

OPPENHEIMER HOLDINGS INC

Form DEF 14A

March 28, 2011

**Table of Contents**

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**SCHEDULE 14A  
(RULE 14a-101)**

**INFORMATION REQUIRED IN PROXY STATEMENT  
SCHEDULE 14A INFORMATION**

**Proxy Statement Pursuant to Section 14(a) of the Securities  
Exchange Act of 1934**

Filed by the registrant

Filed by a party other than the registrant

Check the appropriate box:

- Preliminary proxy statement
- Confidential, for use of the Commission only (as permitted by Rule 14a-6(e)(2))
- Definitive proxy statement
- Definitive additional materials
- Soliciting material pursuant to § 240.14a-12

**OPPENHEIMER HOLDINGS INC.**  
(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, If Other Than the Registrant)

Payment of filing fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined.)

(4) Proposed maximum aggregate value of transaction:

(5) Total Fee Paid:

- o Fee paid previously with preliminary materials:
- o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

(1) Amount previously paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing party:

(4) Date filed:

---

**TABLE OF CONTENTS**

PROXY STATEMENT SUMMARY

OPPENHEIMER HOLDINGS INC.

QUESTIONS AND ANSWERS ABOUT THE MATTERS TO BE ACTED UPON  
THE MEETING

SOLICITATION OF PROXIES

CLASS A STOCK AND CLASS B STOCK

APPOINTMENT AND REVOCATION OF PROXIES

MATTER NO. 1 ELECTION OF DIRECTORS

REPORT OF THE AUDIT COMMITTEE

REPORT OF THE COMPENSATION COMMITTEE

REPORT OF THE NOMINATING AND CORPORATE GOVERNANCE COMMITTEE

MATTER NO. 2 APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

MATTER NO. 3 EMPLOYEE SHARE PLAN

MATTER NO. 4 ADVISORY (NON-BINDING) VOTE ON EXECUTIVE COMPENSATION,  
INCLUDING CHANGE OF CONTROL PROVISIONS

MATTER NO. 5 ADVISORY (NON-BINDING) VOTE FREQUENCY OF AN ADVISORY VOTE ON  
EXECUTIVE COMPENSATION

EXECUTIVE COMPENSATION AND RELATED INFORMATION COMPENSATION DISCUSSION  
AND ANALYSIS

Summary Compensation Table For the Year Ended December 31, 2010

Options Exercised and Stock Vested For the Year Ended December 31, 2010

Nonqualified Deferred Compensation Table For the Year Ended December 31, 2010

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

STOCKHOLDER PROPOSALS

COMMUNICATIONS WITH THE BOARD OF DIRECTORS

WHERE YOU CAN FIND MORE INFORMATION

OTHER INFORMATION

---

**Table of Contents**

**OPPENHEIMER HOLDINGS INC.**

125 Broad Street  
New York, NY 10004

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

**TO BE HELD ON MAY 9, 2011**

To our Stockholders:

NOTICE IS HEREBY GIVEN that the Annual Meeting of Stockholders of OPPENHEIMER HOLDINGS INC., a Delaware corporation (the Company), will be held at 300 Madison Avenue, New York, NY 10017 in the Auditorium on Monday, May 9, 2011, at the hour of 4:30 P.M. (New York time) for the following purposes:

1. To elect eight directors;
2. To ratify the appointment of PricewaterhouseCoopers LLP as auditors of the Company and authorize the Audit Committee to fix the auditors' remuneration;
3. To authorize the issue of up to 500,000 shares of Class A non-voting common stock to the Oppenheimer & Co. Inc. Employee Share Plan;
4. To approve, in an advisory (non-binding) vote, the Company's executive compensation as disclosed in the accompanying proxy statement;
5. To approve an advisory (non-binding) proposal to determine whether the stockholder vote to approve the Company's executive compensation (Matter 4 above) should occur every 1, 2 or 3 years; and
6. To transact such other business as is proper at such meeting or any adjournment thereof.

**Holders of Class A non-voting stock of the Company are entitled to attend and speak at the Annual Meeting of Stockholders. Holders of Class A non-voting common stock are not entitled to vote with respect to the matters referred to above.**

Only holders of Class B voting common stock of record at the close of business on March 21, 2011 are entitled to vote at the Annual Meeting of Stockholders and any adjournments thereof. Holders of Class B voting common stock who are unable to attend the meeting in person are requested to date, sign and return the enclosed form of proxy for use by holders of Class B voting common stock.

A copy of the Company's 2010 Annual Report to Stockholders, which contains its financial statements for the year ended December 31, 2010, accompanies this Notice and the attached proxy statement.

By Order of the Board of Directors,

Dennis P. McNamara  
Secretary

New York, New York  
March 25, 2011

---

**Table of Contents**

**OPPENHEIMER HOLDINGS INC.**

**PROXY STATEMENT**

**SUMMARY**

This summary highlights selected information appearing elsewhere in this proxy statement and does not contain all the information that you should consider in making a decision with respect to the proposals described in this proxy statement. You should read this summary together with the more detailed information in this proxy statement as well as our 2010 Annual Report to Stockholders in their entirety.

*Unless otherwise provided in this proxy statement, references to the Company, Oppenheimer Holdings, we, us, and our refer to Oppenheimer Holdings Inc., a Delaware corporation.*

**OPPENHEIMER HOLDINGS INC.**

The Company is a holding company which, through its subsidiaries, is a leading middle-market investment bank and full service investment firm. Through our operating subsidiaries, we provide a broad range of financial services, including retail securities brokerage, institutional sales and trading, investment banking (both corporate and public finance), research, market-making, and investment advisory and asset management services. We own, directly or through subsidiaries, Oppenheimer & Co. Inc., a New York-based securities broker-dealer, Oppenheimer Asset Management, a New York-based investment advisor, Freedom Investments Inc., a discount securities broker-dealer based in New Jersey, Oppenheimer Trust Corporation, a New Jersey limited purpose bank, Oppenheimer Multifamily Housing and Healthcare Finance, Inc. (formerly Evanston Financial Corporation), a Federal Housing Administration approved mortgage corporation based in Pennsylvania, and OPY Credit Corp., a dealer in syndicated loans. The Company also has subsidiaries operating in the United Kingdom, Israel and Hong Kong. The telephone number and address of our registered office is (212) 668-8000 and 125 Broad Street, New York, NY 10004.

This proxy statement is dated March 25, 2011 and is first being mailed to stockholders on or about March 29, 2011.

Set forth below in a question and answer format is general information regarding the Annual Meeting of Stockholders, or the Meeting, to which this proxy statement relates.

**QUESTIONS AND ANSWERS ABOUT THE MATTERS TO BE ACTED UPON**

**Q. What is the purpose of the Meeting?**

- A.** The purpose of the Meeting is to elect eight directors, to ratify the appointment of our auditors and authorize the Audit Committee to fix the auditors' remuneration, to authorize the issue of up to 500,000 shares of Class A non-voting common stock to the Oppenheimer & Co. Inc. Employee Share Plan, to approve, in an advisory (non-binding) vote, the Company's executive compensation (say-on-pay), to approve an advisory (non-binding) proposal to determine whether the stockholder vote to approve executive compensation should occur every 1, 2 or 3 years, and to transact such other business as is proper at the Meeting.

**Q. Where will the Meeting be held?**

- A.** The Meeting will be held at 300 Madison Avenue, New York, NY 10017 in the Auditorium on Monday, May 9, 2011, at the hour of 4:30 P.M. (New York time).

**Q. Who is soliciting my vote?**

- A.** Our management is soliciting your proxy to vote at the Meeting. This proxy statement and form of proxy were first mailed to our stockholders on or about March 29, 2011. Your vote is important. We encourage you to vote as soon as possible after carefully reviewing this proxy statement and all information accompanying this proxy statement.

**Table of Contents**

**Q. Who is entitled to vote at the Meeting?**

A. The record date for the determination of stockholders entitled to receive notice of the Meeting is March 21, 2011. In accordance with the provisions of the General Corporation Law of the State of Delaware, or the DGCL, we will prepare a list of the holders of our Class B voting common stock, or the Class B Stockholders, as of the record date. Class B Stockholders named in the list will be entitled to vote their Class B voting common stock, or Class B Stock, on the matters to be voted on at the Meeting.

**Q. What am I voting on?**

A. The Class B Stockholders are entitled to vote on the following proposals:

(1) The election of R. Crystal, W. Ehrhardt, M.A.M. Keehner, A.G. Lowenthal, K.W. McArthur, A.W. Oughtred, E.K. Roberts and B. Winberg as directors;

(2) The ratification of the appointment of PricewaterhouseCoopers LLP as our auditors for 2011 and the authorization of the Audit Committee to fix the auditors' remuneration;

(3) The issue of up to 500,000 shares of Class A non-voting common stock to the Oppenheimer & Co. Inc. Employee Share Plan;

(4) The approval, in an advisory (non-binding) vote, of the Company's executive compensation;

(5) The vote in an advisory (non-binding) proposal to determine whether the stockholder vote to approve executive compensation (Matter 4 above) should occur every 1, 2 or 3 years; and

(6) Any other business as may be proper to transact at the Meeting.

**Q. What are the voting recommendations of the Board of Directors?**

A. The Board of Directors recommends the following votes:

**FOR** the election of the nominated directors;

**FOR** the ratification of the appointment of PricewaterhouseCoopers LLP as our auditors for 2011 and the authorization of our Audit Committee to fix the auditors' remuneration;

**FOR** the issue of up to 500,000 shares of Class A non-voting common stock to the Oppenheimer & Co. Inc. Employee Share Plan.;

**FOR** the approval, in an advisory (non-binding) vote, of the Company's executive compensation; and

**FOR** a vote in an advisory (non-binding) proposal that a stockholder vote to approve executive compensation (Matter 4 above) should occur every 3 years.

**Q. Will any other matters be voted on?**

A.

The Board of Directors does not intend to present any other matters at the Meeting. The Board of Directors does not know of any other matters that will be brought before our Class B Stockholders for a vote at the Meeting. If any other matter is properly brought before the Meeting, your signed proxy card gives authority to A.G. Lowenthal and Elaine K. Roberts, as proxies, with full power of substitution, to vote on such matters at their discretion.

**Q. How many votes do I have?**

A. Class B Stockholders are entitled to one vote for each share of Class B Stock held as of the close of business on the record date.

**Q. What is the difference between holding shares as a stockholder of record and as a beneficial owner?**

A. Many stockholders hold their shares through a broker or bank rather than directly in their own names. As summarized below, there are some distinctions between shares held of record and those owned beneficially.

*Stockholder of Record* If your shares are registered directly in your name with our transfer agent, you are considered, with respect to those shares, the *stockholder of record*, and these proxy materials are being sent directly

## **Table of Contents**

to you by us. You may vote the shares registered directly in your name by completing and mailing the proxy card or by written ballot at the Meeting.

*Beneficial Owner* If your shares are held in a stock brokerage account or by a bank, you are considered the beneficial owner of shares held in street name, and these proxy materials are being forwarded to you by your bank or broker, which is considered the stockholder of record of those shares. As the beneficial owner, you have the right to direct your bank or broker how to vote and are also invited to attend the Meeting. However, since you are not the stockholder of record, you may not vote those shares in person at the Meeting unless you bring with you a legal proxy from the stockholder of record. Your bank or broker has enclosed a voting instruction card providing directions for how to vote your shares.

### **Q. How do I vote?**

**A.** If you are a Class B Stockholder of record, there are two ways to vote:

By completing and mailing your proxy card to our transfer agent no later than two business days prior to the commencement of the Meeting; or

By written ballot at the Meeting.

If you are a Class B Stockholder and you return your proxy card but you do not indicate your voting preferences, the proxies will vote your shares **FOR** Proposals 1, 2, 3, 4 and with respect to Proposal 5, the proxy will vote for the advisory (non-binding) say-on-pay vote to be presented every 3 years and will use their discretion on any other matters that are submitted for stockholder vote at the Meeting.

Class B Stockholders who are not stockholders of record and who wish to file proxies should follow the instructions of their intermediary with respect to the procedure to be followed. Generally, Class B Stockholders who are not stockholders of record will either: (i) be provided with a proxy executed by the intermediary, as the stockholder of record, but otherwise uncompleted and the beneficial owner may complete the proxy and return it directly to our transfer agent; or (ii) be provided with a request for voting instructions by the intermediary, as the stockholder of record, and then the intermediary must send to our transfer agent an executed proxy form completed in accordance with any voting instructions received by it from the beneficial owner and may not vote in the event that no instructions are received.

### **Q. Can I change my vote or revoke my proxy?**

**A.** A Class B Stockholder who has given a proxy has the power to revoke it prior to the commencement of the Meeting by depositing an instrument in writing executed by the Class B Stockholder or by the stockholder's attorney-in-fact either (i) at our registered office at any time up to and including the last business day preceding the day of the Meeting or any adjournment thereof or (ii) with our Secretary on the day of the Meeting or any adjournment thereof or in any other manner permitted by law. A stockholder who has given a proxy has the power to revoke it after the commencement of the Meeting as to any matter on which a vote has not been cast under the proxy by delivering written notice of revocation to our Secretary. A stockholder who has given a proxy may also revoke it by signing a form of proxy bearing a later date and returning such proxy to our Secretary prior to the commencement of the Meeting.

### **Q. How are votes counted?**

**A.**

We will appoint an Inspector of Election at the Meeting. The Inspector of Election is typically a representative of our transfer agent. The Inspector of Election will collect all proxies and ballots and tabulate the results.

**Q. Who pays for soliciting proxies?**

- A.** We will bear the cost of soliciting proxies from our Class B Stockholders. It is planned that the solicitation will be initially by mail, but proxies may also be solicited by our employees. These persons will receive no additional compensation for such services but will be reimbursed for reasonable out-of-pocket expenses. Arrangements will also be made with brokerage houses and other custodians, nominees and fiduciaries for the forwarding of solicitation materials to the beneficial owners of shares held of record by these persons, and we will reimburse them for their reasonable out-of-pocket expenses. The cost of such solicitation, estimated to be approximately \$2,000, will be borne by us.

**Table of Contents**

**Q. What is the quorum requirement of the Meeting?**

- A. A quorum for the consideration of Matters 1, 2, 3, 4 and 5 shall be Class B Stockholders present in person or by proxy representing not less than a majority of the outstanding Class B Stock.

**Q. What are broker non-votes?**

- A. Broker non-votes occur when holders of record, such as banks and brokers holding shares on behalf of beneficial owners, do not receive voting instructions from the beneficial holders at least ten days before the Meeting. Broker non-votes and abstentions will not affect the outcome of the matters being voted on at the Meeting, assuming that a quorum is obtained.

**Q. What vote is required to approve each proposal?**

- A. Matter No. 1, election of directors. The election of the directors nominated requires the affirmative vote, in person or by proxy, of a simple majority of the Class B Stock voted at the Meeting if a quorum, or a majority of the Class B Stock, is present.

Matter No. 2, appointment of auditors. The ratification of the appointment of the auditors and the authorization of the Audit Committee to fix the auditors' remuneration requires the affirmative vote, in person or by proxy, of a simple majority of the Class B Stock voted at the Meeting if a quorum, or a majority of the Class B Stock, is present.

Matter No. 3, approval of the issue of up to 500,000 shares of Class A non-voting common stock to the Oppenheimer & Co. Inc. Employee Share Plan. This requires the affirmative vote, in person or by proxy, of a simple majority of the Class B Stock voted at the Meeting if a quorum, or a majority of the Class B Stock, is present.

Matter No. 4, the approval, in an advisory (non-binding) vote, of the Company's executive compensation. This requires the affirmative vote, in person or by proxy, of a simple majority of the Class B Stock voted at the Meeting if a quorum, or a majority of the Class B Stock, is present.

Matter No. 5, a vote in an advisory (non-binding) proposal that a shareholder vote to approve executive compensation (Matter 4 above) should occur every 1, 2 or 3 years. This requires the affirmative vote, in person or by proxy, of a simple majority of the Class B Stock voted at the Meeting if a quorum, or a majority of the Class B Stock, is present.

