1. This is a class action on behalf of all persons or entities who purchased Oppenheimer Champion Income Fund ("Champion Fund" or the "Fund") shares pursuant to its January 26, 2007 and January 25, 2008 offerings (the "Offerings").

2. The Champion Fund is described in its offering documents as "a mutual fund that seeks high current income as its primary goal by investing mainly in high-yield, lower-rated fixed-income securities. As a secondary goal, the Fund seeks capital growth when consistent with its primary goal."

3. The Fund described itself as being designed "to be a long-term investment" and appropriate as "a part of a retirement plan portfolio."
4. Due to defendants’ positive, but false, statements, investors purchased and/or continued to hold shares in the Fund.

5. In late 2006, unbeknownst to investors the Fund altered its investment style and began to significantly increase its risk. As the high-yield bond market began to soften in 2007, the Fund began to seek alternative investments in the hopes of seeking higher returns, including dramatically increasing its use of derivative instruments and purchasing mortgage-related and corporate bonds. Throughout 2007 and most of 2008, the Champion Fund greatly increased its use of derivative instruments by engaging in swap transactions. Beginning in the Fall of 2008, the Champion Fund’s derivative portfolio suffered massive losses due to sharp declines in the value of the troubled assets underlying the derivatives and due to illiquidity in the derivative markets.

6. Defendants concealed that the Champion Fund had increased its exposure in these excessively risky bets in the hopes of higher returns, such that investors remained unaware of these additional risk exposures.

7. The Champion Fund engaged in total return swaps. A total return swap is a financial contract between parties to exchange cash flows in the future based on how a set of securities performed. In the midst of the residential real estate market meltdown in 2007, the Champion Fund entered into swaps related to commercial real estate, essentially betting that the commercial real estate market would rally in 2008 and not suffer the same fate as the residential market. This strategy caused the Fund to report substantial declines in its portfolio value as the market for commercial real estate property collapsed in Fall 2008.
8. The Champion Fund further increased its sales of credit default swaps, including sales of credit default swaps tied to companies on the brink of collapse. Credit default swaps are essentially insurance contracts that insure against default on debt and equity securities such as corporate bonds. In a credit default swap, two parties enter into a private contract whereby the buyer of the protection agrees to pay the seller premiums over a set period of time, typically four or five years. In exchange, the seller agrees to pay the buyer in the event a particular credit crisis occurs such as a default on the underlying securities.

9. Credit default swaps can be used by the buyer of the instrument as a hedge against credit risk. A hedge is an investment that is taken out specifically to reduce or cancel out the risk in another investment. As for the seller of the instrument, these types of transactions create a certain amount of credit risk which the seller is willing to assume in exchange for the steady stream of payments. This risk is significantly heightened when the underlying securities involve companies that are already struggling with credit problems.

10. In the wake of the subprime meltdown, the credit default swap market began to show signs of distress in the summer of 2007 and into the Fall. By early 2008, the market for credit default swaps had imploded. Despite the obvious risks associated with these types of investments, the Champion Fund not only continued selling swaps in 2007 and 2008, but increased its use of them in 2008 by selling swaps related to troubled companies such as Lehman Brothers Holdings Inc. ("Lehman") and American International Group, Inc. ("AIG"). Both companies collapsed in mid-September 2008 with Lehman filing for bankruptcy and the U.S. Government bailing out AIG.
11. After Bear Stearns Companies ("Bear Stearns") collapsed in mid-March 2008, rumors began circulating that Lehman faced a similar cash crunch and many Wall Street observers believed Lehman would be the next investment bank failure after Bear Stearns. Lehman filed for bankruptcy in mid-September 2008.

12. Likewise, AIG began to report serious problems with its own credit default swaps in February 2008, writing down billions of dollars in its credit default swap portfolio and posting the first ever loss in its 89-year history. AIG continued reporting substantial losses and write downs due in substantial part to its credit default swaps until it was rescued by the government in September 2008.

13. Despite all the questions and concerns regarding Lehman and AIG as well as credit default swaps themselves, the Champion Fund continued selling credit default swaps on Lehman and AIG paper through September 2008. This conflicted with the Fund’s stated objective of not taking on any undue risk.

14. Total return swaps and credit default swaps were extraordinarily risky. While, in the short term, the Champion Fund received regular payments for its role in the swaps, over the long term they exposed the Fund to catastrophic losses.

15. Furthermore, the Champion Fund took on excessive risk by purchasing large amounts of mortgage-related bonds and corporate bonds of struggling companies in 2008. In January 2008, the Champion Fund purchased substantial stakes in mortgage-related bonds tied to commercial real estate despite the massive deterioration in the subprime market and the overall softening of the real estate market in 2007.

