORS

If you held shares of Oppenheimer Champion Class A, Class B, Class C, Class N, or Class Y Shares (“Eligible Champion Securities”) or shares of Oppenheimer Core Class A, Class B, Class C, Class N, or Class Y Shares (“Eligible Core Securities”) at any time during the Recovery Period (January 28, 2008 through and including December 31, 2008 for Eligible Champion Securities and November 14, 2008 through and including December 31, 2008 for Eligible Core Securities), and suffered a loss according to the Distribution Plan¹ you may be eligible for a payment from the Distribution Fund².

This is not a solicitation from a lawyer.

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. IF YOU SATISFY THE ELIGIBILITY CRITERIA DESCRIBED BELOW, YOU MAY BE ENTITLED TO A RECOVERY FROM THE DISTRIBUTION FUND. THIS NOTICE CONTAINS IMPORTANT INFORMATION REGARDING YOUR ELIGIBILITY.

If you had an approved claim in connection with either of the related Class Actions, *In re: Oppenheimer Champion Fund Securities Fraud Class Actions* (Civil Action No. 09-cv-386-JLK-KMT consolidated with 09-cv-525-JLK-KMT) and/or *In re: Core Bond Fund* (Civil Action No. 09-cv-1186-JLK-KMT), and you received a Notice of Eligibility with this Distribution Plan Notice, you do not need to submit a claim now, unless you want to modify your claim. If you want to modify your claim, you must submit a Proof of Claim Form postmarked no later than July 20, 2014 (the “Claims Bar Date”).

If you held Eligible Champion Securities or Eligible Core Securities during the appropriate Recovery Period and you: (a) did not have a claim in the Class Actions; (b) had a claim in one or both Class Actions that was denied in full for not having valid documentation; or (c) had a claim in one or both Class Actions that was approved, but under the terms of this Distribution Plan has a summed Eligible Loss Amount and a calculated Recognized Fees Award less than or equal to \$0.00, you must submit a completed Proof of Claim Form with the necessary documentation postmarked no later than July 20, 2014 to be eligible to participate in the Distribution Fund.

A). Purpose of this Notice

1. The purpose of this Distribution Plan Notice is to inform you that you may be entitled to share in the proceeds of the Distribution Fund established by the Securities and Exchange Commission (“SEC” or “Commission”) in *In the Matter of OppenheimerFunds, Inc. and OppenheimerFunds Distributor Inc.* (AP File No. 3-14909). The Distribution Plan Notice is being mailed to Class Action SEC Authorized Claimants and Potentially Eligible Investors who held Eligible Champion Securities or Eligible Core Securities during the Recovery Period and who can be identified by the Fund Administrator. Unless you are a Class Action SEC Authorized Claimant, as described below, you must file a Proof of Claim Form in accordance with the steps in this Distribution Plan Notice to be potentially eligible to share in the Distribution Fund. Copies of the Distribution Plan Notice, Proof of Claim Form, Distribution Plan and other important documents are also available on the Oppenheimer Fair Fund website at www.oppenheimerfairfunddistribution.com and through the SEC’s website at www.sec.gov.

¹ Unless otherwise defined herein, capitalized terms shall have the same meaning as those set forth in the Distribution Plan as approved by the Commission on February 5, 2014.

² The Distribution Fund is the Fair Fund, plus interest, less any amount expended or to be expended for administering the Fair Fund.