**Mr. Albert G. Lowenthal, our Chairman and Chief Executive Officer, owns 96.4% of the Class B Stock and intends to vote all of such Class B Stock in favor of each of Matters 1, 2, 3, 4 and intends to vote for 3 years with respect to Matter 5. See *Security Ownership of Certain Beneficial Owners and Management* .**

**Q. Who can attend the Meeting?**

- A. All registered Class A and Class B Stockholders, their duly appointed representatives, our directors and our auditors are entitled to attend the Meeting.

**Q. What does it mean if I get more than one proxy card?**

- A. It means that you own shares in more than one account. You should vote the shares on each of your proxy cards.

- Q. I own my shares indirectly through my broker, bank, or other nominee, and I receive multiple copies of the annual report, proxy statement, and other mailings because more than one person in my household is a beneficial owner. How can I change the number of copies of these mailings that are sent to my household?**
- A. If you and other members of your household are beneficial owners, you may eliminate this duplication of mailings by contacting your broker, bank, or other nominee. Duplicate mailings in most cases are wasteful for us and inconvenient for you, and we encourage you to eliminate them whenever you can. If you have eliminated duplicate mailings, but for any reason would like to resume them, you must contact your broker, bank, or other nominee.
- Q. Multiple stockholders live in my household, and together we received only one copy of this proxy statement and annual report. How can I obtain my own separate copy of these documents for the Meeting?**
- A. You may pick up copies in person at the Meeting or download them from our Internet web site, [www.opco.com](http://www.opco.com) (click on the link to the Investor Relations page). If you want copies mailed to you and are a beneficial owner, you must request them from your broker, bank, or other nominee. If you want copies mailed to you and are a stockholder

**Table of Contents**

of record, we will mail them promptly if you request them from our corporate office by phone at (212) 668-8000 or by mail to 125 Broad Street, New York, NY 10004, Attention: E.K. Roberts. We cannot guarantee you will receive mailed copies before the Meeting.

**Q. Where can I find the voting results of the Meeting?**

A. We are required to file the voting results in a Current Report on Form 8-K which you can find within four business days of the Meeting on the EDGAR website at [www.sec.gov](http://www.sec.gov).

**Q. Who can help answer my questions?**

A. If you have questions about the Meeting or if you need additional copies of the proxy statement or the enclosed proxy card you should contact:

E.K. Roberts  
125 Broad Street  
New York, NY 10004  
(212) 668-8000

You may also obtain additional information about us from documents filed with the SEC by following the instructions in the section entitled *Where You Can Find More Information*.

**Table of Contents**

**THE MEETING**

**SOLICITATION OF PROXIES**

This proxy statement is forwarded to our Class A Stockholders and Class B Stockholders in connection with the solicitation of proxies by our management from the Class B Stockholders for use at our Annual Meeting of Stockholders to be held on Monday, May 9, 2011, at the hour of 4:30 P.M. (New York time) at 300 Madison Avenue, New York, NY 10017 in the Auditorium and at any adjournments thereof for the purposes set forth in the Notice of Meeting, which accompanies this proxy statement. This proxy statement is dated March 25, 2011 and is first being mailed to stockholders on or about March 29, 2011.

The record date for the determination of stockholders entitled to receive notice of the Meeting is March 21, 2011. In accordance with the provisions of the DGCL, we will prepare a list of the Class B Stockholders as of the record date. Class B Stockholders named in the list will be entitled to vote the Class B Stock on all matters to be voted on at the Meeting.

It is planned that the solicitation will be initially by mail, but proxies may also be solicited by our employees. The cost of such solicitation, estimated to be approximately \$2,000, will be borne by us.

No person is authorized to give any information or to make any representations other than those contained in this proxy statement and, if given or made, such information or representations should not be relied upon as having been authorized by us. The delivery of this proxy statement shall not, under any circumstances, create an implication that there has not been any change in the information set forth herein since the date of this proxy statement. Except as otherwise stated, the information contained in this proxy statement is given as of March 1, 2011.

We have distributed copies of our 2010 Annual Report to Stockholders, the Notice of Meeting, this proxy statement, and form of proxy for use by the Class B Stockholders to intermediaries such as clearing agencies, securities dealers, banks and trust companies or their nominees for distribution to our non-registered stockholders whose shares are held by or in the custody of such intermediaries. Intermediaries are required to forward these documents to non-registered Class B Stockholders. The solicitation of proxies from non-registered Class B Stockholders will be carried out by the intermediaries, or by us if the names and addresses of Class B Stockholders are provided by the intermediaries. Non-registered Class B Stockholders who wish to file proxies should follow the instructions of their intermediary with respect to the procedure to be followed. Generally, non-registered Class B Stockholders will either: (i) be provided with a proxy executed by the intermediary, as the registered stockholder, but otherwise uncompleted and the non-registered holder may complete the proxy and return it directly to our transfer agent; or (ii) be provided with a request for voting instructions by the intermediary, as the registered stockholder, and then the intermediary must send to our transfer agent an executed proxy form completed in accordance with any voting instructions received by it from the non-registered holder and may not vote in the event that no instructions are received.

**CLASS A STOCK AND CLASS B STOCK**

We have authorized and issued Class A Stock and Class B Stock which are equal in all respects except that the holders of Class A Stock, as such, are not entitled to vote at meetings of our stockholders except as entitled to vote by law or pursuant to our Certificate of Incorporation. Class A Stockholders are not entitled to vote the Class A Stock owned or controlled by them on the matters identified in the Notice of Meeting to be voted on.

Generally, Class A Stockholders are afforded the opportunity to receive notices of all meetings of stockholders and to attend and speak at such meetings. Class A Stockholders are also afforded the opportunity to receive all informational

documentation sent to the Class B Stockholders.

Class B Stockholders are entitled to one vote for each share of Class B Stock held as of the record date for the Meeting.

**Table of Contents**

**APPOINTMENT AND REVOCATION OF PROXIES**

Albert G. Lowenthal and Elaine K. Roberts (the Management Nominees ) have been appointed by the Board of Directors to serve as the proxies for the Class B Stockholders at the Meeting.

Class B Stockholders have the right to appoint persons, other than the Management Nominees, who need not be stockholders, to represent them at the Meeting. To exercise this right, the Class B Stockholder may insert the name of the desired person in the blank space provided in the form of proxy accompanying this proxy statement or may submit another form of proxy.

Proxies must be deposited with our transfer agent, Bank of New York Mellon Shareholder Services, at its address 480 Washington Blvd. AIMS 074-29-135, Jersey City, NJ 07310, no later than two business days prior to the commencement of the Meeting in order for the proxies to be used at the Meeting. If you do not deposit your proxy with the transfer agent at least 48 hours prior to the commencement of the Meeting, your proxy will not be used.

Class B Stock represented by properly executed proxies will be voted by the Management Nominees on any ballot that may be called for, unless the Class B Stockholder has directed otherwise, (i) for the election of the nominated Directors (Matter 1 in the Notice of Meeting), (ii) for the ratification of the appointment of auditors and authorization of the Audit Committee to fix the remuneration of the auditors (Matter 2 in the Notice of Meeting), (iii) for the issue of up to 500,000 shares of Class A non-voting common stock to the Oppenheimer & Co. Inc. Employee Share Plan (Matter 3 in the Notice of Meeting), (iv) for the approval, in an advisory (non-binding) vote, of the Company's executive compensation (Matter 4 in the Notice of Meeting), and (v) for a vote in an advisory (non-binding) proposal that a stockholder vote to approve executive compensation should occur every 3 years (Matter 5 in the Notice of Meeting).

Each form of proxy confers discretionary authority with respect to amendments or variations to matters identified in the Notice of Meeting to which the proxy relates and other matters which may properly come before the Meeting. Management knows of no matters to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if matters which are not known to management should properly come before the Meeting, the proxies will be voted on such matters in accordance with the best judgment of the person or persons voting the proxies.

A Class B Stockholder who has given a proxy has the power to revoke it prior to the commencement of the Meeting by depositing an instrument in writing executed by the Class B Stockholder or by the stockholder's attorney-in-fact either at our registered office at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, or with our Secretary on the day of the Meeting or any adjournment thereof or in any other manner permitted by law. A Class B Stockholder who has given a proxy may also revoke it by signing a form of proxy bearing a later date and returning such proxy to our Secretary prior to the commencement of the Meeting. In addition, a Class B Stockholder who has given a proxy has the power to revoke it after the commencement of the Meeting as to any matter on which a vote has not been cast under the proxy by delivering written notice of revocation to our Secretary.

Abstentions and broker non-votes will have no effect with respect to the matters to be acted upon at the Meeting, assuming that a quorum is obtained.

**Table of Contents**

**MATTER NO. 1 ELECTION OF DIRECTORS**

**Director Nomination Process**

Our Bylaws provide that our Board of Directors consists of no less than three and no more than eleven directors to be elected annually. The term of office for each director is from the date of the meeting of stockholders at which the director is elected until the close of the next annual meeting of stockholders or until his or her successor is duly elected or appointed, unless his or her office is earlier vacated in accordance with our Bylaws.

The Nominating and Corporate Governance Committee of the Board, having been advised that Mr. J.L. Bitove does not wish to stand for re-election to the Board of Directors for personal reasons, has recommended and the directors have determined that eight directors are to be elected at the Meeting. Management does not contemplate that any of the nominees named below will be unable to serve as a director, but, if such an event should occur for any reason prior to the Meeting, the Management Nominees reserve the right to vote for another nominee or nominees in their discretion. The following sets out information with respect to the proposed nominees for election as directors as recommended by the Nominating and Corporate Governance Committee, in accordance with the Nominating and Corporate Governance Committee Charter (available at [www.opco.com](http://www.opco.com)). The Nominating and Corporate Governance Committee has reported that it is satisfied that each of the nominees is fully able and fully committed to serve the best interests of our stockholders. The election of the directors nominated requires the affirmative vote of a simple majority of the Class B Stock voted at the Meeting.

**OUR BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE FOR EACH OF THE DIRECTORS NOMINATED FOR ELECTION.**

*Director Nominees and Executive Officers*

The following table, and the notes thereto, provide information regarding our director nominees and executive officers.

**Nominees for Election as a Director**

<b>R. Crystal</b>	Mr. Crystal joined the Board in 1992. At present, he is Counsel to Seyfarth Shaw LLP (law firm), and previously was Counsel to Thelen LLP and a Partner at predecessor Brown Raysman Millstein
Age: 70	Felder& Steiner LLP (law firm) 2001 – 2008, practicing real estate law. Mr. Crystal’s legal
<i>Independent</i>	background brings strong governance, legal and business skills to our Board, important to the oversight of the Company’s legal concerns, governance policies and procedures and enterprise and operational risk management. Mr. Crystal is Chairman of the Nominating and Corporate Governance Committee. Mr. Crystal is Mr. Lowenthal’s first cousin.

**Board and Committees**

Board  
Nominating and Corporate Governance

**Attendance**

**Overall attendance: 100%**  
9 of 9  
2 of 2

**Table of Contents**

**W. Ehrhardt** Mr. Ehrhardt joined the Board in 2008. He is a retired senior audit partner formerly with Deloitte & Touche, New York with over 30 years of professional experience primarily in the banking and securities and insurance industries. Clients served include The Equitable Companies Inc., Marsh & McLennan, First Boston Corporation and Merrill Lynch. In addition, Mr. Ehrhardt participated in numerous firm-wide initiatives relating to audit practice and related quality control matters and served as Partner in Charge of the Tri-State Financial Services Assurance and Advisory Practice. Mr. Ehrhardt is a Certified Public Accountant and a member of the AICPA. Mr. Ehrhardt brings strong accounting and financial skills and experience to the Company which is important to the oversight of the Company's financial reporting and enterprise and operational risk management. Mr. Ehrhardt is Chairman of the Audit Committee and a member of the Compensation Committee.

Age: 67

*Independent*

**Board and Committees**

Board  
Audit  
Compensation

**Attendance****Overall attendance: 100%**

9 of 9  
5 of 5  
6 of 6

**M.A.M. Keehner** Mr. Keehner joined the Board in 2008. At present, he is an Adjunct Professor of Finance and Economics and a Faculty Leader at the Sanford C. Bernstein & Co. Center for Leadership and Ethics at Columbia Business School, and a consultant. Mr. Keehner has a long history of financial services industry management and professional experience. Previously, Mr. Keehner served in various capacities at Kidder, Peabody Group for more than 20 years, leaving in 1994 as a member of its Executive and Audit Committees and Board of Directors, as well as Executive Managing Director of Kidder, Peabody and Co., Inc., in charge of its domestic brokerage system. Earlier positions included President of Kidder, Peabody International Corporation, and President and CEO of KP Exploration Inc., Kidder's oil and gas exploration arm. Mr. Keehner's industry and academic backgrounds bring strong industry, finance and governance skills to our Board, important to the oversight of the Company's financial reporting and enterprise and operational risk management. Mr. Keehner is Chairman of our Compensation Committee and a member of our Audit and Nominating and Corporate Governance Committees.

Age: 67

*Independent*

**Board and Committees**

Board  
Audit  
Compensation  
Nominating and Corporate Governance

**Attendance****Overall attendance: 100%**

9 of 9  
5 of 5  
6 of 6  
2 of 2

**A.G. Lowenthal** Mr. Lowenthal joined the Board in 1985. Mr. Lowenthal is Chairman of the Board and Chief Executive Officer of the Company, positions he has held since 1985. Mr. Lowenthal has worked in the securities industry since 1967. Mr. Lowenthal's extensive experience in the securities industry and as Chief Executive of our Company gives him unique insights into the Company's challenges, opportunities and operations. Since his arrival at the Company,

Age: 65

*Not independent*

Mr. Lowenthal has built the Company through acquisition and organic growth taking stockholders' equity from \$5.0 million to \$497.6 million at December 31, 2010. Mr. Lowenthal is Mr. Crystal's first cousin.

**Board and Committees**

**Attendance**

Board

**Overall attendance: 100%**

9 of 9

**Table of Contents**

**K.W. McArthur** Mr. McArthur joined the Board in 1996. Mr. McArthur is our Lead Director. Mr. McArthur is President and Chief Executive Officer of Shurway Capital Corporation (a private investment company). Mr. McArthur is a member of the Institute of Chartered Accountants of British Columbia. Mr. McArthur has a long history of securities industry experience, serving as CFO of a major Canadian investment dealer for 20 years. Between July 1989 and January 1993, Mr. McArthur was a Senior Vice-President of Nesbitt Thomson Inc. and between January 1992 and July 1993, Mr. McArthur was a Senior Vice-President of Bank of Montreal Investment Counsel Limited. Mr. McArthur was a member of the Independent Review Committee for BMO Mutual Fund for 15 years until June 30, 2010 and was a member of the Pension Investment Committee for Canada Post for 10 years until December 31, 2010. Mr. McArthur's strong accounting skills and experience in the securities industry are important to the oversight of the Company's financial reporting and enterprise and operational risk management. Mr. McArthur is a member of the Audit Committee.

Age: 75

*Independent*

**Board and Committees****Attendance****Overall attendance: 100%**Board  
Audit9 of 9  
5 of 5

**A.W. Oughtred** Mr. Oughtred joined the Board in 1979. Mr. Oughtred, now retired, was Counsel, from January 1, 2009 to May 31, 2009 and prior to December 31, 2008 a Partner at Borden Ladner Gervais LLP (law firm). Mr. Oughtred practiced corporate law. Mr. Oughtred brings strong governance, legal, business and financial industry knowledge to our Board, important to the oversight of the Company's financial reporting, enterprise and operational risk management and governance policy. Mr. Oughtred is a director of CI Financial Corp., the shares of which are listed on the Toronto Stock Exchange, Asian Coast Development (Canada) Ltd. and Belmont House. Mr. Oughtred is certified as an Institute of Corporate Directors (Canada) certified director (ICD.D). Mr. Oughtred is a member of the Nominating and Corporate Governance Committee.

Age: 68

*Independent*

**Board and Committees****Attendance****Overall attendance: 100%**Board  
Nominating and Corporate Governance9 of 9  
2 of 2

**E.K. Roberts** Ms. Roberts joined the Board in 1977. Ms. Roberts is President, Treasurer and Chief Financial Officer of the Company, positions she has held since 1977. Ms. Roberts is a member of the Institute of Chartered Accountants of Ontario. Ms. Roberts' many years with the Company bring an inside perspective to Board discussions as well as a strong connection to management, important to the oversight of the Company's financial reporting and enterprise and operational risk management.