16. Additionally, the Champion Fund purchased corporate bonds of struggling Wall Street investment banks, including Lehman and Morgan Stanley. For example,
between June and September 2008, the Fund purchased Lehman bonds with $29 million in principal value. After Lehman filed for bankruptcy in September 2008, the value of the bonds dropped to $144,000.

17. Beginning in July 2008, the Champion Fund’s shares declined in tandem with other high-yield fund shares as the credit crunch exposed the poor underlying fundamentals of the financial sector’s mortgage risk management and problems with structured finance vehicles. As a result of these concerns, the price of the Fund’s shares began to decline.

18. Beginning in mid-September 2008 with the collapse of Lehman and AIG and continuing through December 2008, the Fund began to acknowledge the serious deterioration in its portfolio. As a result of these disclosures, the price of the Fund’s shares collapsed. Prior to any negative disclosures, the Champion Fund traded within a narrow trading band. Class A shares of the Fund traded in the $8 to $10 range for years. In contrast, by mid-November 2008, the Class A shares were trading, and continue to trade, for less than $2 per share. In 2008, the Champion Fund was one of the worst performers out of the nearly 150 high-yield bond funds that trade in the U.S. It lost 82% of its value for the year, losing 55% of its value in November alone, whereas the average high-yield fund was down only 26% for the year.

19. On February 5, 2009, Morningstar reported it was giving the Champion Fund a failing grade for the year stating, in part:

If you step back and think about it, it’s not hard to be a good steward of capital. Mutual funds simply have to care for fund holders' capital the same way they'd want their own money to be run: with sensible strategies, fair prices, and reasonable, straightforward explanations as to why things go well - and not so well.
Some funds - those that receive As for corporate culture as part of Morningstar’s Stewardship Grades for funds, for example - seem to have an easy time putting shareholders first. But other firms have apparently lost sight of their mission. What follows are examples of recent fund moves that are disrespectful to the shareholders they’re serving.

* * *

Hypocrisy Stings Oppenheimer

In May 2006, John Murphy, president of OppenheimerFunds, gave the welcoming remarks to the annual ICI General Membership Meeting. . . . The theme was “Creating Shareholder Value” and two of his suggestions were a) “Offering competitive investment returns at an appropriate level of risk,” and b) “Supplying clear, concise, and relevant information and tools that investors need to make informed investment decisions.”

We wish Murphy had followed his own advice. In 2008, Oppenheimer Champion Income lost a nearly inconceivable 78% and sibling Core Bond declined 36%, primarily because the bond funds took on plenty of risk. Specifically, the managers bought complex, off-balance-sheet swap contracts that created a leveraging effect on the funds. When the market for both bonds and the derivatives became increasingly illiquid as the credit crisis unfolded, the funds got slammed. Not only did the managers fail to appreciate the risks they were taking, but Oppenheimer also did a terrible job communicating the risks of this exposure in shareholder reports and Web commentary. Longtime fixed-income head Jerry Webman has stepped in to try and right the ship at both offerings, but the damage has already been done.

20. The true facts which were omitted from the Registration Statements/Prospectuses or were known by the defendants but concealed from the investing public were as follows:

(a) The Fund was no longer adhering to its objective to not take on any undue risk, but in an effort to achieve greater yields was pursuing riskier instruments;

(b) The Fund’s internal controls were inadequate to prevent defendants from taking on excessive risk;

(c) The extent of the Fund’s liquidity risk due to the illiquid nature of a large portion of the Fund’s portfolios was omitted;
(d) The extent of the Fund's risk exposure to derivatives and other high risk instruments was concealed, and

(e) The extent of the Fund's leverage exposure was misstated.

JURISDICTION AND VENUE

21. The claims asserted herein arise under and pursuant to §§11, 12(a) (2) and 15 of the 1933 Act, and §13(a) of the 1940 Act.

22. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §1331, §22 of the 1933 Act, and §44 of the 1940 Act.

23. Venue is proper in this District pursuant to 28 U.S.C. §1391(b), because many of the acts and practices complained of herein occurred in substantial part in this District.

24. In connection with the acts alleged in this complaint, defendants, directly or indirectly, used the means and instrumentalities of interstate commerce, including, but not limited to, the mails, interstate telephone communications and the facilities of the national securities markets.

PARTIES

25. Plaintiff Alexander Hartley acquired shares of the Champion Fund as set forth in the accompanying certification, and has been damaged thereby.