B). Background

2. On June 6, 2012, the Commission entered into a settlement agreement with OppenheimerFunds, Inc. and OppenheimerFunds Distributor, Inc. (collectively, “Respondents”) and issued an Order Instituting Administrative and Cease-and-Desist Proceedings Pursuant to Section 8A of the Securities Act of 1933, Section 15(b)(4) of the Securities Exchange Act of 1934, Sections 203(e) and 203(k) of the Investment Advisers Act of 1940, and Sections 9(b) and 9(f) of the Investment Company Act of 1940, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order (“Order”). Securities Act Rel. No. 9329 (June 6, 2012). The Order found that Respondents violated federal securities law by providing a misleading prospectus and making misleading statements in the midst of the Oppenheimer Champion Income Fund’s (“Champion”) and Oppenheimer Core Bond Fund’s (collectively, the “Funds”) steep declines in value.
3. As found in the Order, prior to and during the height of the 2008 financial crisis, Respondents misled investors regarding the Funds. Specifically, between January 28, 2008 and December 31, 2008, OppenheimerFunds, Inc. failed to adequately disclose in Champion’s prospectus the Fund’s practice of assuming substantial leverage through its use of derivatives, which was the primary driver of the Fund’s nearly 80% NAV decline in 2008. In addition, between mid-November 2008 and the end of the year, Respondents made a series of misleading statements about the Funds’ current circumstances and prospects for recovering lost value. Put simply, unprecedented declines in the CMBS market were triggering massive cash liabilities for the Funds on derivative instruments tied to the CMBS market, forcing the Funds to sell portfolio securities at a loss to meet those cash obligations, and requiring the Funds’ managers to shed CMBS exposure to reduce the risk of further catastrophe. Instead of communicating these facts to investors, OppenheimerFunds, Inc., in a variety of contexts, communicated that the Funds had suffered mere paper losses on their investments and that, absent actual CMBS defaults, they could recover those losses when markets returned to normal.
4. Pursuant to the Order, OppenheimerFunds, Inc. paid disgorgement, pre-judgment interest and a civil monetary penalty of approximately **\$35,366,000** to the Commission (the “Fair Fund”). The Commission has custody of the Fair Fund.
5. On February 5, 2014, the Distribution Plan was approved by the Commission. Pursuant to the Distribution Plan, investors who held Eligible Champion Securities or Eligible Core Securities during the Recovery Period and suffered a loss, as provided in the Distribution Plan, may be entitled to receive a distribution from the Distribution Fund. The Distribution Fund will first be used to compensate injured investors for their share of the advisory fees that the Funds paid to the Respondents. If any money remains in the Distribution Fund, investors will then be compensated on a *pro rata* basis for any additional decline in value, adjusted to account for market-related declines that took place during the relevant period in the Order, caused by Respondents’ misconduct.

ELIGIBILITY CRITERIA AND CALCULATIONS OF LOSSES

C). Eligibility Criteria

6. To be an Eligible Claimant, you must be either a Class Action SEC Authorized Claimant, as defined below, or you must submit a valid Proof of Claim Form to the Fund Administrator postmarked no later than **July 20, 2014**.
7. A Class Action SEC Authorized Claimant is a Person who had a claim in one or both of the Class Actions and whose claim has a summed Eligible Loss Amount and a calculated Recognized Fees Award greater than \$0.00 under the terms of the Distribution Plan. **If you are a Class Action SEC Authorized Claimant, you do not need to file a Proof of Claim Form to share in the distribution from the Distribution Fund;** however, if you want to modify your claim, you must submit a Proof of Claim Form postmarked by **July 20, 2014**. Class Action SEC Authorized Claimants will receive a Notice of Eligibility with this Distribution Plan Notice. If you did not receive a Notice of Eligibility, then you are not a Class Action SEC Authorized Claimant and must submit a Proof of Claim Form to participate in the distribution. If you have questions about a claim you filed in one or both of the Class Action matters, please contact the Fund Administrator by calling (888) 286-0552 or by sending an email to info@oppenheimerfairfunddistribution.com.
8. If you: (a) did **not** have a claim in the Class Actions; (b) had a claim in the Class Actions that was denied in full for not having valid documentation; or (c) had a claim in the Class Actions that was approved, but under the terms of the Distribution Plan has a summed Eligible Loss Amount and a calculated Recognized Fees Award less than or equal to \$0.00, you **must** file a Proof of Claim Form in order to share in any recovery from the Distribution Fund. To be considered eligible to participate in the distribution, you must have held Eligible Champion Securities or Eligible Core Securities during the applicable Recovery Period, and suffered a loss as defined in the Distribution Plan. Please note that filing a Proof of Claim Form does not guarantee that you will be eligible for any recovery.