Age: 59

*Not independent*

**Board and Committees****Attendance**

Board

**Overall attendance: 100%**  
9 of 9

10

---

**Table of Contents**

**B. Winberg** Mr. Winberg joined the Board in 1979. Mr. Winberg is President of Rockport Holdings Limited (a real estate development company). Mr. Winberg has broad business experience with his main focus being real estate development at the present time. In the past, Mr. Winberg was also involved in the savings and loan business in Ontario and brings our Board valuable insight from his many years in business, important to the oversight of the Company's financial reporting and enterprise and operational risk management. Mr. Winberg is a member of the Audit and Compensation Committees.

Age: 86

*Independent*

**Board and Committees**

**Attendance**

**Overall attendance: 90%**

Board	8 of 9
Audit	4 of 5
Compensation	6 of 6

**Notes:**

- (1) There is no Executive Committee of the Board of Directors. Messrs. Ehrhardt, Keehner, McArthur and Winberg are members of the Audit Committee. Messrs. Bitove, Crystal, Keehner and Oughtred are members of the Nominating and Corporate Governance Committee. Messrs. Ehrhardt, Keehner and Winberg are members of the Compensation Committee.
- (2) None of the nominees has been involved in any events within the past 10 years that could be considered material to an evaluation of the director except for Mr. Lowenthal who, with Oppenheimer & Co. Inc., a subsidiary, in June 2003 agreed with the NYSE to a stipulation of facts and related censure, as disclosed in our Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2003.

**Board Leadership Structure**

The Board believes that the Company's Chief Executive Officer is best situated to serve as Chairman of the Board because he is the director most familiar with the Company's business strategy, history and capabilities, and most capable of effectively identifying strategic priorities and leading the discussion and execution of strategy. Independent directors and management add different perspectives and roles in strategy development. The Company's independent directors bring experience, oversight and expertise from outside the Company and, in some cases, outside the industry, while the Chief Executive Officer brings Company-specific and industry-specific experience and expertise. The Board believes that the combined role of Chairman and Chief Executive Officer facilitates the strategy development and execution, and enhances the flow of information flow between management and the Board, which are essential to effective governance.

One of the key responsibilities of the Board of Directors is to develop strategic direction and hold management accountable for the execution of strategy once it is developed. The Board believes the combined role of Chairman and Chief Executive Officer, together with an independent Lead Director having the duties described below, is in the best interest of stockholders because it provides the appropriate balance between strategy development and independent oversight of management for our Company.

**Lead Director**

Kenneth McArthur, an independent director who serves on the Audit Committee, was selected by the Board to serve as the Lead Director for all meetings of the non-management directors held in executive session. The role of the Lead Director is to assure the independence of the Board from management. The Lead Director has the responsibility of presiding at all executive sessions of the Board, consulting with the Chairman and Chief Executive Officer on Board and committee meeting agendas, acting as a liaison between management and the non-management directors, including maintaining frequent contact with the Chairman and Chief Executive Officer and advising him on the efficiency of the Board meetings, facilitating teamwork and communication between the non-management directors and management, as well as additional responsibilities that may be assigned to the Lead Director by the Board.

### **Executive Sessions**

Pursuant to the Company's Corporate Governance Guidelines, non-management directors of the Board meet on a regularly scheduled basis and otherwise as the independent directors determine without the presence of management. The Lead Director, Mr. K.W. McArthur, chairs these sessions. An executive session took place, in camera, at every

## **Table of Contents**

scheduled Board meeting held in 2010. To ensure strong communication with the CEO, the independent directors may meet with the CEO alone as the independent directors determine.

### **Board of Directors and Committee Meetings Held**

During 2010, the following numbers of Board and committee meetings were held:

Board of Directors	9
Audit Committee	5
Compensation Committee	6
Nominating and Corporate Governance Committee	2

There is no Executive Committee of the Board of Directors.

### **Meeting Attendance**

Last year there were nine meetings of the Board. We are pleased that all but one of our then nine directors attended 100% of the total meetings of the Board and committees of the Board of which the director was a member. Due to ill health, one director attended 90% of the total meetings of the Board and committees of the Board of which the director was a member.

In addition to participation at Board and committee meetings, our directors discharge their responsibilities throughout the year through personal meetings and other communications, including considerable telephone contact with the Chairman and Chief Executive Officer and each other regarding matters of interest and concern to the Company. It is our policy that our directors attend our stockholders meetings and at the last Annual Meeting of Stockholders held on May 10, 2010, all of the then nine directors attended.

### **Risk Management**

The Board, as a whole and also at the committee level, has an active role in overseeing the management of the Company's risks. The Board regularly reviews information regarding the Company's credit, liquidity and operations, as well as the risks associated with each. The Company's Compensation Committee is responsible for overseeing the Company's executive compensation arrangements and assuring that financial incentives for management and employees are appropriate and do not provide incentives to increase risks undertaken by the Company. The Audit Committee oversees management of financial risks. The Company has a number of internal risk-oversight committees. Representatives of the Risk Management Committee report to the Audit Committee at each regularly scheduled quarterly meeting. The Nominating and Corporate Governance Committee manages risks associated with the governance of the Company, including the composition, responsibilities and independence of the Board of Directors and ethical and regulatory issues including conflicts of interest. While each committee is responsible for evaluating certain risks and overseeing the management of such risks, the entire Board of Directors is regularly informed through committee reports about such risks.

### **Corporate Governance**

Our Class A Stock is listed on the NYSE. We are subject to the corporate governance listing standards of the NYSE, the applicable rules of the Securities and Exchange Commission (the "SEC"), the provisions of the Sarbanes-Oxley Act of 2002 and the applicable rules of the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank").

Our Nominating and Corporate Governance Committee and our Board of Directors continue to monitor regulatory changes and best practices in corporate governance and consider amendments to our practices and policies as appropriate.

Our Corporate Governance Guidelines, and all committee charters, as well as our Code of Conduct and Business Ethics for Directors, Officers and Employees and our Whistleblower Policy, are posted on our website at [www.opco.com](http://www.opco.com).

## **Table of Contents**

### **Mandate and Duties of the Board of Directors**

The fundamental responsibility of the Board of Directors is to supervise the management of our business with a view to maximizing stockholder value and ensuring corporate conduct in a legal and ethical manner through a system of corporate governance and internal controls appropriate to our business. The Board of Directors has adopted a statement of Corporate Governance Guidelines to which it adheres. We have a Code of Conduct and Business Ethics for Directors, Officers and Employees which is posted on our website [www.opco.com](http://www.opco.com). No waivers were granted in 2010 or to date in 2011 under the Code of Conduct and Business Ethics for any Directors, Officers or Employees.

In fulfilling its mandate, the Board's responsibilities include:

- monitoring and overseeing the Company's strategic planning;
- monitoring the performance of the Company's business, evaluating opportunities and risks, and controlling risk;
- monitoring systems for audit, internal control and information management systems;
- developing, together with the Chief Executive Officer, a clear position description for the Chief Executive Officer, which includes delineating management's responsibilities and developing or approving the corporate goals and objectives that the Chief Executive Officer is responsible for meeting;
- monitoring the performance of senior management of the Company, including the Chief Executive Officer;
- satisfying itself as to the integrity of the Chief Executive Officer and other senior management and ensuring that they create a culture of integrity throughout the Company;
- succession planning for senior management and Directors;
- remuneration of the executive officers and reviewing the general compensation policy of the Company;
- governance, including composition and effectiveness of the Board;
- monitoring compliance with the Code of Conduct and Business Ethics (the Code) adopted by the Board;
- considering and approving, if determined by the Board to be advisable, any waiver from the Code granted to Directors or senior management of the Company.

### **Director Independence**

Seven of our current nine directors are independent (and six of the eight individuals nominated for election as directors at the Meeting will be independent) as required by the NYSE Corporate Governance Rules. To be considered independent under these rules, the Board of Directors must determine that a director has no direct or indirect material relationship with us. The Board of Directors has determined that Messrs. Bitove, Crystal, Ehrhardt, Keehner, McArthur, Oughtred and Winberg (the non-management Directors) are independent directors, and that Mr. Lowenthal, our Chairman of the Board of Directors and Chief Executive Officer, and Ms. Roberts, our President, Treasurer and Chief Financial Officer, are not independent. Mr. Bitove is not standing for re-election to the Board of Directors for personal reasons.

The Board of Directors has not adopted formal categorical standards to assist in determining independence. The Board has considered the types of relationships that could be relevant to the independence of a director of the Company. These relationships are described in Schedule A to the Company's Corporate Governance Guidelines which are posted on our website at [www.opco.com](http://www.opco.com). The Board of Directors has considered the relationship of each non-management/officer director and has made a determination that the seven of our current non-management/officer directors are independent (six of our nominees).

Until November 30, 2008, Mr. Crystal was Counsel to the law firm of Thelen LLP, which firm provided legal services to us. In view of the professional ethical standards which govern his conduct, the fact that less than one percent of the annual revenues of his former firm were derived from us, and that Mr. Crystal receives no direct compensation from us other than his director's compensation, we believe his former relationship with us is not material for purposes of determining that he is an independent director. Mr. Crystal has been Counsel to the law firm of Seyfarth Shaw LLP since December 1, 2008. Seyfarth Shaw LLP does not have a significant relationship with us. Mr. Crystal is Mr. Lowenthal's first cousin. Because the two are not immediate family members within the meaning of the New York Stock Exchange

## **Table of Contents**

( NYSE ) Listed Company Manual or the standards of the Securities Exchange Act of 1934, as amended (the Exchange Act ), and, for the reasons set forth above, we do not believe this relationship is material for purposes of determining that he is an independent director.

At each regular Board and Audit Committee meeting, the independent directors are afforded an opportunity to meet in the absence of management. During 2010, five meetings of the independent directors were held in the absence of management. Additionally, at regular meetings of the Audit Committee (five regular meetings annually), the members of the Audit Committee, all of whom are independent, are afforded the opportunity to meet with the auditors in the absence of management.

The independent directors and the directors that are not independent understand the need for directors to be independent-minded and to assess and question management initiatives and recommendations from an independent perspective. The Board of Directors Lead Director, Mr. K. W. McArthur, is an independent director who, among other things, chairs sessions of the independent directors.

## **Orientation and Continuing Education**

The Nominating and Corporate Governance Committee of the Board of Directors, as required by its charter, is responsible for the orientation of new directors to our business and overseeing the continuing education needs of all directors.

The Board of Directors encourages the directors to maintain the skill and knowledge necessary to meet their obligations as directors. This includes support for director attendance at continuing education sessions and making available newsletters and other written materials. Our directors understand the need to maintain their knowledge and skills and avail themselves of director education literature and programs.

## **Director Committee Assessments**

From time to time, each Director is required to provide an evaluation of the Board as a whole, each Board Committee, and the contribution of each Director and Lead Director, in a form acceptable to the Board. The Lead Director periodically conducts informal interviews and meetings with each Director to review the Directors assessments and other pertinent matters with respect to the Board and the contribution and performance of the individual Director. The Chair of the Nominating and Corporate Governance Committee reviews the Lead Director assessments and reviews the results with the Lead Director. The Chair and the Lead Director report their findings to the full Board.

## **Board Committees**

The Board has established an Audit Committee, a Compensation Committee and a Nominating and Corporate Governance Committee. The Audit, Compensation, and Nominating and Corporate Governance Committees are composed entirely of independent directors, as defined under the NYSE Listed Company Manual and the Company s Corporate Governance Guidelines. The charters of each committee are available on the Company s website at [www.opco.com](http://www.opco.com).

## **Audit Committee**

The Board of Directors has an Audit Committee composed of four independent directors, the duties of which are set forth below.

The Board of Directors has adopted a written charter for the Audit Committee, a copy of which is posted on our website at [www.opco.com](http://www.opco.com). The Audit Committee:

reviews annual, quarterly and all legally required public disclosure documents containing financial information that are submitted to the Board of Directors;

reviews the nature, scope and timing of the annual audit carried out by the external auditors and reports to the Board of Directors;

evaluates the external auditors' performance for the preceding fiscal year and reviews their fees and makes recommendations to the Board of Directors;

## **Table of Contents**

pre-approves the audit, audit related and non-audit services provided by our independent auditors and the fee estimates for such services;

reviews internal financial control policies, procedures and risk management and reports to the Board of Directors;

meets regularly with business unit leaders to understand their risk management procedures;

meets with the external auditors quarterly to review quarterly and annual financial statements and reports and to consider material matters which, in the opinion of the external auditors, should be brought to the attention of the Board of Directors and the stockholders;

reviews and directs the activities of our internal audit department, meets regularly with internal audit and compliance personnel and reports to the Board of Directors;

reviews accounting principles and practices;

reviews management reports with respect to litigation, capital expenditures, tax matters and corporate administration charges and reports to the Board of Directors;

reviews related party transactions;

reviews internal control policies and procedures with management and reports to the Board of Directors;

reviews changes in accounting policies with the external auditors and management and reports to the Board of Directors;

reviews and approves changes to or waivers of our Code of Conduct and Business Ethics for Senior Executive, Financial and Accounting Officers; and

annually reviews the Audit Committee Charter and recommends and makes changes thereto as required.

All of the members of the audit committee are financially literate. The Board of Directors has determined that the Audit Committee includes two financial experts and that Messrs. W. Ehrhardt and K.W. McArthur, the financial experts, are independent as defined in Rule 10 A-3(b) of the Exchange Act and Section 303A.02 of the NYSE's Listed Company Manual. Mr. Ehrhardt is a Certified Public Accountant and a member of the AICPA. Mr. McArthur is a member of the Institute of Chartered Accountants of British Columbia. Currently, none of the members of the Audit Committee simultaneously serves on the audit committee of any other public company.

## **Compensation Committee**

The Board of Directors has adopted a Compensation Committee Charter, a copy of which is posted on our website at [www.opco.com](http://www.opco.com). Pursuant to its charter, the Compensation Committee's objective is to provide a competitive compensation program with strong and direct links between corporate objectives and financial performance, individual performance and compensation, mindful of the Company's corporate risk management objectives. All members of the Compensation Committee are independent.

The Compensation Committee:

makes recommendations to the Board of Directors with respect to our compensation policies;

makes recommendations to the Board of Directors with respect to the salary, bonus and benefits paid and provided to our senior management;

authorizes grants of stock options and stock awards and recommends modifications to our incentive compensation plans;

grants certain compensation awards to our senior management based on criteria linked to the performance of the individual and/or our company;

administers the Performance-Based Compensation Agreement between us and Mr. A.G. Lowenthal;

monitors compliance with the criteria of our performance-based awards or grants;

**Table of Contents**

makes awards under and administers our Stock Appreciation Rights Plan; and

reviews and approves our Compensation Discussion and Analysis.

**Nominating and Corporate Governance Committee**

The Nominating and Corporate Governance Committee Charter, a copy of which is posted on our website at [www.opco.com](http://www.opco.com), provides that the Nominating and Corporate Governance Committee is responsible for ensuring that our Board of Directors is composed of directors who are fully able and fully committed to serve the best interests of our stockholders. Factors considered by the Nominating and Corporate Governance Committee in assessing director performance and, when needed, recruiting new directors include character, judgment, experience, ethics, integrity and compatibility with the existing Board of Directors.

Each member of the Nominating and Corporate Governance Committee is independent. The duties of this Committee are set out as follows:

identify individuals qualified to become Board members;

select or recommend that the Board select the director nominees for the annual meeting of stockholders;

recommend additions to the Board and persons to fill vacancies on the Board;

ensuring that the Board is kept up to date in terms of the regulatory environment relevant to governance issues;

developing and recommending to the Board a set of corporate governance principles;

maintain an orientation program for new directors and oversee the continuing education needs of directors;

oversee the evaluation of the Board and management;

review and make recommendations with respect to our Corporate Governance Guidelines; and

review and approve governance reports for publication in our management proxy statement and Annual Report on Form 10-K.