26. Defendant OppenheimerFunds is one of the largest asset management companies in the United States. OppenheimerFunds offers products and services to individuals, corporations and institutions, including mutual funds, separately managed accounts, investment management for institutions, hedge fund products, qualified retirement plans and subadvisory investment-management services. OppenheimerFunds
is the Champion Fund’s manager and is primarily responsible for selecting the Fund’s investments and handling its day-to-day operations.

27. Defendant Champion Fund is an open-end management investment company registered under the 1940 Act. The Fund offers five classes of shares. The Champion Fund and its trustees are responsible for ensuring that the Fund complies with its stated objectives. The Champion Fund was the registrant of the Offerings. The Fund’s classes are as follows:

Champion Fund Class A
Champion Fund Class B
Champion Fund Class C
Champion Fund Class N
Champion Fund Class Y

28. Defendant William L. Armstrong (“Armstrong”) is, and at all relevant times was, Chairman of the Board of Trustees for the Champion Fund. Defendant Armstrong signed or authorized the signing of the registration statements on Form N-1A filed with the SEC on January 26, and January 25, 2008, collectively (the “N-1A Registration Statements”).

29. Defendant John V. Murphy (“Murphy”) is, and at all relevant times was, President, Principle Executive Officer and trustee of the Champion Fund. Defendant Murphy signed or authorized the signing of the N-1A Registration Statements.

30. Defendant Brian W. Wixted (“Wixted”) is, and at all relevant times was, Treasurer and Principal Financial & Accounting Officer of the Oppenheimer Fund. Defendant Wixted signed or authorized the signing of the N-1A Registration Statements.
31. Defendant George C. Bowen ("Bowen") is, and at all relevant times was, a trustee of the OppenheimerFunds. Defendant Bowen signed or authorized the signing of the N-1A Registration Statements.

32. Defendant Edward L. Cameron ("Cameron") is, and at all relevant times was, a trustee of the OppenheimerFunds. Defendant Cameron signed or authorized the signing of the N-1A Registration Statements.

33. Defendant Jon S. Fossel ("Fossel") is, and at all relevant times was, a trustee of the OppenheimerFunds. Defendant Fossel signed or authorized the signing of the N-1A Registration Statements.

34. Defendant Sam Freedman ("Freedman") is, and at all relevant times was, a trustee of the OppenheimerFunds. Defendant Freedman signed or authorized the signing of the N-1A Registration Statements.

35. Defendant Beverly L. Hamilton ("Hamilton") is, and at all relevant times was, a trustee of the OppenheimerFunds. Defendant Hamilton signed or authorized the signing of the N-1A Registration Statements.

36. Defendant Robert J. Malone ("Malone") is, and at all relevant times was, a trustee of the OppenheimerFunds. Defendant Malone signed or authorized the signing of the N-1A Registration Statements.

37. Defendant F. William Marshall, Jr. ("Marshall") is, and at all relevant times was, a trustee of the OppenheimerFunds. Defendant Marshall signed or authorized the signing of the N-1A Registration Statements.

38. The defendants referenced above in ¶¶ 27-36 are referred to herein as the "Individual Defendants."
39. Defendant OppenheimerFunds Distributor, Inc. (the "Distributor") acted as the distributor of the Fund and is an affiliate of OppenheimerFunds. The Distributor acted as an underwriter in the sale of the Fund in connection with the Offerings, helping to draft and disseminate the offering documents.

CLASS ACTION ALLEGATIONS

40. Plaintiff brings this action as a class action pursuant to Federal Rule of Civil Procedure 23(a) and (b)(3) on behalf of a class consisting of all persons or entities who acquired shares of the Fund traceable to the false and misleading Prospectuses for the Offerings and who were damaged thereby (the "Class"). Excluded from the Class are defendants, the officers and trustees of the OppenheimerFunds, the Champion Fund or any of the other defendants, at all relevant times, members of their immediate families and their legal representatives, heirs, successors or assigns and any entity in which defendants have or had a controlling interest.

41. The members of the Class are so numerous that joinder of all members is impracticable. While the exact number of Class members is unknown to plaintiff at this time and can only be ascertained through appropriate discovery, plaintiff believes that there are hundreds of members in the proposed Class. Record owners and other members of the Class may be identified from records maintained by the OppenheimerFunds or its transfer agent and may be notified of the pendency of this action by mail, using the form of notice similar to that customarily used in securities class actions. The Fund has billions of outstanding shares.
42. Plaintiff's claims are typical of the claims of the members of the Class as all members of the Class are similarly affected by defendants' wrongful conduct in violations of federal law that is complained of herein.

