

**FOR IMMEDIATE RELEASE**

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**NH SECURITIES BUREAU INITIATES ACTION AGAINST  
OPPENHEIMER & CO.  
ALLEGES UNLAWFUL SALES OF “PENNY” STOCKS**

**CONCORD, NH (June 9, 2011)** - The New Hampshire Bureau of Securities Regulation today issued an order against Oppenheimer & Co., a leading securities brokerage firm. The order requires Oppenheimer to “cease and desist” from violations of the securities laws. In addition, the order requires Oppenheimer to return funds to investors and to pay fines and costs to the Bureau of \$140,000. Oppenheimer will have the opportunity to respond to the order in a hearing.

The violations were discovered during the course of a routine examination of Oppenheimer’s Portsmouth office. Bureau examiners discovered that “penny” stocks – stocks valued under five dollars per share and not traded on a major exchange – were being sold without following proper procedures that protect customers. Penny stocks are considered to be high-risk investments and, as a result, are often unsuitable for average investors. While Oppenheimer failed to properly supervise its brokers, individual brokers were often mismarking confirmation tickets to indicate that the client had independently chosen a particular penny stock, when in fact the broker recommended the investment.

Jeff Spill, Deputy Director of Enforcement at the Bureau, and Eric Forcier, Bureau Staff Attorney, who are handling the case, emphasized the potential danger of high-risk investments to unwitting investors. “Having just gone through a period when failure of large firms to address risk resulted in immense losses to investors, the Bureau will not tolerate a firm engaging in sales practices that benefit the firm but put investor funds at excessive risk,” Forcier said.

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