The Nominating and Corporate Governance Committee will give appropriate consideration to nominees recommended by Class B Stockholders. Nominees recommended by Class B Stockholders will be evaluated in the same manner as other nominees. Class B Stockholders who wish to submit nominees for director for consideration by the Nominating and Corporate Governance Committee for election at our 2012 Annual Meeting of Stockholders may do so by submitting in writing such nominee's name, in compliance with the procedures and along with the other information required by our Bylaws and Regulation 14A under the Exchange Act (including such nominee's written consent to being named in the proxy statement as a nominee and to serving as a director if elected), to our Secretary, at 125 Broad Street, New York, NY 10004 within the time frames set forth under the heading *Stockholder Proposals*.

**Table of Contents****Director Compensation**

The following table describes director compensation for the year ended December 31, 2010 paid to the directors other than Mr. Lowenthal and Ms. Roberts, who receive no compensation in connection with their service on our Board of Directors.

**2010 DIRECTOR COMPENSATION TABLE**

<b>Name</b>	<b>Fees Earned or Paid in Cash</b>	<b>Option Awards</b>	<b>Total</b>
(a)	(\$) (b)	(\$) (c)(1)(2)	(\$) (d)
J.L. Bitove	\$ 31,000		\$ 31,000
R. Crystal	\$ 39,500		\$ 39,500
W. Ehrhardt	\$ 49,000	\$ 67,750	\$ 116,750
M.A.M. Keehner	\$ 45,000	\$ 67,750	\$ 112,750
K.W. McArthur	\$ 53,500	\$ 67,750	\$ 121,250
A.W. Oughtred	\$ 35,500		\$ 35,500
B. Winberg	\$ 36,000		\$ 36,000

**Notes to 2010 Director Compensation Table:**

(1) The values of stock options (granted under the 2006 Equity Incentive Plan) represent the grant date fair value of awards granted in the fiscal year. The underlying assumptions and methodology used to value our stock options and stock awards are described in note 12 to our consolidated financial statements for the year ended December 31, 2010 included in our 2010 Annual Report to Stockholders which accompanies this proxy statement. Details of stock options and stock awards held by the Named Executives appear in the Outstanding Equity Awards Table and notes thereto, appearing on page 35.

(2) Details of options held by our non-employee directors appear below under *Director Stock Options*.

In the year ending December 31, 2010, we paid directors fees as follows:

Annual Retainer Fee	\$20,000
Board Meeting Fees	\$2,000 per meeting attended in person
Committee Meeting Fees	\$1,000 per meeting attended in person
Board and Committee Meeting Fees	\$500 per meeting attended by telephone
Lead Director	\$15,000 per year
Committee Chairs, except Audit Committee	\$5,000 per year
Chairman of the Audit Committee	\$15,000 per year
Members of Audit Committee (other than chairman)	\$5,000 per year

In 2010, the directors were paid directors fees of \$289,500 in the aggregate. Directors are reimbursed for travel and related expenses incurred in attending board and committee meetings. The directors who are not our employees are

also entitled to the automatic grant of stock options under our 2006 Equity Incentive Plan pursuant to a formula set out in the plan. Reference is made to the table under Director Stock Options , below. Directors who are our employees are not entitled to receive compensation for their service as directors.

The Company has not made contributions to any tax exempt organizations in which an independent director serves as an executive officer.

### **Director Stock Options**

Under our 1996 and 2006 Equity Incentive Plans, non-employee directors were and are entitled to automatic option grants of 5,000 shares of Class A Stock for each full year of service up to a maximum of options on 25,000 shares of Class A Stock in any five year period.

**Table of Contents**

The following table describes non-employee director options held at December 31, 2010 as well as the grant date fair value of options granted in 2010 and numbers of unvested options outstanding, as applicable.

Name	Grant Date	Expiry Date	Exercise Price	Total	Value of	Grant Date Fair Value of Equity Awards (1)	Number of Unvested Options Outstanding (3)
				Number of Options Granted	Unexercised Options (as at December 31, 2010) (2)		
J. L. Bitove	2/25/2007	2/24/2012	\$ 35.03	25,000	\$ nil	\$ 335,700	12,500
R. Crystal(4)	12/31/2006	12/31/2011	\$ 33.40	5,000	\$ nil	\$ 65,445	1,250
W. Ehrhardt(4)	1/1/2009	12/31/2013	\$ 12.88	5,000	\$ 16,663	\$ 15,950	3,750
	1/1/2010	12/31/2014	\$ 33.22	5,000	\$ nil	\$ 67,750	5,000
M.A.M. Keehner(4)	1/1/2009	12/31/2013	\$ 12.88	5,000	\$ 16,663	\$ 15,950	3,750
	1/1/2010	12/31/2014	\$ 33.22	5,000	\$ nil	\$ 67,750	5,000
K. W. McArthur(4)	5/17/2009	5/16/2014	\$ 12.33	15,000	\$ nil	\$ 52,995	15,000
	1/1/2010	12/31/2014	\$ 33.22	5,000	\$ nil	\$ 67,750	5,000
A.W. Oughtred	2/25/2007	2/24/2012	\$ 35.03	25,000	\$ nil	\$ 335,700	12,500
B. Winberg	2/25/2007	2/24/2012	\$ 35.03	25,000	\$ nil	\$ 335,700	12,500

**Notes to Director Stock Options Table:**

- (1) The underlying assumptions and methodology used to value our stock options are described in note 12 to our consolidated financial statements for the year ended December 31, 2010 included in our 2010 Annual Report to Stockholders which accompanies this proxy statement.
- (2) The value of unexercised vested options is based on the closing price of the Class A Stock on the NYSE on December 31, 2010 of \$26.21.
- (3) Stock options held by the non-employee directors vest as follows: 25% on the second anniversary of grant, 25% on the third anniversary of grant, 25% on the fourth anniversary of grant and the balance six months before the expiry date.
- (4) On January 1, 2011 Mr. Ehrhardt, Mr. Keehner and Mr. McArthur were each granted stock options on 5,000 shares of Class A Stock and Mr. Crystal was granted stock options on 20,000 shares of Class A Stock priced at \$26.21 per share on the terms described in (3) above pursuant to the automatic grant provisions of the Company's 2006 Equity Incentive Plan.

**Directors and Officers Insurance**

We carry liability insurance for our directors and officers and the directors and officers of our subsidiaries. Between November 30, 2009 and November 30, 2010, our aggregate insurance coverage was \$30 million with a \$2.5 million deductible and an aggregate annual premium of \$754,000. The coverage was renewed for a further year effective November 30, 2010 at an aggregate annual premium of \$719,300.

Under our Bylaws, we are obligated to indemnify our and our subsidiaries' directors and officers to the maximum extent permitted by the DGCL. We have entered into an indemnity agreement with each of our directors providing for such indemnities.

### **Stock Ownership of Board Members**

For information on the beneficial ownership of securities of the Company by directors and executive officers, see *Security Ownership of Certain Beneficial Owners and Management* below.

### **Compensation Committee Interlocks and Insider Participation**

Messrs. Ehrhardt, Keehner and Winberg served as members of the Compensation Committee for the fiscal year ending December 31, 2010. None of the members of the Compensation Committee is or has ever been one of our officers or employees or been a party to a transaction with our company. No interlocking relationship exists between our Board of Directors or Compensation Committee and the board of directors or compensation committee of any other entity.

**Table of Contents**

**REPORT OF THE AUDIT COMMITTEE**

As required by our Audit Committee Charter, the Audit Committee reports as follows.

The Audit Committee oversees our financial reporting process on behalf of the Board of Directors. It meets with management and our internal audit group and independent auditors regularly and reports the results of its activities to the Board of Directors. In this connection, the Audit Committee has done the following with respect to fiscal 2010:

Reviewed and discussed with our management and PricewaterhouseCoopers LLP, our unaudited quarterly reports on Form 10-Q and quarterly reports to stockholders for the first three quarters of the year;

Reviewed and discussed our audited financial statements and annual report on Form 10-K for the fiscal year ended December 31, 2010 with our management and PricewaterhouseCoopers LLP;

Reviewed and discussed with our internal auditors their internal control program for the year, the internal audits conducted during the year, and their testing of internal controls in accordance with Section 404 of the Sarbanes-Oxley Act of 2002;

Discussed with PricewaterhouseCoopers LLP the matters required to be discussed by SAS 61 (American Institute of Certified Public Accountants Codification of Statements on Auditing Standards), as amended;

Received written disclosure from PricewaterhouseCoopers LLP as required by the applicable requirements of the Public Company Accounting Oversight Board regarding the independent accountant's communications with the audit committee concerning independence and discussed with PricewaterhouseCoopers LLP its independence; and

Discussed with management and with PricewaterhouseCoopers LLP the documentation and testing of our internal accounting controls in accordance with the requirements of Section 404 of the Sarbanes-Oxley Act of 2002.

Based on the foregoing, the Audit Committee recommended to the Board of Directors our audited financial statements for the year ended December 31, 2010 prepared in accordance with GAAP be included in our 2010 Annual Report to Stockholders and in the Annual Report on Form 10-K for the year ended December 31, 2010.

***Members of the Audit Committee***

William Ehrhardt Chairman  
Michael A.M. Keehner  
Kenneth W. McArthur  
Burton Winberg

**Table of Contents**

**REPORT OF THE COMPENSATION COMMITTEE**

Under its charter, the Compensation Committee is required to discharge the Board of Directors' responsibilities relating to compensation of our senior executive officers and to report on its practices to our stockholders in our annual proxy statement. The Compensation Committee Charter can be found on our website at [www.opco.com](http://www.opco.com). The Compensation Committee, comprised of independent directors, reviewed and discussed the following Compensation Discussion and Analysis (found on page 27) with our management. In reaching its conclusions, the members of the Compensation Committee were aware of the recent focus of the media, the government and the general population on the compensation of executives and employees of financial service companies. The Compensation Committee believes that our practices align pay practices with corporate objectives and performance and do not encourage excessive risk-taking, and that the 2010 compensation payments made to executives and employees were substantially so aligned. Based on their review and discussions, the Compensation Committee approved and recommended to our Board of Directors that the Compensation Discussion and Analysis be included in this proxy statement.

*Members of the Compensation Committee*

Michael A.M. Keehner Chairman  
William Ehrhardt  
Burton Winberg

The Report of the Compensation Committee set forth in this proxy statement shall not be deemed to be soliciting material or to be filed with the SEC or subject to Regulation 14A or 14C under the Exchange Act or to the liabilities of Section 18 of the Exchange Act. In addition, it shall not be deemed incorporated by reference by any statement that incorporates this proxy statement by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that the Company specifically incorporates this information by reference.

**Table of Contents**

**REPORT OF THE NOMINATING AND CORPORATE GOVERNANCE COMMITTEE**

As required by the Nominating and Corporate Governance Committee's Charter, the Nominating and Corporate Governance Committee reports as follows:

The Nominating and Corporate Governance Committee is responsible for maintaining and developing governance principles consistent with high standards of corporate governance.

The Nominating and Corporate Governance Committee has assessed the composition and size of the Board of Directors and, having been advised that Mr. J.L. Bitove does not wish to stand for re-election as a director for personal reasons, determined that the remaining incumbent directors are performing effectively and has recommended that the slate remain unchanged.

The Nominating and Corporate Governance Committee determined that Messrs. Crystal, Ehrhardt, Keehner, McArthur, Oughtred and Winberg are independent in accordance with our independence standards. In addition, the Nominating and Corporate Governance Committee monitored director attendance at Board of Directors and committee meetings and determined that all directors, except one whose health issues limited his attendance to 90%, attended 100% of meetings and that such attendance meets acceptable standards.

The Nominating and Corporate Governance Committee supervised the Board of Directors' annual review of our Corporate Governance Guidelines.

The Nominating and Corporate Governance Committee organized a strategic review of the Company and its business.

The Nominating and Corporate Governance Committee has developed a program to encourage directors to attain and maintain their skills and knowledge as directors.

***Members of the Nominating and Corporate Governance Committee***

Richard Crystal   Chairman  
John L. Bitove  
Michael A.M. Keehner  
A.Winn Oughtred

**Table of Contents****MATTER NO. 2 APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

The Audit Committee has appointed PricewaterhouseCoopers LLP for reappointment as our independent registered public accounting firm or auditors for the 2011 fiscal year. The Audit Committee intends to fix the remuneration of the auditors. The ratification of the appointment of auditors and the authorization of the Audit Committee to fix the remuneration of the auditors require the affirmative vote of a simple majority of the Class B Stock voted at the Meeting.

Representatives of PricewaterhouseCoopers LLP are expected to be present at the Meeting and will be given the opportunity to make a statement, if they desire, and to respond to appropriate questions.

**OUR BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE FOR THE RATIFICATION OF THE APPOINTMENT OF PRICEWATERHOUSECOOPERS LLP FOR FISCAL 2011 AND FOR THE AUTHORIZATION OF THE AUDIT COMMITTEE TO FIX THE AUDITOR S REMUNERATION.**

**PRINCIPAL ACCOUNTING FEES AND SERVICES**

PricewaterhouseCoopers LLP has served as our independent registered public accounting firm since 1993. PricewaterhouseCoopers LLP has advised us that neither the firm nor any of its members or associates has any direct financial interest or any material indirect financial interest in us or any of our affiliates other than as our auditor.

*Audit Fees, Audit-Related Fees and Tax Fees.* The fees billed to us and our subsidiaries by PricewaterhouseCoopers LLP during the years 2010 and 2009 in connection with services provided in such year were as follows:

	<b>Year Ended December 31,</b>	
	<b>2010</b>	<b>2009</b>
Audit fees	\$ 1,392,175	\$ 1,060,000
Audit-related fees	635,500	23,750
Tax fees	187,325	290,350
All other fees	2,500	Nil
	<b>\$ 2,217,500</b>	<b>\$ 1,374,100</b>

The 2010 audit fees include the fees for the audit of our annual consolidated financial statements for the year 2010 and the review of the quarterly financial statements included in the Forms 10-Q filed by us and the interim reports to stockholders sent to stockholders during the year. Audit fees also include the separate entity audits of Oppenheimer E.U. Ltd. and Oppenheimer Investments Asia Limited. During 2010, PricewaterhouseCoopers LLP provided tax compliance services for us in the U.S. and Canada. In addition, during 2010, PricewaterhouseCoopers LLP performed the audit services required for the production of SAS 70 Reports for both Oppenheimer & Co. Inc. and Oppenheimer Trust Company as well as an AT 101 Report for Oppenheimer Trust Company. In addition, as a requirement of the SEC Investment Advisory Custody Rule, as amended on December 30, 2009 and effective on March 12, 2010, we hired PricewaterhouseCoopers LLP to perform the mandated examinations

The Audit Committee has the sole authority and responsibility to appoint independent auditors for ratification by stockholders, and to recommend to stockholders that independent auditors be removed. The Audit Committee has appointed PricewaterhouseCoopers LLP for ratification as our auditors by the stockholders at the Meeting.

The Audit Committee recommends and the Board of Directors approves all audit engagement fees and terms in addition to all non-audit engagements and engagement fees submitted by independent auditors. The process begins prior to the commencement of the audit. The fees described above were 100% pre-approved.

**Table of Contents**

**MATTER NO. 3 EMPLOYEE SHARE PLAN**

The matter referred to below involves the approval of the issue of up to 500,000 additional shares of Class A Stock to the Oppenheimer & Co. Inc. Employee Share Plan to or for the benefit of employees of the Company and its subsidiaries as part of their compensation. It is a requirement of the New York Stock Exchange, Inc. (the NYSE) that this matter be approved by the Class B Stockholders.

**Issue of Class A Stock to the Oppenheimer & Co. Inc. Employee Share Plan**

On May 9, 2005, the Class A and Class B Stockholders approved the Oppenheimer & Co. Inc. Employee Share Plan (the ESP) for employees of the Company and its subsidiaries (including executive officers) providing up to 750,000 shares of Class A Stock to be issued from treasury as part of employee compensation. On May 5, 2008, the Class B Stockholders approved the issue of an additional 380,000 shares of Class A Stock to the ESP. The purpose of the ESP is to assist the Company and its operating subsidiaries to attract, retain and provide incentives to key management employees, including executive officers. The Compensation Committee may grant stock awards and restricted stock awards pursuant to the ESP which are accounted for as equity awards and valued at grant date fair value. ESP awards typically require the completion of a service period and are subject to three- or five-year cliff vesting, as determined by the Compensation Committee. Dividends may or may not accrue during the service period, depending on the terms of individual ESP awards. The Company delivers the underlying shares of Class A Stock to the employee at the end of the applicable vesting period so long as such employee continues to be an employee of the Company or one of its operating subsidiaries from shares of Class A Stock held in the Company's treasury.