43. Plaintiff will fairly and adequately protect the interests of the members of the Class and has retained counsel competent and experienced in class and securities litigation.

44. Common questions of law and fact exist as to all members of the Class and predominate over any questions solely affecting individual members of the Class. Among the questions of law and fact common to the Class are:
   
   (a) whether the 1933 Act was violated by defendants' acts as alleged herein;
   
   (b) whether the 1940 Act was violated by defendants' acts as alleged herein;
   
   (c) whether statements made by defendants to the investing public in the Prospectuses misrepresented material facts about the business, operations and management of the Oppenheimer Funds or the Champion Fund; and
   
   (d) to what extent the members of the Class have sustained damages and the proper measure of damages.

45. A class action is superior to all other available methods for the fair and efficient adjudication of this controversy since joinder of all members is impracticable. Furthermore, as the damages suffered by individual Class members may be relatively small, the expense and burden of individual litigation make it impossible for members of
the Class to individually redress the wrongs done to them. There will be no difficulty in
the management of this action as a class action.

BACKGROUND

46. The Champion Fund is an open-ended fixed income mutual fund launched
and managed by OppenheimerFunds. According to the Registration Statement on form
N-1A filed with the SEC on January 25, 2008 the Fund invests in lower grade corporate
bonds called junk bonds, foreign corporate and government bonds, and swaps, including
single name and index-linked credit default swaps.

THE FALSE AND DEFECTIVE REGISTRATION
STATEMENTS AND PROSPECTUSES

47. On January 26, 2007, the Champion Fund filed with the SEC a
Registration Statement on Form N-I A, a Prospectus and Statement of Additional
Information (collectively the “January 2007 Prospectus”). The January 2007 Prospectus
emphasized the Fund's objective of avoiding “undue risk.”

48. The January 2007 Prospectus was negligently prepared and, as a result,
contained untrue statements of material facts or omitted to state other facts necessary to
make the statements made not misleading and was not prepared in accordance with the
rules and regulations governing its preparation.

49. The January 2007 Prospectus represented the following about the Fund’s
business and operations:

ABOUT THE FUND

The Fund’s Investment Objective and Principal Investment Strategies

WHAT ARE THE FUND’S INVESTMENT OBJECTIVES? The
Funds primary objective is to seek a high level of current income by investing
mainly in a diversified portfolio of high-yield, lower-grade, fixed-income
securities that the Fund's investment manager, OppenheimerFunds, Inc. (the "Manager"), believes does not involve undue risk. The Fund's secondary objective is to seek capital growth when consistent with its primary objective.

WHAT DOES THE FUND MAINLY INVEST IN? The Fund invests in a variety of high-yield, fixed-income securities and related instruments. These investments primarily include:

- Lower-grade corporate bonds.
- Foreign corporate and government bonds.
- Swaps, including single name and index-linked credit default swaps.

Under normal market conditions, the Fund invests at least 60% of its total assets in high-yield, lower-grade, fixed-income securities, commonly called "junk" bonds. Lower-grade debt securities are those rated below Baa" by Moody’s Investors Service ("Moody’s") or “BBB” by Standard & Poor’s Ratings Services ("S&P") or comparable ratings by other nationally-recognized rating organizations (or, if unrated, debt securities determined by the Manager to be comparable to securities rated below investment grade). See Appendix A to the Statement of Additional Information for a description of bond ratings. Investments in high-yield securities may provide opportunities for capital growth while also providing income to the Fund.

The remainder of the Fund’s assets may be invested in other debt securities, common stocks (and other equity securities), or cash equivalents when the Manager believes these investments are consistent with the Fund’s objectives.

The Fund may invest in securities of foreign issuers. The Fund currently focuses on debt securities of foreign issuers in developed markets. The Fund also uses certain derivative investments to try to enhance income or to try to manage investment risks. These investments are more fully explained in “About the Fund’s Investments,” below.

HOW DO THE PORTFOLIO MANAGERS DECIDE WHAT SECURITIES TO BUY OR SELL? In selecting securities for the Fund, the overall strategy is to build a broadly diversified portfolio to help moderate the special risks of investing in high yield debt instruments. The portfolio managers currently use a “bottom up” approach, focusing on the performance of individual securities before considering industry trends. They evaluate an issuer’s liquidity, financial strength and earnings power. The Fund’s portfolio managers also analyze the overall investment opportunities and risks in different market sectors, industries and countries. The Fund’s portfolio
managers consider some or all of the factors below (which may change over time):

0 Issuers with earnings growth rates that are faster than the growth rate of the overall economy,

0 Issuers with improvements in relative cash flows and liquidity to help them meet their obligations. Corporate sectors that in the portfolio managers' views are currently undervalued in the marketplace,

0 Changes in the business cycle that might affect corporate profits, and

0 Securities or sectors that will help the overall diversification of the portfolio.

The portfolio managers monitor changes in the factors listed above. Any changes may trigger a decision to sell a security.