9. The following parties are excluded from receiving any recovery from the Distribution Fund and cannot be considered Eligible Claimants:
 - a. Any respondent named in this action (or any of their Affiliates, assigns, heirs, distributees, spouses, parents, children, or controlled entities);
 - b. Any defendant in any class action lawsuit related to the conduct in this action (or any of such defendant's Affiliates, assigns, heirs, distributees, spouses, parents, children, or controlled entities), unless and until such defendant is found not liable in all such civil suits prior to the Claims Bar Date, and proof of the finding(s) is included in such defendant's timely filed Proof of Claim Form;
 - c. Any Person who assigned their right to obtain a recovery in the Commission's action against OppenheimerFunds, Inc.;
 - d. Any assignee of another Person's right to obtain a recovery in the Commission's action against OppenheimerFunds, Inc., provided, however, that this provision shall not be construed to exclude those Persons who obtained such a right by inheritance or devise; or
 - e. The Fund Administrator, its employees, and those persons assisting the Fund Administrator in its role as the Fund Administrator, and those persons and their employees who are engaged to perform services pursuant to this Plan.

D). Allocation Among Eligible Claimants

10. The Fund Administrator shall allocate the Distribution Fund among Eligible Claimants according to each Eligible Claimant's calculated Recognized Fees Award and Recognized Loss Award. As described in the Plan of Allocation (Exhibit A to the Distribution Plan), the Recognized Fees Award is determined by calculating the fees charged by OppenheimerFunds, Inc. based on holdings for each day during the Recovery Period, and the Eligible Loss Amount is determined by aggregating the Recognized Loss (or Gain) Per Share of all shares held at any time during the Recovery Period. Distribution payments shall only be made to Eligible Claimants whose total payment for a claim exceeds \$20.00.

Plan of Allocation

- (1) The Distribution Fund will be distributed to Eligible Claimants pursuant to the terms of the Plan of Allocation.
- (2) First, the Fund Administrator shall determine each Eligible Claimant's Recognized Fees Award. This award reflects the amount of each Eligible Claimant's share of the advisory fees paid by each Fund during the Recovery Period as determined by the Fund Administrator using the calculation provided in Section I below. To the extent possible, each Eligible Claimant will be fully compensated for their Recognized Fees Award. Second, if any funds remain (the "Remaining Fund"), then the Fund Administrator will determine the Eligible Loss Amount for each Eligible Claimant. This amount reflects each Eligible Claimant's trading loss on investment, after benchmark indexing, caused by Respondents' misconduct, and is determined by the Fund Administrator using the calculation provided in Section II below. The Remaining Fund will be distributed on a *pro rata* basis, based upon each Eligible Claimant's Eligible Loss Amount.

I. Recognized Fees Award Calculations

- (3) Each Eligible Claimant's Recognized Fees Award is calculated by adding together all of the Eligible Claimant's Advisory Fees. Advisory Fees are calculated on a daily basis by multiplying the Assets Under Management Per Share Class that the Eligible Claimant held on each day during the Recovery Period, times the Advisory Percentage charged by OppenheimerFunds, Inc. during the Recovery Period for that fund type.
- (4) For each day of the Recovery Period that an Eligible Claimant held shares of Eligible Champion Securities or Eligible Core Securities, that Eligible Claimant's Advisory Fees will be calculated as follows:

Step 1 – Calculating Assets Under Management Per Share Class

For shares of Eligible Champion Securities or Eligible Core Securities held as of the close of trading on each date during the Recovery Period, the Assets Under Management Per Share Class shall be calculated by taking the total number of Eligible Champion Securities or Eligible Core Securities, per share class, held as of the close of business and multiplying the number of shares times the Net Asset Value ("NAV") for that share class and date.

Step 2 – Calculating an Eligible Claimant's Advisory Fees

For each day during the Recovery Period that an Eligible Claimant had Assets Under Management Per Share Class, the value of Advisory Fees for that day will be the total Assets Under Management Per Share Class for that Eligible Claimant times the respective Advisory Percentage for that fund type. For Eligible Champion Securities the Advisory Percentage is 0.0015342% and for Eligible Core Securities the Advisory Percentage is 0.0012054%.

- (5) The Recognized Fees Award for an Eligible Claimant will be the sum of all Advisory Fees for all days that an Eligible Claimant held shares during the Recovery Period. The sum of all Advisory Fees for all Eligible Claimants will be subtracted from the Distribution Fund to create the Remaining Fund.