The award of Class A Stock under the ESP is a significant component of the Company's compensation program for key employees of the Company and its subsidiaries. The award of stock to key employees is intended to align their interests with those of the Class A Stockholders. Accordingly, the number of shares of Class A Stock underlying existing share-based arrangements together with shares of Class A Stock reserved for future arrangements as a percentage of the Company's issued Class A Stock might be perceived as being relatively high. The Board and the Compensation Committee have adopted a policy of maintaining the percentage of reserved stock for share-based awards to not more than 20% of the number of issued shares of Class A Stock. The current percentage of shares of Class A Stock underlying existing share-based arrangements together with shares of Class A Stock reserved for future arrangements as a percentage of the Company's issued Class A Stock at March 1, 2011 is 12.0% (15.7% upon the approval of this Matter No. 3). A discussion of the Company's share-based plans is presented in note 12 to our consolidated financial statements for the year ended December 31, 2010 included in our 2010 Annual Report to Stockholders which accompanies this proxy statement.

As of March 1, 2011, the Company has outstanding stock awards of 801,073 shares of Class A Stock (of which 392,073 shares were awarded pursuant to the ESP) as part of employee compensation which is designed both to reward past performance, to induce potential employees to accept employment and to retain key employees. It is anticipated that a further 500,000 shares of Class A Stock will be required for the ESP for the next several years. As discussed in the Compensation Discussion and Analysis, the Company has limited its use of stock option awards in favor of stock awards.

Accordingly, Class B Shareholders are being asked to consider and, if deemed advisable, pass the resolution which appears below authorizing the issue of up to an additional 500,000 Class A Shares to the ESP.

RESOLVED THAT:

1. The issue by the Board of Directors of the Company of up to an aggregate of 500,000 shares of Class A non-voting stock of the Company to the Oppenheimer & Co. Inc. Employee Share Plan be and it is hereby authorized.
2. The proper officers and directors of the Company be and they are hereby authorized and directed to take all such action and execute all such documents as are necessary to implement the terms of the foregoing resolution.

To be effective, these resolutions must be passed by the affirmative vote of a simple majority of the votes cast by the Class B Stockholders at the Meeting. Abstentions will not be counted as votes for or against the proposal.

Mr. Lowenthal owns 96.4% of the Class B Stock and has informed the Company he intends to vote all of such Class B Stock in favor of the proposal. See *Security Ownership of Certain Beneficial Owners and Management*.

**OUR BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE FOR THE ISSUE OF UP TO 500,000 SHARES OF CLASS A STOCK TO THE OPPENHEIMER & CO. INC. EMPLOYEE SHARE PLAN.**

**Table of Contents**

**MATTER NO. 4 ADVISORY (NON-BINDING) VOTE ON EXECUTIVE COMPENSATION,  
INCLUDING CHANGE OF CONTROL PROVISIONS**

In response to the requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act and Section 14A of the Exchange Act, we are providing Class B Stockholders with an opportunity to cast an advisory (non-binding) vote on the compensation of our Named Executives, commonly referred to as a say on pay vote. Your vote is advisory and will not be binding on our Board of Directors. However, the Compensation Committee will take into account the outcome of the vote when making future executive compensation recommendations.

Our compensation policy is designed to recruit, motivate, reward and retain the high performing executive talent required to create superior long-term stockholder returns; reward executives for short-term performance as well as growth in enterprise value over the long-term; provide a competitive compensation package relative to peers and competitors; and ensure effective utilization and development of talent by employing appropriate management processes, such as performance appraisal and management development.

Stockholders are encouraged to read the Compensation Discussion and Analysis (CD&A) section of this proxy statement (found on page 27), which describes our compensation policies and practices. The Compensation Committee and the Board of Directors believe that the policies and practices described in the CD&A provide a compensation framework which enables us to retain and appropriately reward the executive officers that we believe are critical to our long-term success, while linking that compensation to our corporate objectives and performance.

For example:

our Named Executives do not generally have employment agreements. We have an employment agreement with one Named Executive. The benefits to the Named Executive under this employment agreement expire on April 26, 2011;

our Named Executives do not receive supplemental retirement benefits;

other than access to limited parking places, our Named Executives do not receive any perquisites that are not generally available to all employees;

our incentive compensation is reviewed annually by the Compensation Committee to ensure that we are not encouraging undue risk-taking and we are aligning executive compensation with the strategic objectives and performance of the Company;

our Chief Executive Officer's annual salary and incentive compensation is established by the Compensation Committee which is composed of independent directors;

a substantial portion of our Chief Executive Officer's compensation is driven by performance goals which are established annually by the Compensation Committee from a broad array of financial, performance and strategic parameters; and

we have approved a compensation recovery policy which provides for the recovery of share-based incentive compensation paid to our designated executive officers (and cash bonuses in the case of our Chairman and President) if such incentive compensation was based on subsequently discovered fraud or misconduct or based on erroneous information in the case of a restatement of our financial statements (whether or not due to fraud or misconduct).

The two stock-based compensation awards granted in 2006 to one of our Named Executives contain a change of control provision whereby his awards immediately vest upon a change of control of more than 50% of the Class B Stock of the Company or the sale of Oppenheimer & Co. Inc., as described in Note 2 to the Summary Compensation Table. Those awards will vest and/or expire on April 26, 2011 whereupon no Named Executive will have a change of control feature in their employment arrangements.

This Matter No. 4, commonly known as a Say-on-Pay proposal, gives you, as a Class B Stockholder, an opportunity to endorse or not endorse the compensation we pay to our Named Executives, including the change of control provision

**Table of Contents**

for one of our Named Executives as described in this proxy statement by voting, on an advisory basis, For the following resolution:

RESOLVED THAT:

The compensation paid to Oppenheimer Holdings Inc.'s named executive officers, as disclosed pursuant to the Securities and Exchange Commission's compensation disclosure rules, including the Compensation Discussion and Analysis, compensation tables and narrative discussion set forth on pages 27 to 37 of this Proxy Statement and the change of control provision, is hereby approved.

To be effective this resolution must be passed by the affirmative vote of a simple majority of the votes cast by the Class B Stockholders at the meeting. Mr. Lowenthal owns 96.4% of the Class B Stock and has informed the Company he intends to vote all of such Class B Stock in favor of the proposal. See *Security Ownership of Certain Beneficial Owners and Management*.

**OUR BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE FOR THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS AS DISCLOSED IN THIS PROXY STATEMENT.**

**Table of Contents**

**MATTER NO. 5 ADVISORY (NON-BINDING) VOTE FREQUENCY OF AN ADVISORY VOTE  
ON EXECUTIVE COMPENSATION**

In response to the requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act and Section 14A of the Exchange Act, we are providing Class B Stockholders with an opportunity to cast an advisory (non-binding) vote on how frequently we should seek an advisory vote on the compensation of our Named Executives, commonly referred to as a say on pay vote, as provided in Matter No. 4.

Dodd-Frank and Section 14A of the Exchange Act requires us, not less frequently than once every 6 years, to submit a proposal allowing our Class B Stockholders to vote, in an advisory, non-binding vote, on whether the frequency of a say on pay vote will occur every 1, 2 or 3 years. As a Class B Stockholder of the Company, you are being provided the opportunity to vote on the frequency of the vote on executive compensation.

Your vote is advisory and will not be binding upon our Board of Directors. However, the Compensation Committee will take into account the outcome of the vote when considering the frequency of submitting to Class B Stockholders a resolution to afford Class B Stockholders the opportunity to vote on executive compensation.

The Company's Board of Directors recommends that Class B Stockholders vote FOR the resolution to have a say on pay vote every 3 years. The Company's compensation programs and policies have remained consistent over many years and, therefore, your Board does not believe that a more frequent vote on say on pay would provide a benefit.

The accompanying form of proxy provides for four choices (every 1, 2 or 3 years, or abstain). Class B Stockholders are voting on one of these periods, and are not voting to approve or disapprove the Company's recommendation.

The frequency of the Class B Stockholder vote on executive compensation (every 1, 2 or 3 years) will be determined by a plurality of votes cast FOR the year receiving the highest number of votes, even if such votes do not constitute a majority. Abstentions will not be counted as votes cast either for or against the proposal. Mr. Lowenthal owns 96.4% of the Class B Stock and has informed the Company he intends to vote all of such Class B Stock in favor of holding a say on pay vote every 3 years. See *Security Ownership of Certain Beneficial Owners and Management*.

**OUR BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE FOR THE 3 YEAR  
FREQUENCY OPTION ON FUTURE ADVISORY VOTES ON EXECUTIVE COMPENSATION.**

**Table of Contents**

**EXECUTIVE COMPENSATION AND RELATED INFORMATION**

**COMPENSATION DISCUSSION AND ANALYSIS**

**Introduction**

The following Compensation Discussion and Analysis ( CD&A ) describes the material elements of compensation for our named executive officers identified in the Summary Compensation Table , or the Named Executives. The Compensation Committee of the Board, or the Compensation Committee, which is comprised entirely of independent directors, makes recommendations to the Board for the total compensation (that is the base salary, annual bonus, stock options and stock awards) of our senior executive officers, including the Named Executives. The Compensation Committee s determination of the total compensation of our Chief Executive Officer is subject, in part, to the Performance-Based Compensation Agreement, amended and restated January 1, 2010, between the Company and our Chief Executive Officer, for which we received stockholder approval on May 10, 2010.

Certain processes and procedures of the Compensation Committee are discussed below including its role in dealing with the Chief Executive Officer s compensation and the compensation of the other Named Executives. The Compensation Committee considers recommendations from the Chief Executive Officer with respect to the compensation of Named Executives (other than the Chief Executive Officer), as it does on compensation matters such as year-end incentive compensation and stock awards for all of our other employees.

The day-to-day design and administration of health benefits, the deferred compensation plans and the 401(k) plan and other employee benefit plans and policies applicable to salaried U.S.-based employees in general are handled by our Human Resources, Finance and Legal Departments.

For the purposes of determining 2010 executive compensation, the Compensation Committee did not retain independent compensation consultants although the Compensation Committee may retain compensation consultants when it deems necessary.

**Objectives and Policies**

The Compensation Committee s objective is to provide a competitive compensation program with strong and direct links between corporate objectives and financial performance, individual performance and compensation, mindful of our corporate risk management objectives. Our compensation policy with respect to our Named Executives, including the CEO, has the following objectives:

recruit, motivate, reward and retain the high performing executive talent required to create superior long-term stockholder returns;

reward executives for short-term performance as well as growth in enterprise value over the long-term;

provide a competitive compensation package relative to peers and competitors; and

ensure effective utilization and development of talent by employing appropriate management processes, such as performance appraisal and management development.

Our compensation program for senior executive officers, including the Named Executives, consists of the following key elements: a base salary, an annual bonus, grants of share-based compensation (typically stock awards) and, in the

case of the Chief Executive Officer, performance-based compensation pursuant to the Performance-Based Compensation Agreement. The goal of the Compensation Committee is to provide a compensation structure which will enable us to retain and appropriately reward the executive officers that we believe are critical to our long-term success. The Compensation Committee also reviews compensation arrangements to ensure that a portion of the Named Executives' compensation is directly related to corporate performance, appropriate risk management and other factors that directly and indirectly influence stockholder value.

In arriving at its recommendations concerning the specific components of our compensation program, the Compensation Committee considers certain public information about the compensation paid by a group of comparable public U.S. broker-dealers. To this end, the Compensation Committee has reviewed the published information provided in the 2008 proxy statements filed for a variety of relevant competitors. We believe that our compensation practices have been generally competitive with the industry and the Compensation Committee intends to repeat such a peer review in 2011. The Compensation Committee does not employ a formal benchmarking strategy or rely upon specific peer-derived targets.

## **Table of Contents**

The Compensation Committee believes potential incentive compensation (annual bonus and, to a lesser extent, share-based awards) should generally comprise between 60% to 95% of total compensation for the Named Executives because:

these executive officers are in positions to influence corporate strategy and execution;

tying the majority of total compensation to incentive payments helps ensure focus on our goals;

their compensation is at risk and will thus depend upon our Company producing financial results that warrant such payments; and

the volatile nature of our market-driven businesses should be reflected in our compensation practices.

The Compensation Committee makes recommendations to the Board with respect to total compensation including an annual bonus and grants equity awards, if any, for our Named Executives and other senior executives. The Compensation Committee does not necessarily grant share-based awards to employees, including the Named Executives, on an annual basis. It considers the performance of the employee and the number of outstanding share-based awards already awarded to the employee when determining total compensation in any year and the degree to which the employee has a long-term interest in the Company's success. Upon the vesting of an employee's share-based awards, the Compensation Committee also considers whether or not to grant new awards and on what terms. All share-based awards are priced at fair value at the grant date.

The Compensation Committee believes that, as stockholders, the Named Executives will be motivated to consistently deliver financial results that build wealth for all stockholders over the long-term. The adoption of accounting guidance on Share-Based Payment, on January 1, 2006, requires us to expense stock options. Since 2006, we granted only a very limited number of stock options and none to the Named Executives, relying instead largely upon stock awards. The Compensation Committee is cognizant of the impact of the accounting guidance on our financial results and will strive to balance the granting of stock options and stock awards with the other objectives of executive compensation set forth above. The Compensation Committee is also limited in its ability to make share-based awards due to the relatively small number of shares of our outstanding Class A Stock and our policy that share-based compensation not exceed 20% of the outstanding Class A Stock. At March 1, 2011, we had stockholder approval to award 1,617,853 shares of Class A Stock pursuant to our share-based awards plans (12.0% of our outstanding Class A Stock), of which 1,172,787 shares of Class A Stock are the subject of current share-based compensation arrangements and subject to vesting requirements. See discussion under *Stock Option Grants* and *Stock Awards* below.

Compensation arrangements for our senior executive officers (other than the Chief Executive Officer) generally involve a significant component of remuneration which is contingent on our Company's performance and that of the senior executive officer: an annual cash bonus (which permits individual performance to be recognized on an annual basis, and which is based, in significant part, on an evaluation of the contribution made to the Company by the officer) and share-based awards (which directly relate a portion of compensation to stock price appreciation realized by our stockholders). The Compensation Committee believes that this approach best serves the interests of stockholders by enabling us to structure compensation in a way that meets the requirements of the highly competitive environment in which we operate, while ensuring that senior executive officers are compensated in a manner that advances both our short and long-term interests and those of our stockholders. For the Chief Executive Officer's compensation arrangements, see discussion under *Chief Executive Officer Compensation* below.

## **Determination of 2010 Compensation**

The Compensation Committee, with recommendations from the Chief Executive Officer, make recommendations to the Board with respect to all compensation for each Named Executive for 2010 (other than the Chief Executive Officer, which compensation it based upon its own judgments). For a discussion of the compensation for the Chief Executive Officer, see the section entitled *Chief Executive Officer Compensation* below.

The Compensation Committee makes recommendations to the Board with respect to each Named Executive's annual salary and annual bonus and makes grants of share-based awards by reference to the executive's position, responsibilities and performance. Some of the factors considered by the Compensation Committee are:

the position's responsibilities relative to our total earnings, use of invested capital, degree of firm capital at risk and the generation of earnings and cash flows,

the position's impact on key strategic initiatives, and

**Table of Contents**

the executive's performance and contributions to the management of the Company.

The Chief Executive Officer assessed each Named Executive's (other than the Chief Executive Officer's) as well as other senior officers' performance under the performance assessment policies, and the Compensation Committee assessed the Chief Executive Officer's performance according to these same criteria and the parameters established under the Performance-Based Compensation Agreement with our Chief Executive Officer. See discussion under *Chief Executive Officer Compensation* below.

Our performance assessment policy rates performance in different competencies, as follows:

- strategic thinking;
- integrity;
- managing employee performance and morale;
- financial responsibility;
- achievement focus;
- business judgment;
- risk management
- planning and organization;
- leadership;
- mentoring;
- relationship building;
- compliance with regulatory requirements and company policies;
- profitability of business unit, if applicable;
- conflict resolution; and
- communication.