WHO IS THE FUND DESIGNED FOR? The Fund is designed primarily for investors seeking high current income from a fund that invests mainly in lower-grade domestic and foreign fixed-income securities. Those investors should be willing to assume the greater risks of short-term share price fluctuations and the special credit risks that are typical for a fund that invests mainly in lower-grade domestic and foreign fixed-income securities. Since the Fund's income level will fluctuate, it is not designed for investors needing an assured level of current income. The Fund is intended to be a long-term investment and may be appropriate as a part of a retirement plan portfolio. The Fund is not a complete investment program.

50. On January 25, 2008, the Champion Fund filed with the SEC a Registration Statement on Form N-1A, a Prospectus and Statement of Additional Information (collectively the “January 2008 Prospectus”). The January 2008 Prospectus contained substantially similar statements concerning the Fund's objectives and principal investment strategies as contained in the January 2007 Prospectus (together with the January 2008 Prospectus, the “Prospectuses”).

51. The Prospectuses were negligently prepared and, as a result, contained untrue statements of material facts or omitted to state other facts necessary to make the
statements made not misleading and were not prepared in accordance with the rules and regulations governing their preparation.

52. Thereafter, by September 12, 2008, Lehman was on the verge of collapse and the situation at AIG was growing increasingly precarious. A few days later, on September 15, 2008, Lehman filed for bankruptcy. The next day AIG announced it had received a bailout from the U.S. government. In the wake of the collapse of Lehman and AIG, shares of the Champion Fund fell given the Fund’s exposure to both of these companies. The Champion Fund’s Class A shares closed on September 12, 2008 at $7.47 per share. By the end of September, the Fund’s shares had slipped to $6.26.

53. Over the course of the next several months, the Fund's investment portfolio began to rapidly deteriorate Champion Fund shares and by the end of October 2008, the Fund had lost another 37% of its value, closing at $3.95.

54. In November 2008, the U.S. Government announced that its $700 billion economic rescue program would not, as had previously been expected by investors, include the purchase of toxic debt such as the type held by the Champion Fund. Further, in November 2008, speculation increased that the already troubled commercial real estate market would be the next to meltdown as delinquencies increased. As a result, OppenheimerFunds was forced to make an additional investment of $150 million into the Fund to boost liquidity. During the month of November 2008, the Champion Fund shares plunged more than 55% to close the month at $1.75 per share.

55. On December 10, 2008, Bloomberg published an article entitled “Oppenheimer High-Yield Fund Battered by Mortgage-Backed Debt.” The article, which confirmed investors’ prior fears, stated in part:
Oppenheimer Champion Income Fund fell 55 percent in the past month after the U.S. Treasury abandoned plans to buy troubled mortgages from banks, making it the worst performing U.S. bond fund since September.

The $627 million high yield fund, run by New York-based Oppenheimer Funds Inc., plunged on wrong-way bets that prices on securities tied to commercial mortgages would increase. Instead, prices fell after Treasury Secretary Henry Paulson said Nov. 12 that the government's $700 billion economic-rescue program wouldn't include buying toxic debt as first planned.

"I don't think the managers saw it as an aggressive strategy, but there were some risks there that weren't clearly appreciated," said Miriam Sjoblom, a fund analyst with Morningstar Inc. in Chicago. "The big question right now is: Will the fund recover quickly, or will it take years?"

Corporate Investment

Managed by a five-member team led by Angelo Manioudakis, Champion Income has lost 77 percent since September, the biggest decline by any bond fund tracked by Morningstar. Oppenheimer Funds has pumped $150 million into the fund so the fund does not have to sell illiquid securities, Manioudakis said in an interview.

"It was the perfect storm," he said. "Traditional high-yields were experiencing a decline in prices and spreads" on commercial-backed mortgage securities "widened to unprecedented levels."

Oppenheimer Champion Income entered into total-return swaps with counterparties including Goldman Sachs Group Inc. and Citigroup Inc. as of Sept. 30.

According to the terms of those agreements, if credit spreads rose on certain indexes of commercial mortgage-backed securities, the fund would pay the counterparties the spread plus as much as 2.5 percent of the notional value of the bonds.