II. Recognized Loss Award Calculations

- (6) Each Eligible Claimant's Eligible Loss Amount is calculated by summing the amounts of all of his, her or its individually calculated Recognized Losses (or Gains) Per Share across all Eligible Champion Securities shares or Eligible Core Securities shares.
- (7) Recognized Loss (or Gain) Per Share is based on the NAV per share of the Eligible Champion Securities or Eligible Core Securities during the Recovery Period.
- (8) A Recognized Loss (or Gain) Per Share will be calculated for each share of Eligible Champion Securities or Eligible Core Securities held by the Eligible Claimant at any time during the Recovery Period. The calculation of the Recognized Loss (or Gain) Per Share will depend upon several factors, including when the share was obtained and whether the share was held until the conclusion of the Recovery Period or divested during the Recovery Period and, if so, when.
- (9) For Eligible Claimants who held shares at the beginning of the Recovery Period or who made multiple transactions during the Recovery Period, the first-in, first-out ("FIFO") method will be applied to such holdings, purchases, sales and transfers for purposes of calculating the Recognized Loss (or Gain) Per Share. Under the FIFO method, sales or deliveries of shares during the Recovery Period will be matched, in chronological order, first against shares held at the beginning of the Recovery Period. The remaining sales or deliveries of shares during the Recovery Period will then be matched, in chronological order, against shares acquired during the Recovery Period.
- (10) Shares transferred into or out of an account as a non-market transaction during the Recovery Period shall be treated as if they were purchased or sold during the Recovery Period.

Recognized Loss (or Gain) Per Share Calculations

Champion Securities:

- (11) Calculation of Recognized Loss (or Gain) Per Share during the Recovery Period for Eligible Champion Securities involves first calculating the trading loss (or gain) of the share ("Champion Step 1 Trading Loss (or Gain)") and then comparing it to the benchmark index as outlined below:

Step 1 – Calculation of Champion Step 1 Trading Loss (or Gain)

- a. For each share of Eligible Champion Securities held as of the opening of trading on January 28, 2008 and:
- i. sold prior to December 31, 2008, the Champion Step 1 Trading Loss (or Gain) will be the Net Asset Value of the share on January 28, 2008 minus the sum of the Net Asset Value of the share on the trade date of the sale and the dividends received between January 28, 2008 and the trade date of the sale, inclusive;
 - ii. held as of the close of trading on December 31, 2008, the Champion Step 1 Trading Loss (or Gain) will be the Net Asset Value of the share on January 28, 2008 minus the sum of the Net Asset Value of the share on December 31, 2008 and the dividends received between January 28, 2008 and December 31, 2008, inclusive.
- b. For each share of Eligible Champion Securities obtained between January 28, 2008 and December 31, 2008, inclusive, and:
- i. sold prior to December 31, 2008, the Champion Step 1 Trading Loss (or Gain) will be the Net Asset Value of the share on the date of purchase minus the sum of the Net Asset Value of the share on the trade date of the sale and the dividends received between the trade date of the purchase and the trade date of the sale, inclusive;
 - ii. held as of the close of trading on December 31, 2008, the Champion Step 1 Trading Loss (or Gain) will be the Net Asset Value of the share on the date of purchase minus the sum of the Net Asset Value of the share on December 31, 2008 and the dividends received between the trade date of the purchase and December 31, 2008, inclusive.

Step 2 – Adjustment of Champion Step 1 Trading Loss (or Gain) for Market Fluctuation

- c. The Champion Step 1 Trading Loss (or Gain) for each Eligible Champion Security held at any time during the Recovery Period will be adjusted by the general market movement during the Recovery Period. This adjustment will be applied by taking the Champion Step 1 Trading Loss (or Gain) (as calculated above) and subtracting from this loss (or gain) an amount representing the change in value that would have been observed had the NAV tracked the benchmark index, BofA Merrill Lynch US High Yield Master II Total