*Base Salary.* The salary of our Chief Executive Officer is set by the Compensation Committee. Salaries paid to senior executive officers are reviewed annually by the Compensation Committee considering recommendations made by the Chief Executive Officer, based on his assessment of the nature of the position, and the skills, experience and performance of each senior executive officer, as well as salaries paid by comparable companies in our industry. The Compensation Committee then makes recommendations to the Board of Directors with respect to base salaries. Base salaries paid to senior executive officers in 2010 were not increased from 2009 levels except for three senior executive officers (none of whom were Named Executives) whose salaries were increased modestly in early 2010 to establish a uniform \$200,000 salary ceiling for all such employees.

*Annual Bonus.* Bonuses paid to our senior executive officers are reviewed annually by the Compensation Committee considering recommendations made by the Chief Executive Officer based on his assessment of the performance of the Company and his assessment of the contribution of each senior executive officer to that performance. The Compensation Committee then makes recommendations to the Board of Directors with respect to annual cash bonuses. Annual bonuses for our senior executive officers were higher in 2010 by approximately 11% compared to 2009 in response to the Company's improved profitability in 2010 compared to 2009. Senior executive officers, including the Chief Executive Officer, may be offered the right to elect to defer a portion of their annual bonus and performance-based compensation under our Executive Deferred Compensation Plan, a non-qualified unfunded plan. In 2009 and 2010, no officer was given the option to make such a deferral. See *Stock Awards* below.

*Stock Option Grants.* Under our 2006 Equity Incentive Plan, or EIP, our senior executive officers and employees may be granted stock options or restricted stock awards by the Compensation Committee based upon a variety of considerations, including the performance of the specific optionee and the date of the last grant made to the officer or employee, as well as considerations relating to the contribution. In addition, stock option grants may be awarded as a retention tool for new employees. Due to the relatively high cost of expensing stock option awards under applicable accounting guidance, we have limited our use of this form of award in favor of stock awards.

**Table of Contents**

*Stock Awards.* Under either our Employee Share Plan, or ESP, or under the EIP, our and our subsidiaries' executive officers and employees (other than the Chief Executive Officer) are granted stock awards by the Compensation Committee based upon recommendations from the Chief Executive Officer and other considerations relating to the contribution and performance of the specific award recipient. In addition, stock awards may be given as an inducement to employment for new employees or as a retention tool for existing employees. Stock awards are generally subject to a significant vesting period and we believe that these awards are useful in retaining our key executive personnel. On January 28, 2010, we awarded 194,500 shares of restricted Class A Stock to our employees under the EIP, including 100,000 to Mr. A. Lowenthal, 10,000 to Mr. Alfano and 5,000 each to Mr. Okin and Ms. Roberts subject to five-year cliff vesting. On January 27, 2011, we awarded 291,000 shares of restricted Class A Stock to our employees under the EIP and the ESP, including 40,000 to Mr. Lowenthal and 10,000 each to Mr. Alfano, Mr. Okin and Ms. Roberts subject to five-year cliff vesting.

In the years 2006 through 2008, a limited number of senior executives and employees, including Mr. Alfano and Mr. Okin who are Named Executives, were offered the opportunity to receive up to 25% of their year-end bonus in Class A Stock. For example, under the terms of this offer, the employee could have elected (in December 2007) with respect to his/her 2008 year-end bonus to purchase Class A Stock at fair market value on a date in the first week of January 2009 which was pre-determined by the Compensation Committee. Such Class A Stock was issued on a restricted basis and vested on the first anniversary of issue. As an incentive to invest in the long-term prospects of the Company, the executive was awarded a further number of restricted shares of Class A Stock equal to 15% of the Class A Stock purchased by the executive, which additional restricted Class A Stock vests on the third anniversary date of the award of such stock. The vesting condition requires continuous employment with the Company from grant or issue date to the vesting date. This opportunity was not extended to any officer with respect to the 2009 or 2010 year-end bonuses, and may or may not be reinstated in the future.

*No Backdating or Spring Loading.* We do not backdate options or grant options retroactively. In addition, we do not plan to coordinate grants of options so that they are made before the announcement of favorable information, or after the announcement of unfavorable information. Our options are granted by the Compensation Committee at fair market value on a fixed date or event (such as the first regular meeting of the Board of Directors following an employee's hire), with all required approvals obtained in advance of or on the actual grant date. All grants of options to employees are made by the Compensation Committee, except that the independent directors receive automatic option grants pursuant to the EIP as described under *Director Stock Options* on page 17.

*Fair Market Value.* Fair market value has been consistently determined, as required by the EIP, as the share closing price on the NYSE on the grant date.

*Compensation Recovery Policy.* In January 2011, the Compensation Committee recommended and the Company established a compensation recovery policy that affects incentive compensation paid to its designated executive officers. This policy requires that the Company recover from any current or former executive officer share-based incentive compensation (including stock awards) and cash bonuses in the case of our Chairman and President if the amount of such incentive compensation was based on subsequently discovered fraud or misconduct. In addition, in the case of a restatement of the Company's financial statements (whether or not due to fraud or misconduct), the Company is required to recover the amount of share-based incentive compensation that was paid to its designated executive officers (and cash bonuses in the case of our Chairman and President) in excess of what would have been paid based on the restated financial results. Many of our executive officers have stock awards which vest over time. Individual executive officers could face the forfeiture of some or all of these awards if compensation recovery was necessary. The Company will look at the three-year period preceding a restatement of its financial statements to determine the amount of compensation recovery, if any.

Stock awards made subsequent to July 2010 contain an agreement by the beneficiary of such award to such clawback provisions as are described in the immediately preceding paragraph. The Company is awaiting final rulemaking by the SEC with respect to other policies that may affect a broader employee population with respect to clawback or reduction of cash bonuses with respect to years in which there are events that include fraud, misconduct, restatement of financial results or revaluation of owned assets resulting in losses by the Company in periods subsequent to the payment of cash bonuses and stock awards.

*Executive Deferred Compensation Plans.* The Executive Deferred Compensation Plan, or EDCP, was established with a dual purpose. The EDCP, together with its sister plan, the Deferred Incentive Plan, or DIP, is maintained to offer certain high-performing financial advisors bonuses which require a mandatory deferral subject to vesting provisions. The

**Table of Contents**

EDCP also provides for voluntary deferral of year-end bonuses by our senior executives, which deferral option may or may not be offered in a given year. These voluntary deferrals are not subject to vesting. We do not make contributions to the EDCP for the Named Executives and other senior level executives. Mr. Lowenthal has made voluntary deferrals into the EDCP in past years. The EDCP provides a benefit to participants in that the participant's year-end bonus can be deferred on a tax free basis until a pre-designated future time. This type of benefit is commonly available to senior executive officers of our competitors and is offered by us in order to remain competitive. The option to defer the 2010 year end bonus was not offered. In addition, the Company is maintaining a deferred compensation plan on behalf of certain employees (none of whom are the Named Executives) who were formerly employed by CIBC World Markets Corp. Further description of the EDCP, the DIP and the deferred plan for former employees of CIBC World Markets Corp. can be found in note 12 to our consolidated financial statements for the year ended December 31, 2010 included in our 2010 Annual Report to Stockholders which accompanies this proxy statement.

*Stock Appreciation Rights.* The Company has awarded stock appreciation rights ( OARs ) to certain employees (none of whom are the Named Executives) as part of their compensation package based on a formula reflecting gross production, length of service and client assets. These awards are granted once per year in January with respect to the prior year's production. The OARs vest five years from the grant date and are settled in cash on vesting. Further description of the OARs can be found in note 12 to our consolidated financial statements for the year ended December 31, 2010 included in our 2010 Annual Report to Stockholders which accompanies this proxy statement.

*Benefits.* The Named Executives who are U.S.-based salaried employees participate in a variety of benefits designed to enable us to attract and retain our workforce in a competitive marketplace. We help ensure a productive and focused workforce through reliable and competitive health and other benefits. Deferred compensation and 401(k) plans help employees, especially long-service employees, save and prepare financially for retirement. The Named Executives receive the same benefits as all full-time employees. Our qualified 401(k) Plan allowed employees to contribute up to \$16,500 for 2010 plus an additional \$5,000 for employees over age 50. Employees may continue to retain their 401(k) Plan account after they leave us so long as their account balance is \$5,000 or more. At age 70.5, minimum distributions must begin. Ms. Roberts, who is a Canadian-based salaried employee, only receives health benefits.

We do not sponsor a pension plan for our employees.

*Perquisites.* The Named Executives, along with other senior management employees, are provided a limited number of perquisites whose primary purpose is to minimize distractions from the executive's attention to important corporate matters. An item is not a perquisite if it is integrally and directly related to the performance of the executive's duties. An item that is not integrally and directly related to the performance of the executive's duties is a perquisite if it confers a direct or indirect benefit that has a personal aspect, without regard to whether it may be provided for some business reason or for our convenience, unless it is generally available on a non-discriminatory basis to all employees.

We provide the following perquisites, all of which are quantified in the Summary Compensation Table below and detailed in the All Other Compensation Table below.

*Parking* Mr. Lowenthal, Mr. Okin and Ms. Roberts have Company-paid parking arrangements.

We do not provide the Named Executives with any other perquisites, such as split-dollar life insurance, reimbursement for legal counseling for personal matters, or tax reimbursement payments. We do not provide loans to executive officers, other than margin loans in margin accounts with us in connection with the purchase of securities (including our securities), which margin accounts are substantially on the same terms, including interest rates and collateral, as those prevailing from time to time for comparable transactions with non-affiliated persons and do not involve more than the normal risk of collectability. See *Certain Relationships and Related Party Transactions* below.

*Separation and Change in Control Arrangements.* Our Named Executives are not eligible for benefits and payments if employment terminates in a separation or if there is a change in control, except for Mr. Alfano as described in note 2 to the Summary Compensation Table below.

***Chief Executive Officer Compensation***

Mr. A.G. Lowenthal, our Chairman of the Board and Chief Executive Officer, is paid an annual base salary set by the Compensation Committee, plus performance-based compensation under the Performance-Based Compensation Agreement and, at the discretion of the Compensation Committee, is eligible for bonuses and grants of stock options and restricted stock.

**Table of Contents**

On May 10, 2010, Class B Stockholders ratified the Company's Performance-Based Compensation Agreement with Mr. Lowenthal, which was effective January 1, 2010. The purpose of the Performance-Based Compensation Agreement is to allow the Compensation Committee to set the annual terms under which Mr. Lowenthal's annual performance-based compensation is to be calculated during the term thereof. Mr. Lowenthal's role in determining our success or failure has greater bearing on our ultimate results and financial condition than our other executive officers because of the nature of his position as Chief Executive Officer. Therefore, the Compensation Committee has determined that a high proportion of his compensation should be subject to variability on both the upside and the downside to reflect our Company's results.

In March 2010, the Compensation Committee established performance goals under the Performance-Based Compensation Agreement entitling Mr. Lowenthal to a Performance Award under the Performance-Based Compensation Agreement for the year 2010 of an aggregate of up to \$5 million unless (c) or (d) below are achieved, in which case the maximum is \$7.5 million. The performance award was determined by the application of a formula based on the following components: (a) an amount equal to 3% of the amount by which our total revenues less interest income for the year ended December 31, 2010 exceeds \$1 billion; plus (b) an amount equal to \$1 million if our consolidated profit before income taxes for the year ended December 31, 2010 is equal to \$39.75 million or more; (i) 8% of the amount by which our consolidated profit before income tax for the year ended December 31, 2010 is greater than \$39.75 million and less than \$62.25 million; plus (ii) 4% of the amount by which our consolidated profit before income tax for the year ended December 31, 2010 is greater than \$62.25 million; plus (c) an amount equal to \$1.2 million times the difference between 61% and the percentage of total compensation cost (as defined in the annual Compensation Committee Resolution establishing the CEO performance award for 2010) as a percentage of total revenue less interest income for the year ended December 31, 2010; plus (d) \$1 million if the profit before income taxes of the Company's capital markets segment exceeds \$5 million; plus (e) the excess of the closing price of the Class A Stock on the NYSE (the Market Value) of one share of Class A Stock at December 31, 2010 over \$35.00 per share multiplied by 100,000 shares. The application of the 2010 formula as set out above produced a performance award of \$4,074,840 million in cash for fiscal 2010, of which Mr. Lowenthal declined \$1 million. In January 2011, the Compensation Committee awarded Mr. Lowenthal 40,000 shares of Class A Stock as a stock award based on a recent closing price of the Class A Stock on the NYSE of \$25.63; the latter together with his actual cash compensation totals approximately the amount earned under the 2010 formula. Mr. Lowenthal's bonus is included in the Summary Compensation Table below. In March 2010, the Compensation Committee set Mr. Lowenthal's base salary for 2010 at \$500,000.

The Performance-Based Compensation Agreement includes a limitation on the maximum performance award available to Mr. Lowenthal in any single year for which it is effective. The Compensation Committee may also set a cap on Mr. Lowenthal's total performance award under the Performance-Based Compensation Agreement which can be less than the maximum under the Performance-Based Compensation Agreement.

***U.S. Internal Revenue Code Section 162(m)***

Section 162(m) of the Code generally disallows a tax deduction for annual compensation (other than compensation that qualifies as performance-based compensation within the meaning of Section 162(m)) in excess of \$1 million paid to our Chief Executive Officer and our three other most highly compensated executive officers, other than the Chief Executive Officer and the Chief Financial Officer, whose compensation is required to be disclosed in this proxy statement. Messrs. Alfano, Okin and Robinson are not subject to Section 162(m) because they are not executive officers of the Company and we are not *required* to disclose their compensation. The Performance-Based Compensation Agreement for the Chief Executive Officer was ratified and approved by the Class B Stockholders so that it would satisfy the requirements for performance-based compensation.

To the extent consistent with our general compensation objectives, the Compensation Committee considers the potential effect of Section 162(m) on compensation paid to our executive officers. However, the Compensation Committee reserves the right to award and recommend the awarding of non-deductible compensation in any circumstances it deems appropriate. Further, because of ambiguities and uncertainties as to the application and interpretation of Section 162(m) and the regulations issued thereunder, no assurance can be given, notwithstanding our efforts to qualify, that the compensation paid by us to our executive officers will in fact satisfy the requirements for the exemption from the Section 162(m) deduction limit.

**Table of Contents**

**Summary Compensation Table**  
**For the Year Ended December 31, 2010**

The following table sets forth the total annual compensation paid or accrued by us to or for the account of our Chief Executive Officer, and our President, Treasurer and Chief Financial Officer, for the three years ended December 31, 2010, our only executive officers whose total cash compensation exceeded \$100,000 for the year ended December 31, 2010. In an effort to provide more complete disclosure, the table also lists the next three most highly paid executive officers of our principal subsidiaries, Oppenheimer & Co. Inc. and Oppenheimer Asset Management, whose total cash compensation for the year ended December 31, 2010 exceeded \$100,000. The three executive officers of Oppenheimer & Co. Inc. and Oppenheimer Asset Management appearing in the table below are not officers of Oppenheimer Holdings Inc., and they do not perform policy making functions for Oppenheimer Holdings Inc.