Commercial mortgage delinquencies rose in November and will climb as the economy slows, according to Barclays Plc. Payments more than 60 days late on commercial real estate loans that were bundled together and sold as bonds increased to 0.69 percent last month, compared
with 0.57 percent in October and 0.51 percent in September, Barclay’s data show.

High-Yield Fall

High-yield bond funds that invest in corporate debt have tumbled 31 percent this year after a credit freeze that started last year with a surge in subprime-mortgage defaults. The bankruptcy in September of Lehman Brothers Holdings Inc. accelerated bond-market declines, with investors shunning all but the safest government-backed debt.

High-yield, or junk, bonds are rated below Baa3 by Moody's Investors Service and less than BBB- at Standard & Poor’s.

Companies with junk credit ratings have been mostly unable to sell bonds, causing yields over benchmark rates on their debt to double since Lehman filed for bankruptcy to more than 20 percentage points for the first time, according Merrill Lynch index data.

*Oppenheimer Champion fund had about 61 percent of assets in corporate debt rated "B" or below by Standard & Poor's. That compares with 79 percent of assets held in debt rated below "B" by rival high yield bond funds, according to Morningstar.*

*Even with higher-duality investments, the swap arrangements dragged down the Oppenheimer fund, Morningstar's Sjoblom said The average high-yield bond fund has declined 29 percent in the past three months, Morningstar data show.*

Champion Income has lost 79.1 percent this year, a record eclipsed only by Regions Morgan Keegan Select High Income Fund. That fund, managed by Memphis, Tennessee-based Morgan Asset Management Inc., has declined 79.2 percent on below-investment-grade bonds. The performance has prompted investor lawsuits. Morgan Asset Management is the investment advisory unit of Regions Financial Corp., based in Birmingham, Alabama.

56. On December 10, 2008, the Champion Fund closed at $1.67 per share, a decline of 83% from its Class Period high of $9.71 per share in May 2007.

57. The true facts which were omitted from the Registration Statements/Prospectuses or were known by the defendants but concealed from the investing public during the Class Period were as follows:
(a) The Fund was no longer adhering to its objective to not take on any undue risk, but in an effort to achieve greater yields was pursuing riskier instruments;

(b) The Fund's internal controls were inadequate to prevent defendants from taking on excessive risk;

(c) The extent of the Fund's liquidity risk due to the illiquid nature of a large portion of the Fund's portfolios was omitted;

(d) The extent of the Fund's risk exposure to derivatives and other high risk instruments was concealed; and

(e) The extent of the Fund's leverage exposure was misstated.

LOSS CAUSATION

58. By misrepresenting the Funds' investing outlook, the defendants presented a misleading picture of the Fund's portfolio and financial prospects. Thus, instead of truthfully disclosing during the Class Period that the Fund's portfolio was not as healthy as represented, the Fund falsely reported its investing outlook and its actual financial prospects going forward.

59. These claims of profitability caused and maintained the artificial inflation in the Fund's share prices throughout the Class Period and until the truth was revealed to the market.

60. Defendants' false and misleading statements had the intended effect and caused the Champion Fund's shares to trade at artificially inflated levels. The Fund's Class A shares reached $9.71 per share in May 2007.

61. The truth about the Funds' portfolios, investing outlook and financial prospects began to enter the market in September 2008 with a series of partial disclosures
and revelations which were accompanied by denials and continuing misrepresentations by defendants. As a result, the artificial inflation in the Funds' shares prices did not come out of the shares all at once, rather the artificial price inflation came out over time, in bits, pieces, and spurts as the shares continued to trade at artificially inflated, albeit lower, prices through December 2008.

62. As a direct result of defendants' admissions and the public revelations regarding the truth about the Funds' portfolios, investing outlook and actual financial prospects going forward, the Champion Fund's Class A share price plummeted 83%, falling from $9.71 per share in May 2007 to $1.67 per share on December 10, 2008. The Bloomberg story on December 10, 2008, confirmed investors' fears that the mortgage-related exposure would lead to the large realized losses. As a result of their purchases of and decisions to continue to hold Fund shares during the Class Period, plaintiff and the Class suffered economic harm, i.e., damages, under the federal securities laws.

COUNT I

Violations of §11 of the 1933 Act
Against All Defendants


64. This Count is brought pursuant to §11 of the 1933 Act, 15 U.S.C. §77k, on behalf of the Class, against all defendants.

65. This Count does not sound in fraud. All of the preceding allegations of fraud or fraudulent conduct and/or motive are specifically excluded from this Count. Plaintiff does not allege that the Individual Defendants or the other defendants had scienter or fraudulent intent, which are not elements of a §11 claim.
66. The Registration Statements/Prospectuses for the Offerings were inaccurate and misleading, contained untrue statements of material facts, omitted to state other facts necessary to make the statements made not misleading, and omitted to state material facts required to be stated therein.