Return Index Value (“BofA Index”). The resulting net loss (or gain) amount will be the Recognized Loss (or Gain) Per Share for each Eligible Champion Security. For example, a share that was purchased at an NAV of \$8.00 and subsequently was sold for an NAV of \$5.00 would have a Champion Step 1 Trading Loss equal to \$3.00. If the BofA Index had declined by 15% during this period, then \$1.20 ($=\8.00×0.15) would be subtracted from the \$3.00, resulting in a Recognized Loss Per Share of \$1.80. If instead the BofA Index had increased by 5% during this period, then \$0.40 ($=\8.00×0.05) would be added to the \$3.00, resulting in a Recognized Loss Per Share of \$3.40. If a dividend of \$0.50 was received during the holding period in the example, the Champion Step 1 Trading Loss would equal \$2.50 and the calculation of the Recognized Loss Per Share would proceed from that value.

Core Securities:

- (12) Calculation of Recognized Loss (or Gain) Per Share during the Recovery Period for Eligible Core Securities involves first calculating the trading loss (or gain) of the share (“Core Step 1 Trading Loss (or Gain)”) and then comparing to the benchmark index as outlined below:

Step 1 – Calculation of Core Step 1 Trading Loss (or Gain)

- a. For each share of Eligible Core Securities held as of the opening of trading on November 14, 2008 and:
- sold prior to December 31, 2008 the Core Step 1 Trading Loss (or Gain) will be the Net Asset Value of the share on November 14, 2008 minus the sum of the Net Asset Value of the share on the trade date of the sale and the dividends received between November 14, 2008 and the trade date of the sale, inclusive;
 - held as of the close of trading on December 31, 2008 the Core Step 1 Trading Loss (or Gain) will be the Net Asset Value of the share on November 14, 2008 minus the sum of the Net Asset Value of the share on December 31, 2008 and the dividends received between November 14, 2008 and December 31, 2008, inclusive.
- b. For each share of Eligible Core Securities obtained between November 14, 2008 and December 31, 2008, inclusive, and:
- sold prior to December 31, 2008 the Core Step 1 Trading Loss (or Gain) will be the Net Asset Value of the share on the date of purchase minus the sum of the Net Asset Value of the share on the trade date of the sale and the dividends received between the trade date of the purchase and the trade date of the sale, inclusive;
 - held as of the close of trading on December 31, 2008 the Core Step 1 Trading Loss (or Gain) will be the Net Asset Value of the share on the date of purchase minus the sum of the Net Asset Value of the share on December 31, 2008 and the dividends received between the trade date of the purchase and December 31, 2008, inclusive.

Step 2 – Adjustment of Core Step 1 Trading Loss (or Gain) for Market Fluctuation

- c. The Core Step 1 Trading Loss (or Gain) for each Eligible Core Security held at any time during the Recovery Period will be adjusted by the general market movement during the Recovery Period. This adjustment will be applied by taking the Core Step 1 Trading Loss (or Gain) (as calculated above) and subtracting from this loss (or gain) an amount representing the change in value that would have been observed had the NAV tracked the benchmark index, Barclays Capital US Aggregate Bond Index (“Barclays Index”). The resulting net loss (or gain) amount will be the Recognized Loss (or Gain) Per Share for each Eligible Core Security. For example, a share that was purchased at an NAV of \$8.00 and subsequently was sold for an NAV of \$5.00 would have a Core Step 1 Trading Loss equal to \$3.00. If the Barclays Index had declined by 15% during this period, then \$1.20 ($=\8.00×0.15) would be subtracted from the \$3.00, resulting in a Recognized Loss Per Share of \$1.80. If instead the Barclays Index had increased by 5% during this period, then \$0.40 ($=\8.00×0.05) would be added to the \$3.00, resulting in a Recognized Loss Per Share of \$3.40. If a dividend of \$0.50 was received during the holding period in the example, the Core Step 1 Trading Loss would equal \$2.50 and the calculation of the Recognized Loss Per Share would proceed from that value.
- (13) Each claimant will be required to provide proof of his, her or its ownership position in all Eligible Champion Securities or Eligible Core Securities held at any time during the Recovery Period.
- (14) If an Eligible Claimant’s Eligible Loss Amount calculates to an overall gain (a negative number), that claimant’s Eligible Loss Amount will be \$0.00.
- (15) Each Eligible Claimant’s Recognized Loss Award shall be his, her or its *pro rata* share of the Remaining Fund based on his, her or its Eligible Loss Amount as a fraction of the total Eligible Loss Amounts of all Eligible Claimants, *i.e.*, Eligible Claimant’s Eligible Loss Amount divided by the total of all the Eligible Loss Amounts to be paid from the Remaining Fund multiplied by the total amount of the Remaining Fund.