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Stock Awards (\$)	Option Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Change in Pension Value and Nonqualified Deferred Compensation Earnings	All Other Compensation (\$)	Total (\$)
							(\$)		
(a)	(b)	(c)	(d) (1)	(e) (2)	(f) (2)	(g) (1)	(h) (3)	(i) (4)	(j)
<b>A. G. Lowenthal</b> Chairman, CEO and Director of the Company and Oppenheimer & Co. Inc.	2010	\$ 500,000		\$ 2,600,000		\$ 3,074,840	\$ 5,750		\$ 6,180,590
	2009	\$ 500,000		\$ 549,750		\$ 2,198,622	\$ 5,750		\$ 3,248,372
	2008	\$ 500,000		\$ 953,250			\$ 5,750		\$ 1,459,000
<b>E. K. Roberts</b> President, Treasurer, CFO and Director of the Company and Treasurer of Oppenheimer & Co. Inc.	2010	\$ 225,000	\$ 250,000	130,000			\$ 2,700		\$ 607,700
	2009	\$ 225,000	\$ 250,000	\$ 73,300			\$ 2,700		\$ 551,000
	2008	\$ 225,000	\$ 150,000	\$ 381,300			\$ 2,700		\$ 759,000
<b>Jeffrey Alfano</b> Executive Vice-President and CFO, Oppenheimer & Co. Inc.	2010	\$ 275,000	\$ 700,000	\$ 260,000					\$ 1,235,000
	2009	\$ 275,000	\$ 500,000	\$ 73,300					\$ 848,300
	2008	\$ 275,000	\$ 437,500	\$ 381,300					\$ 1,093,800
<b>Robert Okin</b>	2010	\$ 200,000	\$ 900,000	\$ 130,000			\$ 5,750		\$ 1,235,750

Executive	2009	\$ 200,000	\$ 650,000		\$ 5,750	\$ 855,750
Vice-President, Oppenheimer & Co. Inc.	2008	\$ 200,000	\$ 425,000	\$ 381,300	\$ 12,156	\$ 1,018,456
<b>Thomas Robinson</b> President,	2010	\$ 200,000	\$ 900,000			\$ 1,100,000
Oppenheimer Asset Management	2009	\$ 200,000	\$ 750,000			\$ 950,000
	2008	\$ 200,000	\$ 800,000			\$ 1,000,000

### Notes to Summary Compensation Table:

- (1) The Bonus and Non-Equity Incentive Plan Compensation amounts are not reduced by the Named Executive's election, if any, to defer receipt of bonuses into the EDCP or an election to convert a portion of his or her bonus into the purchase of Class A Stock. None of these conditions applied in 2010.
- (2) The values of stock options (granted under the EIP) and stock awards (granted under the ESP or EIP) represent the grant date fair value of awards granted in the fiscal year. The underlying assumptions and methodology used to value our stock options and stock awards are described in note 12 to our consolidated financial statements for the year ended December 31, 2010 included in our 2010 Annual Report to Stockholders which accompanies this proxy statement. Details of stock options and stock awards held by the Named Executives appear in the Outstanding Equity Awards Table and notes thereto appearing below.

In connection with the terms of his employment, in April 2006, Mr. Alfano was awarded 25,000 restricted shares of Class A Stock under the ESP which are subject to a five year service requirement and which cliff-vest on April 26, 2011. In addition, on April 27, 2006, Mr. Alfano was granted an option on 10,000 shares of Class A Stock which vests as follows: 25% on April 27, 2008; 25% on April 27, 2009; 25% on April 27, 2010; and 25% on October 27, 2010 and expires on April 26, 2011. Mr. Alfano's restricted stock and option awards immediately vest upon a change of control of more than 50% of the Class B Stock of the Company or the sale of Oppenheimer & Co. Inc. The intrinsic value of Mr. Alfano's restricted stock and options awards assuming a change of control or sale of Oppenheimer & Co. Inc. on December 31, 2010 is \$671,350.

- (3) We offer a nonqualified deferred compensation plan into which senior executives, including the U.S. Named Executives, may elect to defer some or all of their year-end bonuses. No above-market earnings were recorded. Details about the earnings from the EDCP appear below in the Nonqualified Deferred Compensation Table.
- (4) See the chart and notes below All Other Compensation Table for a description of the amounts appearing in column (i). All other compensation includes perquisites.

**Table of Contents**

**All Other Compensation Table  
For the Year Ended December 31, 2010**

	<b>Parking (a)</b>
A. G. Lowenthal	\$ 5,750
E.K. Roberts	\$ 2,700
J. Alfano	
R. Okin	\$ 5,750
T. Robinson	

**Notes to All Other Compensation Table:**

- (a) We have three parking spaces at 125 Broad Street, New York, NY which are included in the terms of the lease for the head-office premises. Mr. Lowenthal and Mr. Okin use two of these spaces. The cost ascribed to the parking spaces reflects current commercial terms. Ms. Roberts is provided with a parking space at 20 Eglinton Avenue West, Toronto, Ontario.

**Grants of Plan-Based Awards Table  
For the Year Ended December 31, 2010**

Name	Grant Date	Estimated Future Payouts Under			All Other Stock Awards: Number of Shares or Stock Units	Grant Date Fair Value of Equity Awards
		Threshold	Target	Maximum		
(a)	(b)	(\$) (c)	(\$) (d)	(\$) (e)	(#) (f)	(\$) (g)
A.G. Lowenthal (1)	3/17/2010			\$ 7.5 million		
E.K. Roberts						
J. Alfano						
R. Okin						
T. Robinson						

**Notes to Grants of Plan-Based Awards Table:**

- (1) Mr. Lowenthal's compensation is subject to a Performance-Based Compensation Agreement effective January 1, 2010 under which the Compensation Committee may establish annual limits not to exceed \$10 million. The

Performance-Based Compensation Agreement covers years through December 31, 2014. Under the formula, Mr. Lowenthal earned \$4,074,840 million in cash for fiscal 2010, of which he declined \$1 million and that is reflected in Mr. Lowenthal's non-equity incentive plan compensation reported for fiscal 2010 in column (g) of the Summary Compensation Table. Also see Chief Executive Officer Compensation above.

Table of Contents

**Outstanding Equity Awards Table**  
As of December 31, 2010

Name	Option Awards Equity Incentive Plan Awards:					Stock Awards				
	Number of Securities Underlying Unexercised Options	Number of Securities Underlying Unexercised Options	Number of Securities Underlying Unexercised Options	Exercise Price (\$)	Option Expiry Date	Number of Shares or Units of Stock That Have Not Vested	Market Value	Market Value	Number or of Payout Shares of or Units Other Rights That Have Not Vested	Equity Incentive Plan Awards: Market Value of Unearned Shares, Other Rights That Have Not Vested
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(7)	(i)	(j)
A.G. Lowenthal						25,000(1)	\$ 655,250			
						75,000(2)	\$ 1,965,750			
						100,000(6)	\$ 2,621,000			
E.K. Roberts						10,000(1)	\$ 262,100			
						10,000(2)	\$ 262,100			
						5,000(6)	\$ 131,050			
J. Alfano	10,000			\$ 26.50	4/26/2011	10,000(1)	\$ 262,100			
						10,000(2)	\$ 262,100			
						25,000(3)	\$ 662,500			
						548(4)	\$ 14,363			
						1,124(5)	\$ 29,460			
						10,000(6)	\$ 262,100			
R. Okin						10,000(1)	\$ 262,100			
						5,000(6)	\$ 131,050			
T. Robinson										

**Notes to Outstanding Equity Awards Table:**

- (1) Stock awards to the Named Executives were granted on January 29, 2008 and vested on January 28, 2011. Mr. Lowenthal received 15,836 shares of Class A Stock after applying the value of 9,164 shares to satisfy tax withholding. Ms. Roberts received 7,000 shares of Class A Stock after applying the value of 3,000 shares to satisfy tax withholding. Mr. Alfano received 6,378 shares of Class A Stock after applying the value of 3,622 shares to satisfy tax withholding. Mr. Okin received 10,000 shares of Class A Stock, having settled the tax withholding with personal funds.
- (2) Stock awards to the Named Executives were granted on February 26, 2009 and vest on February 24, 2014, subject to the individual being employed by the Company on the vesting date.
- (3) Stock award to the Named Executive was granted on April 27, 2006 and vests on April 26, 2011, subject to the individual being employed by the Company on the vesting date.
- (4) Stock award to the Named Executive was granted on January 4, 2008 and vested on January 15, 2011. The award represents 15% of the number of shares taken in lieu of cash with respect to the individual's 2007 year end bonus. See Stock Awards above.
- (5) Stock award to the Named Executive was granted on January 30, 2009 and vests on January 15, 2012, subject to the individual being employed by the Company on the vesting date. The award represents 15% of the number of shares taken in lieu of cash with respect to the individual's 2008 year end bonus. See Stock Awards above.
- (6) Stock award to the Named Executive was granted on January 28, 2010 and vests on January 17, 2015, subject to the individual being employed by the Company on the vesting date.
- (7) The market value is based on the closing price of the Class A Stock on the NYSE on December 31, 2010 of \$26.21.

**Table of Contents**

**Options Exercised and Stock Vested  
For the Year Ended December 31, 2010**

Name	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise	Value Realized on Exercise(\$)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting (\$)
(a)	(b)	(c)	(d)	(e)
A. G. Lowenthal				
E. K. Roberts				
J. Alfano			7,496	\$ 227,728
R. Okin			790	\$ 8,901
T. Robinson				

**Nonqualified Deferred Compensation Table  
For the Year Ended December 31, 2010**

Name	Executive Contributions	Registrant Contributions	Aggregate Earnings (loss)	Aggregate Balance
	in 2010 (\$)	in 2010 (\$)	in 2010 (\$)	at 12/31/10 (\$)
(a)	(b)	(c)(2)	(d)(2)	(e)(2)
A. G. Lowenthal(1)	\$		\$ 844,134	\$ 9,135,904
E. K. Roberts	\$			
J. Alfano	\$			
R. Okin	\$			
T. Robinson	\$			

**Notes to Nonqualified Deferred Compensation Table:**

- (1) Mr. Lowenthal did not make a contribution in 2010 to our Nonqualified Deferred Compensation Plan.
- (2) We do not make contributions to the EDCP with respect to the voluntary deferrals. The aggregate balances shown in column (e) of the table above represent amounts that the Named Executives earned as year-end bonuses but elected to defer (included as part of the amount in column (g), if any, of the Summary Compensation Table above), plus earnings (or losses). Such earnings (or losses) for fiscal 2010 are reflected in column (d) of the Nonqualified Deferred Compensation Table. Account balances are invested in phantom investments selected by the Named Executives from a menu of deemed investment choices. Participants may change their deemed investment choices quarterly. When participants elect to defer amounts into the EDCP, they also elect when the amounts will ultimately be paid out to them. Distributions may either be made in a specific future year or at a time

that begins after retirement. In accordance with Section 409A of the Code, in general, distribution schedules cannot be accelerated (other than for hardship) and to delay distribution, the participant must make such an election at least one year before distribution would otherwise have commenced and the new distribution must be delayed a minimum of five years after distribution would have initially begun. The deferred amount is a liability of the Company and subject to the risks of the business.

*Potential Payments Upon Termination or Change-in-Control*

None of the Named Executives (nor any other senior executives or employees) have arrangements with us which would result in potential payments upon termination or which would result in potential payments upon a change-in-control except for Mr. Alfano. Mr. Alfano's arrangement expires on April 26, 2011. See note (2) to the Summary Compensation Table above.

*Compensation Policies and Risk*

The Compensation Committee, the Board as a whole and senior management believe that the Company's compensation policies and practices are not likely to have a material adverse effect on the Company. The Company is necessarily in the business of taking risks to facilitate its customer-oriented businesses and, to a much lesser extent, certain proprietary trading activities; as a result, there is no assurance that the Company will not sustain trading or other losses in pursuing its businesses. However, in that context, we believe our compensation policies, together with our control systems and risk management procedures, generally act as mitigation against, rather than an encouragement of, employees taking excessive risk exposure with firm capital.

**Table of Contents**

A substantial portion of the Company's incentive compensation practices are related to employees situated in departments who do not use firm financial risk in conducting their advisory-style businesses. Other commitment and underwriting-related activities (which do involve firm-level risk) are regularly monitored by the firm's Commitment Committees, and such risks are further mitigated by the practice of paying modest salaries and year-end-only bonuses to the managers and employees in these activities.

For groups in the firm which do take frequent firm risk positions in conducting their businesses, the Company employs various risk controls, trading reserves and compensation holdback policies which are designed to protect the firm against excessive risk-taking with firm capital. These include generally conservative position limits, monthly and quarterly compensation hold-back and/or charge-backs as well as year-end carry-over policies for groups that are compensated on monthly or quarterly intervals. In addition, for some trading groups, extraordinary mark-down policies are imposed that are designed to prevent holding stale or unsalable inventories; and for others, compensation accrual at settlement date rather than trade date is utilized where appropriate. We also employ strict price monitoring policies for reviewing trading positions and the monitoring of all such prices by a group reporting directly to the CFO outside the control of interested individual department heads.

Our senior department managers in areas which place firm risk capital are paid modest salaries and year-end-only bonuses from the aggregate results of their departments, a mitigating factor against excessive risk-taking within their areas of responsibility. We also have a substantial mitigating effect against excessive risk-taking by our employees due to our Chief Executive Officer's incentive compensation arrangement which is annual, includes diverse criteria for any incentive payments and includes a cap on any earned incentive payment amount.

Our Compensation and Audit Committees coordinate their activities and oversight where compensation and risk activities intersect and, since February 2009, the Board has conducted ongoing risk-oriented reviews of firm operating units presented by management concurrently with most Audit Committee meetings.

Table of Contents**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

Our authorized capital includes 99,680 shares of Class B Stock, all of which are issued and outstanding, and 50,000,000 of shares of Class A Stock, of which 13,535,063 shares of Class A Stock were issued and outstanding, and 50,000,000 shares of Preferred Stock none of which were outstanding as of March 1, 2011.

The following table sets forth certain information regarding the beneficial ownership of each class of our stock as of March 1, 2011, with respect to (i) each person known by us to beneficially own, or exercise control or discretion over, more than 5% (except as otherwise indicated) of any class of our stock, (ii) each of our directors and nominees for director, (iii) each of our executive officers named in the Summary Compensation Table set forth herein and (iv) our directors, nominees for director and executive officers as a group. The address of each beneficial owner for which an address is not otherwise indicated is: c/o Oppenheimer Holdings Inc., 125 Broad Street, New York, NY 10004.

For purposes of the table, beneficial ownership is determined pursuant to Rule 13d-3 of the Exchange Act, pursuant to which a person or group of persons is deemed to have beneficial ownership of stock which such person or group has the right to acquire within 60 days after March 1, 2011. The percentage of shares deemed outstanding is based on 13,535,063 shares of Class A Stock and 99,680 shares of Class B Stock outstanding as of March 1, 2011. In addition, for purposes of computing the percentage of Class A Stock owned by each person, the percentage includes all Class A Stock issuable upon the exercise of outstanding options held by such persons within 60 days after March 1, 2011.

There are no outstanding rights to acquire beneficial ownership of any Class B Stock.

**Mr. A.G. Lowenthal has advised us that he intends to vote all of the Class B Stock owned and controlled by him for each of the matters referred to in the Notice of Meeting to be voted on at the Meeting, and that he intends to vote, on an advisory (non-binding) basis, that the frequency of the say-on-pay vote be every 3 years.**

Name of Beneficial Owner	Class A Stock		Class B Stock	
	Shares	%	Shares	%
GMT Capital Corp.(1)	1,071,800	7.9%		
Mackenzie Financial Corporation(2)	803,919	5.9%		
River Road Asset Management, LLC(3)	705,731	5.2%		
<b>Executive Officers, Directors, and Others</b>				
Albert G. Lowenthal(4)	2,827,471	20.9%	96,073	96.4%
J. Alfano(5)	28,076	*	60	*
J.L. Bitove(6)	480	*	20	*
R. Crystal(7)	9,050	*		
W. Ehrhardt(8)	1,000	*		
M.A.M. Keehner(9)	1,000	*		
K.W. McArthur(10)	54,450	*		
R. Okin(11)	71,456	*		
A.W. Oughtred(12)	24,250	*		
E.K. Roberts	185,322	1.4%	120	*
T. Robinson	5,766	*		
B. Winberg(13)	27,550	*		
Executive Officers and Directors as a group (12 persons)	3,235,871	23.9%	96,273	96.6%

\* Less than 1%

- (1) Based solely on a Schedule 13G/A filed with the SEC on February 23, 2011 by Bay Resource Partners, L.P. ( Bay ), Bay II Resource Partners, L.P. ( Bay II ), Bay Resource Partners Offshore Master Fund, L.P. ( Offshore Fund ), GMT Capital Corp. ( GMT Capital ) and Thomas E. Claugus. Bay has shared voting and dispositive power with respect to 245,200 shares of Class A Stock. Bay II has shared voting and dispositive power with respect to 243,900 shares of Class A Stock. Offshore Fund has shared voting and dispositive power with respect to 515,100 shares of Class A Stock. GMT Capital has shared voting and dispositive power with respect to 1,042,100 shares of Class A Stock. Mr. Claugus has shared voting and dispositive power with respect to 1,042,100 shares of Class A Stock and sole voting and dispositive power with respect to an additional 29,700 shares of Class A Stock. GMT Capital, the general partner of Bay and Bay II, has the power to direct the affairs of Bay and Bay II, including the voting and disposition of Class A Stock. As the discretionary investment manager of the Offshore Fund and certain other accounts, GMT Capital has power to direct the voting and disposition of Class A Stock held by the Offshore Fund and such accounts. Mr. Claugus is the President

**Table of Contents**

of GMT Capital and in that capacity directs the operations of each of Bay and Bay II and the voting and disposition of Class A Stock held by the Offshore Fund and separate client accounts managed by GMT Capital. The address of the business office of each of the above entities is 2100 RiverEdge Parkway, Suite 840, Atlanta, GA 30328.