67. The Champion Fund is the registrant for the Offerings. The defendants named herein were responsible for the contents and dissemination of the NI-A Registration Statements.

68. As issuer of the shares, Champion Fund is strictly liable to plaintiff and the Class for the misstatements and omissions.

69. None of the defendants named herein made a reasonable investigation or possessed reasonable grounds for the belief that the statements contained in the NI-A Registration Statements were true and without omissions of any material facts and were not misleading.

70. By reasons of the conduct herein alleged, each defendant violated, and/or controlled a person who violated, § 11 of the 1933 Act.

71. Plaintiff acquired Fund shares pursuant or traceable to the N-1A Registration Statements for the Offerings.

72. Plaintiff and the Class have sustained damages. The value of the Fund's shares has declined subsequent to and due to defendants' violations.

73. At the time of their purchases of the Fund's shares, plaintiff and other members of the Class were without knowledge of the facts concerning the wrongful conduct alleged herein and could not have reasonably discovered those facts prior to September 15, 2008. Less than one year has elapsed from the time that plaintiff
discovered or reasonably could have discovered the facts upon which this complaint is based to the time that plaintiff filed this complaint. Less than three years has elapsed between the time that the securities upon which this Count is brought were offered to the public and the time plaintiff filed this complaint.

COUNT II

Violations of §12(a)(2) of the 1933 Act Against Defendants OppenheimerFunds, the Champion Fund and the Distributor

74. Plaintiff repeats and realleges each of the allegations set forth above as if fully set forth herein.

75. This Count is brought pursuant to §12(a) (2) of the 1933 Act on behalf of the Class, against defendants OppenheimerFunds, the Champion Fund and the Distributor.

76. This Count does not sound in fraud. All of the preceding allegations of fraud or fraudulent conduct and/or motive are specifically excluded from this Count. Plaintiff does not allege that the defendants had scienter or fraudulent intent, which are not elements of this claim.

77. These defendants were sellers and offerors and/or solicitors of purchasers of the shares offered pursuant to the Prospectuses.

78. The Prospectuses contained untrue statements of material facts, omitted to state other facts necessary to make the statements made not misleading, and omitted to state material facts required to be stated therein. The actions of solicitation of the defendants named in this claim included participating in the preparation of the false and misleading Prospectuses and participating in marketing the Fund to investors. The Distributor, as the distributor of the shares in the Offerings, essentially acted as an underwriter.
79. These defendants owed to the purchasers of Champion Fund shares, including plaintiff and other Class members, the duty to make a reasonable and diligent investigation of the statements contained in the Prospectuses, to ensure that such statements were true and that there was no omission to state a material fact required to be stated in order to make the statements contained therein not misleading. Defendants, in the exercise of reasonable care, should have known of the misstatements and omissions contained in the offering materials as set forth above.

80. Plaintiff and other members of the Class purchased or otherwise acquired Champion Fund shares pursuant to and/or traceable to the defective Prospectuses.

81. Plaintiff, individually and representatively, hereby offers to tender to defendants those shares which plaintiff and other Class members continue to own, on behalf of all members of the Class who continue to own such shares, in return for the consideration paid for those shares together with interest thereon. Class members who have sold their Champion Fund shares are entitled to rescissory damages.

82. By reason of the conduct alleged herein, these defendants violated, and/or controlled a person who violated, Section 12(a) (2) of the 1933 Act. Accordingly, plaintiff and members of the Class who hold Champion Fund shares purchased in the Offerings have the right to rescind and recover the consideration paid for their Champion Fund shares and hereby elect to rescind and tender their Champion Fund shares to the defendants sued herein. Plaintiff and Class members who have sold their Champion Fund shares are entitled to rescissory damages.
COUNT III

Violations of §15 of the 1933 Act Against
OppenheimerFunds and the Individual Defendants

83. Plaintiff repeats and realleges each of the allegations set forth above as if fully set forth herein.

84. This Count is brought pursuant to Section 15 of the 1933 Act against the Individual Defendants and OppenheimerFunds.

85. This Count does not sound in fraud. All of the preceding allegations of fraud or fraudulent conduct and/or motive are specifically excluded from this Count. Plaintiff does not allege that the Individual Defendants or the other defendants had scienter or fraudulent intent, which are not elements of this claim.

86. Each of the Individual Defendants was a control person of the Champion Fund by virtue of his or her position as a trustee and/or senior officer of the Champion Fund. The Individual Defendants each had a series of direct and/or indirect business and/or personal relationships with other trustees and/or officers and/or major shareholders of the Champion Fund.