III. Distribution Payment Calculations

- (16) Each Eligible Claimant shall be allocated a Distribution Payment that shall be the sum of the Eligible Claimant's Recognized Fees Award and the Recognized Loss Award, if any. In no event will an Eligible Claimant receive a distribution payment totaling more than his, her or its calculated harm, after taking into account the payment received in the Class Actions.
- (17) If an Eligible Claimant has a calculated Distribution Payment that is less than \$20.00 in total, that Eligible Claimant will not be included in the calculation and the funds will be distributed to other Eligible Claimants whose Distribution Payment is greater than the Minimum Distribution Amount.

E). Instructions for Obtaining and Filing a Proof of Claim Form

11. If you have been determined to be a Class Action SEC Authorized Claimant you do not need to file a Proof of Claim Form unless you want to modify your existing claim. If you want to modify your existing claim, you may obtain a copy of the Proof of Claim Form from the Fair Fund website at www.oppenheimerfairfunddistribution.com, or request that the Fund Administrator mail you a Proof of Claim Form by writing to the address below, sending an email to info@oppenheimerfairfunddistribution.com, or by calling 888- 286-0552.
12. If you have not been determined to be a Class Action SEC Authorized Claimant, a Proof of Claim Form has been included with this notice. If you require additional forms, you may make copies of the enclosed Proof of Claim Form, download and print the Proof of Claim Form from the Fair Fund website at www.oppenheimerfairfunddistribution.com, or request that the Fund Administrator mail you a Proof of Claim Form by writing to the address below, sending an email to info@oppenheimerfairfunddistribution.com, or by calling 888- 286-0552.
13. Additional information regarding the Fair Fund may be found on the Distribution Fund's website at www.oppenheimerfairfunddistribution.com. All inquiries concerning this Distribution Plan Notice and Proof of Claim Form should be made to the Fund Administrator by writing to the address below, sending an email to info@oppenheimerfairfunddistribution.com, or by calling 888- 286-0552.
14. Please be sure to provide your complete name and mailing address on the Proof of Claim Form.
15. **All Proof of Claim Forms must be signed and submitted to the address provided below, postmarked no later than July 20, 2014. Claims postmarked after July 20, 2014 will not be eligible to participate in the distribution.**

**Oppenheimer Fair Fund
Fund Administrator
PO Box 3770
Portland, OR 97208-3770**

SPECIAL NOTICE TO SECURITIES BROKERS AND OTHER NOMINEES

16. If you held Eligible Champion Securities or Eligible Core Securities during the Recovery Period (January 28, 2008 through and including December 31, 2008 for Eligible Champion Securities and November 14, 2008 through and including December 31, 2008 for Eligible Core Securities) for the beneficial interest of an individual or entity other than yourself, and you did not previously provide the names and address of such investors to the Fund Administrator in one or both of the Class Actions, then within TEN (10) DAYS OF YOUR RECEIPT OF THIS NOTICE, you must either:
 - a. Provide to the Fund Administrator the name and last known address of each individual or entity for whom or which you held the eligible securities during such time period; or
 - b. Request additional copies of this Distribution Plan Notice and Proof of Claim Form, and within 10 days, mail the Distribution Plan Notice and Proof of Claim Form to the beneficial owners of the eligible securities.
17. You are entitled to reimbursement for your reasonable expenses actually incurred in providing notice, provided an invoice is timely submitted to the Fund Administrator. All communications concerning the foregoing should be addressed to the Fund Administrator at the address below:

**Oppenheimer Fair Fund
Fund Administrator
PO Box 3770
Portland, OR 97208-3770
Telephone: 888-286-0552
Email: info@oppenheimerfairfunddistribution.com**