- (2) Based solely on a Schedule 13D filed with the SEC on January 15, 2009 by Mackenzie Financial Corporation ( MFC ), all such Class A Stock is beneficially owned by MFC, a Canadian corporation. MFC has sole voting power and sole dispositive power of all such Class A Stock. The address of MFC is 180 Queen Street West, Toronto, Ontario, Canada M5V 3K1.
- (3) Based solely on a Schedule 13G/A filed with the SEC on February 14, 2011 by River Road Asset Management, LLC ( RRAM ), all such Class A Stock is beneficially owned by RRAM, a registered investment advisor. RRAM has sole dispositive power of 705,731 shares of Class A Stock and sole voting power of 581,717 shares of Class A Stock. The address of RRAM is 462 S. 4th St., Suite 1600, Louisville, KY 40202.
- (4) With respect to the Class A Stock, Mr. Lowenthal is the sole general partner of Phase II Financial L.P., a New York limited partnership, which is the record holder of 2,814,332 shares of Class A Stock. Mr. Lowenthal holds 11,773 shares of Class A Stock through the Oppenheimer 401(k) Plan, and 1,366 shares of Class A Stock directly. With respect to the Class B Stock, Phase II Financial Inc., a Delaware corporation wholly-owned by Mr. Lowenthal, is the holder of record of all such shares.
- (5) Mr. Alfano holds 18,076 shares of Class A Stock directly and 10,000 shares of Class A Stock are beneficially owned in respect of Class A Stock issuable on the exercise of options under the EIP.
- (6) Mr. Bitove holds 480 shares of Class A Stock directly. Mr. Bitove has elected not to stand for re-election to the Board of Directors for personal reasons and his term expires on May 9, 2011.
- (7) Mr. Crystal owns 5,300 shares of Class A Stock directly and 3,750 shares of Class A Stock are beneficially owned in respect of Class A Stock issuable on the exercise of options under the EIP.
- (8) Mr. Ehrhardt owns 1,000 shares of Class A Stock directly and 1,250 shares of Class A Stock are beneficially owned in respect of Class A Stock issuable on the exercise of options under the EIP.
- (9) Mr. Keehner owns 1,000 shares of Class A Stock directly and 1,250 shares of Class A Stock are beneficially owned in respect of Class A Stock issuable on the exercise of options under the EIP.
- (10) Mr. McArthur owns 25,000 shares of Class A Stock directly, 25,700 shares of Class A Stock are held through Shurway Capital and 3,750 shares of Class A Stock are beneficially owned in respect of Class A Stock issuable on the exercise of options under the EIP.
- (11) Mr. Okin owns 70,735 shares of Class A Stock directly and 721 shares of Class A Stock through the Oppenheimer 401(k) Plan.
- (12) Mr. Oughtred owns 5,500 shares of Class A Stock directly and 18,750 shares of Class A Stock are beneficially owned in respect of Class A Stock issuable on the exercise of options under the EIP. Mr. Oughtred's wife owns 1,300 shares of Class A Stock directly.
- (13) Mr. Winberg owns 8,800 shares of Class A Stock directly and 18,750 shares of Class A Stock are beneficially owned in respect of Class A Stock issuable on the exercise of options under the EIP.

There are no arrangements, known to us, the operation of which may at a subsequent date result in a change of control of our Company.

All Class A Stock authorized under the EIP, ESP and the April 27, 2006 Equity Incentive Award have been approved by the Class B Stockholders. Descriptions of the 2006 Equity Incentive Plan and the Employee Share Plan appear in note 12 of our consolidated financial statements for the year ended December 31, 2010 included in our 2010 Annual Report to Stockholders which accompanies this proxy statement. Class A Stock authorized for issuance under such share-based plans as of December 31, 2010 is as follows:

<b>Plan</b>	<b>Number of shares of Class A Stock to be issued upon exercise of outstanding options or upon vesting of restricted stock or stock awards</b>	<b>Weighted average exercise price of outstanding options or weighted average fair value of outstanding restricted stock or stock awards</b>	<b>Number of shares of Class A Stock remaining available for future issuance</b>
2006 Equity Incentive Plan	274,976	\$ 34.68	336,591
April 27, 2006 Equity Incentive Award	10,000	\$ 26.50	0
Employee Share Plan	887,811	\$ 26.34	108,475

We issued warrants for the purchase of 1,000,000 shares of Class A Stock at a price of \$48.62 per share exercisable five years from closing of the CIBC Acquisition to Canadian Imperial Bank of Commerce in connection with the January 14, 2008 acquisition. See note 18 to our consolidated financial statements for the year ended December 31, 2010 included in our 2010 Annual Report to Stockholders which accompanies this proxy statement.

**Table of Contents****Section 16(a) Beneficial Ownership Reporting Compliance**

Section 16(a) of the Exchange Act requires our directors and executive officers, and persons who own more than ten percent of a registered class of our equity securities, to file by specific dates with the SEC initial reports of ownership and reports of changes in ownership of our equity securities. Officers, directors and greater than ten percent stockholders are required by SEC regulation to furnish us with copies of all Section 16(a) forms that they file. We are required to report in this proxy statement any failure of our directors and executive officers and greater than ten percent stockholders to file by the relevant due date any of these reports during or for the preceding fiscal year (or, to the extent not previously disclosed, any prior fiscal year).

To our knowledge, based solely on review of copies of such reports furnished to us during and for the fiscal year ended December 31, 2010 and representations made to us by such persons, all Section 16(a) filing requirements applicable to our officers, directors and greater than ten percent stockholders were complied with except that Mr. Crystal was late in filing a Form 5 for one transaction. All Section 16(a) filing requirements are currently up to date.

**CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS****Indebtedness of Directors and Executive Officers**

The following sets out information with respect to the aggregate indebtedness of our directors and executive officers under securities purchase and other programs. On December 31, 2010 and since that date, none of our directors and the executive officers were or have been indebted to us, except as follows:

**Indebtedness Of Directors And Executive Officers Under (1) Securities Purchase And (2) Other Programs**

Name and Principal Position (a)	Company or Subsidiary (b)	Largest Amount Outstanding During 2010 (\$) (c)	Financially Assisted Outstanding as at March 1, Purchases During 2010 (\$) 2011 (\$) (d)		Security for Indebtedness (f)	Amount Forgiven During 2010 (\$) (g)
			Amount	Amount		
<i>Securities Purchase Programs</i>						
N/A						
<i>Other Programs</i>						
A.G. Lowenthal	Oppenheimer Margin Account	\$ 92,421	Nil		Margined securities	
R. Okin	Oppenheimer Margin Account	\$ 15,000	Nil		Margined securities	

Securities Purchase Programs

N/A

Other Programs

A.G. Lowenthal	Oppenheimer Margin Account	\$ 92,421	Nil	Margined securities
R. Okin	Oppenheimer Margin Account	\$ 15,000	Nil	Margined securities

During the year 2010, certain of our directors, executive officers and senior officers of Oppenheimer & Co., our subsidiary, maintained margin accounts with Oppenheimer & Co. in connection with the purchase of securities (including our securities). These margin accounts are substantially on the same terms, including interest rates and

collateral, as those prevailing from time to time for comparable transactions with non-affiliated persons and do not involve more than the normal risk of collectability.

### **Other Relationships and Transactions**

Robert Lowenthal, the son of A.G. Lowenthal, our Chairman of the Board and Chief Executive Officer, is the Senior Managing Director of Oppenheimer & Co.'s Taxable Fixed Income Trading Department and is compensated on the same basis as other senior managing directors of our capital markets departments.

Andrew Crystal, the brother of R. Crystal, one of our directors, and the first cousin of A.G. Lowenthal, our Chairman of the Board and Chief Executive Officer, is an Oppenheimer & Co. financial advisor and is compensated on the same basis as other Oppenheimer & Co. financial advisors.

Our Code of Conduct and Business Ethics for Directors, Officers and Employees contains prohibitions and restrictions on our directors, executive officers and other employees from entering into or becoming involved in situations which could give rise to conflicts of interest with us. Our directors, senior executives and employees and our

## **Table of Contents**

subsidiaries are required to avoid investments or other interests and associations that interfere, might interfere or might be perceived to interfere, with the independent exercise of judgment in our best interests.

Our directors, senior executives and employees may not advance their personal interests at our expense nor may they personally take or benefit from opportunities arising from their employment with us.

## **Stock Buy-Back**

We did not renew the stock buy-back program after it expired on December 31, 2009 but we may, at our option, announce another stock buy-back in the future. Effective December 22, 2008, our Senior Secured Credit Note requires a pay down of principal equal to the cost of any share repurchases made pursuant to a stock buy-back program.

## **STOCKHOLDER PROPOSALS**

The DGCL, which governs our company, provides that certain registered or beneficial holders of shares entitled to vote at a meeting of stockholders may, in accordance with the provisions of the DGCL, submit a notice to us of a proposal that the holder wishes to be considered by the stockholders entitled to vote at a meeting of stockholders. In order for any stockholder proposal to be included in the proxy statement for the next annual meeting of stockholders of the Company following the Meeting, the proposal must be submitted to the Company at its office at 125 Broad Street, New York, NY 10004 (Attention: Secretary) prior to November 30, 2011.

## **COMMUNICATIONS WITH THE BOARD OF DIRECTORS**

Holders of Class A and Class B Stock or other interested parties may communicate with the Board of Directors, including the Lead Director or our independent directors as a group, including to request copies of our Annual Report on Form 10-K for the year ended December 31, 2010, which includes our financial statements and management discussion and analysis, by e-mail to [investorrelations@opy.ca](mailto:investorrelations@opy.ca) (Attention: Board of Directors) or by mail to:

Oppenheimer Holdings Inc.  
Board of Directors  
c/o The President  
125 Broad Street  
New York, NY 10004

All such correspondence will be forwarded to the Lead Director or to any individual director or directors to whom the communication is or are directed, unless the communication is unduly hostile, threatening, illegal, does not reasonably relate to us or our business or is similarly inappropriate. Our President has the authority to discard or disregard inappropriate communications or to take other reasonable actions with respect to any such inappropriate communications.

## **WHERE YOU CAN FIND MORE INFORMATION**

A copy of our 2010 Annual Report to Stockholders is being mailed with this proxy statement to each stockholder of record as of the close of business on March 21, 2011. A stockholder may also request a copy of our Annual Report on Form 10-K for the year ended December 31, 2010 without charge except for exhibits to the report, by writing to Oppenheimer Holdings Corp., 125 Broad Street, New York, New York 10004, Attention: Secretary. Exhibits will be provided upon written request and payment of a reasonable fee.

You may read and copy our reports, proxy statements and other information at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. You may also obtain copies of our reports, proxy statement and other information by mail from the Public Reference Section of the SEC at prescribed rates. To obtain information on the operation of the Public Reference Room, you can call the SEC at 1-800-SEC-0330. The SEC also maintains an Internet website that contains reports, proxy and information statements and other information regarding issuers, including Oppenheimer Holdings Inc., that file electronically with the SEC. The address of the SEC's Internet website is <http://www.sec.gov>.

**Table of Contents**

Additional information relating to us is available on our website at [www.opco.com](http://www.opco.com).

You should rely only on the information contained in this proxy statement to vote on the proposals set forth herein. The Company has not authorized anyone to provide you with information that is different from what is contained in this proxy statement. This proxy statement is dated March 25, 2011. You should not assume that the information contained in this proxy statement is accurate as of any date other than March 1, 2011, and neither the availability of this proxy statement via the Internet nor the mailing of this proxy statement to stockholders shall create any implication to the contrary.

**OTHER INFORMATION**

Our Board of Directors is aware of no other matters, except for those incident to the conduct of the Meeting, that are to be presented to Class B Stockholders for formal action at the Meeting. If, however, any other matters properly come before the Meeting or any adjournments thereof, it is the intention of the persons named in the proxy to vote the proxy in accordance with their judgment.

By Order of the Board of Directors,

Dennis P. McNamara,  
Secretary

March 25, 2011

**Table of Contents**

**YOUR VOTE IS IMPORTANT. PLEASE VOTE TODAY.**

To vote by mail, mark, sign and date your proxy card and return it in the enclosed postage-paid envelope.

**Oppenheimer Holdings Inc.**

96173

**6 FOLD AND DETACH HERE 6**

**THIS PROXY WILL BE VOTED AS DIRECTED, OR IF NO DIRECTION IS INDICATED, WILL BE VOTED FOR ITEMS 1.1 THROUGH 4 AND FOR 3 YEARS FOR ITEM 5.**

Please mark your votes as   indicated in this example

**1. ELECTION OF DIRECTORS**

	<b>FOR</b>	<b>WITHHELD</b>		<b>FOR</b>	<b>WITHHELD</b>
<b>1.1</b> R. Crystal	<input type="checkbox"/>	<input type="checkbox"/>	<b>1.5</b> K.W. McArthur	<input type="checkbox"/>	<input type="checkbox"/>
<b>1.2</b> W. Ehrhardt	<input type="checkbox"/>	<input type="checkbox"/>	<b>1.6</b> A.W. Oughtred	<input type="checkbox"/>	<input type="checkbox"/>
<b>1.3</b> M.A.M. Keehner	<input type="checkbox"/>	<input type="checkbox"/>	<b>1.7</b> E.K. Roberts	<input type="checkbox"/>	<input type="checkbox"/>
<b>1.4</b> A.G. Lowenthal	<input type="checkbox"/>	<input type="checkbox"/>	<b>1.8</b> B. Winberg	<input type="checkbox"/>	<input type="checkbox"/>

	<b>FOR</b>	<b>AGAINST</b>	<b>ABSTAIN</b>
<b>2.</b> The ratification of the appointment of PricewaterhouseCoopers LLP as auditors and the authorization of the Audit Committee to fix the remuneration of the auditors.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>3.</b> A resolution authorizing the issue of up to 500,000 shares of Class A non-voting common stock to the Oppenheimer & Co. Inc. Employee Share Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>4.</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



**Table of Contents**

**6 FOLD AND DETACH HERE 6  
PROXY**

**OPPENHEIMER HOLDINGS INC.**

**Annual Meeting of Stockholders May 9, 2011**

**THIS PROXY IS SOLICITED BY MANAGEMENT OF THE COMPANY**

The undersigned hereby appoints Mr. A.G. Lowenthal and Ms. E.K. Roberts, and each of them, with power to act without the other and with power of substitution, as proxies and attorneys-in-fact and hereby authorizes them to represent and vote, as provided on the other side, all the shares of Class B voting stock of Oppenheimer Holdings Inc. which the undersigned is entitled to vote, and, in their discretion, to vote upon such other business as may properly come before the Annual Meeting of Stockholders of the company to be held May 9, 2011 or at any adjournment or postponement thereof, with all powers which the undersigned would possess if present at the Meeting.

**A Class B Stockholder has the right to appoint a person, who need not be a Class B Stockholder, to represent the Class B Stockholder at the Meeting other than the persons designated herein. To exercise this right a Class B Stockholder may insert the name of the desired person in the blank space provided below or may submit another form of proxy.**

**Address Change/Comments**

**(Mark the corresponding box on the reverse side)**

BNY MELLON SHAREOWNER SERVICES  
P.O. BOX 3550  
SOUTH HACKENSACK, NJ 07606-9250

**(Continued and to be marked, dated and signed on the other side)**

96173