87. OppenheimerFunds was a control person of the Champion Fund by virtue of its position as manager for the Fund.

88. Each of the Individual Defendants and OppenheimerFunds were culpable participants in the violations of §11 of the 1933 Act alleged in the Count above, based on their having signed or authorized the signing of the N-IA Registration Statements/Prospectuses and having otherwise participated in the process which allowed the Offerings to be successfully completed.
COUNT IV

Violations of §13(a) of the 1940 Act Against Defendants OppenheimerFunds and the Champion Fund

89. Plaintiff repeats and realleges each of the allegations set forth above as if fully set forth herein.

90. This Count is asserted against OppenheimerFunds and the Champion Fund for violations of §13 (a) of the 1940 Act.

91. The stated investment objective of the Champion Fund was primarily to seek a high level of current income by investing mainly in a diversified portfolio of high-yield, lower-rated, fixed-income securities while avoiding any undue risk.

92. OppenheimerFunds and the Champion Fund did not obtain authorization from a majority of the Fund's outstanding voting shareowners prior to deviating from the Fund's investment policy with respect to its objective. This deviation exposed investors to increased risk.

93. This deviation ultimately led to losses by Fund investors.

PRAYER FOR RELIEF

WHEREFORE, plaintiff prays for relief and judgment, as follows:

A. Determining that this action is a proper class action and certifying plaintiff as Class representatives under Rule 23 of the Federal Rules of Civil Procedure;

B. Awarding compensatory damages in favor of plaintiff and the other Class members against all defendants, jointly and severally, for all damages sustained as a result of defendants' wrongdoing, in an amount to be proven at trial, including interest thereon;
C. Awarding plaintiff and the Class their reasonable costs and expenses incurred in this action, including counsel fees and expert fees;

D. Awarding rescission or a rescissory measure of damages; and

E. Such equitable/injunctive or other relief as deemed appropriate by the Court.

**JURY DEMAND**

Plaintiff hereby demands a trial by jury.

Dated: March 4, 2009

Respectfully submitted,

COHEN MILSTEIN SELLERS
& TOLL PLLC

By: Catherine A. Torell (CT-0905)
150 East 52nd Street
Thirtieth Floor
New York, New York 10022
Telephone: 212-838-7797
Facsimile: 212-838-7745
ctorell@cohenmilstein.com

Steven J. Toll
Daniel S. Sommers
Joshua S. Devore
COHEN MILSTEIN SELLERS
& TOLL PLLC
1100 New York Avenue, N.W.
West Tower, Suite 500
Washington, DC 20005-3964
Telephone: 202-408-4600
Facsimile: 202-408-4699
stoll@cohenmilstein.com
dsommers@cohenmilstein.com
jdevore@cohenmilstein.com

*Counsel for Plaintiff*
CERTIFICATION OF PLAINTIFF
PURSUANT TO FEDERAL SECURITIES LAWS

I, Alexander Hartley, ("Plaintiff") declare, as to the claims asserted under the federal securities laws, that:

1. I have reviewed a class action complaint asserting securities claims against Oppenheimer Champion Income Fund, and wish to join as a plaintiff retaining Cohen Milstein Sellers & Toll, PLLC as my counsel.

2. Plaintiff did not purchase the security that is the subject of this action at the direction of plaintiff's counsel or in order to participate in this private action.

3. Plaintiff is willing to serve as a representative party on behalf of the class, including providing testimony at deposition and trial, if necessary.

4. My transactions in the Oppenheimer Champion Income Fund during the Class Period were as follows:

<table>
<thead>
<tr>
<th>DATE</th>
<th>TRANSACTION (buy/sell)</th>
<th>NO. OF SHARES</th>
<th>PRICE PER SHARE</th>
</tr>
</thead>
<tbody>
<tr>
<td>02/15/08</td>
<td>BUY/EXCHANGE IN</td>
<td>185,088 SHARES</td>
<td>8.09</td>
</tr>
</tbody>
</table>

REINVESTED ALL DIVIDENDS

5. During the three years prior to the date of this Certificate, Plaintiff has not sought to serve or served as a representative party for a class in any action under the federal securities laws except as follows:

6. Plaintiff will not accept any payment for serving as a representative party on behalf of the class beyond plaintiff's pro rata share of any recovery, except such reasonable costs and expenses (including lost wages) directly relating to the representation of the class as ordered or approved by the court.

I declare under penalty of perjury that the foregoing true and correct.

Executed this 2 Day of MARCH, 2019.