

SECURITIES AND EXCHANGE COMMISSION

FORM 485APOS

Post-effective amendments [Rule 485(a)]

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FILER

ROCHESTER PORTFOLIO SERIES

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Mailing Address
350 LINDEN OAKS
ROCHESTER NY 14625-2807

Business Address
350 LINDEN OAKS
ROCHESTER NY 14625-2807
(716) 383-1300

As filed with the Securities and Exchange Commission on January 11, 1996

Registration No. 33-41511

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-1A

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933
Post-Effective Amendment No. 7

and/or

REGISTRATION STATEMENT UNDER THE INVESTMENT COMPANY ACT OF 1940
Amendment No. 7

(Check appropriate box or boxes.)

ROCHESTER PORTFOLIO SERIES

(Exact Name of Registrant as Specified in Charter)

350 Linden Oaks, Rochester, New York 14625

(Address of Principal Executive Offices) (Zip Code)

Registrant's Telephone Number, including Area Code: (716) 383-1300

Andrew J. Donohue, Esq.

OppenheimerFunds, Inc.

Two World Trade Center

New York, New York 10048-0203

(Name and Address of Agent for Service)

With a copy to:

Robert J. Zutz, Esq.

Kirkpatrick & Lockhart LLP

1800 Massachusetts Avenue NW

Washington, D.C. 20036

Approximate Date of Proposed Public Offering: As soon as practicable after the effective date of this Registration Statement. It is proposed that this filing become effective:

- Immediately upon filing pursuant to paragraph (b)
- On (date) pursuant to paragraph (b)
- Sixty days after filing pursuant to paragraph (a) (i)
- On (date) pursuant to paragraph (a) (i)
- 75 days after filing pursuant to paragraph a(ii)
- On (date) pursuant to paragraph (a) (ii) of Rule 485

If appropriate, check the following box:

- this post effective amendment designates a new effective date for a previously filed post-effective amendment

Registrant's Rule 24f-2 Notice for the most recent fiscal year was filed with the Securities and Exchange Commission on February 17, 1995.

Rochester Portfolio Series - Limited New York Municipal Fund
Cross Reference Sheet
Form N-1A

Part A of
Form N-1A
Item No.

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1	Front Cover Page
2	Expenses; A Brief Overview of the Fund
3	Financial Highlights; Performance of the Fund
4	Front Cover Page; How the Fund is Managed - Organization and History; Investment Objective, Policies and Considerations
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7	Shareholder Account Rules and Policies; How to Buy Shares; How to Sell Shares; How to Exchange Shares; Special Investor Services; Service Plan and Agreement for Class A Shares; Distribution and Service Plan and Agreement for Class B Shares
8	How to Sell Shares; Special Investor Services
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Part B of
Form N-1A
Item No.

Heading in Statement of Additional Information

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10	Cover Page
11	Cover Page
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13	Investment Objectives and Policies - Other Investment Techniques and Strategies; Investment Objectives and Policies -Investment Considerations /Risks
14	How the Fund is Managed - Trustees and Officers of the Fund
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* Not applicable or negative answer.

LIMITED TERM NEW YORK MUNICIPAL FUND
ROCHESTER PORTFOLIO SERIES
Prospectus dated March 11, 1996

Rochester Portfolio Series is mutual fund consisting of one portfolio, Limited Term New York Municipal Fund (the "Fund"), which has two classes of shares, Class A Shares and Class B Shares. The Fund's investment objective is to provide shareholders with as high a level of income exempt from Federal, New York State and New York City personal income taxes as is consistent with its investment policies and prudent investment management. The Fund intends to invest primarily in a portfolio of investment grade obligations with a dollar weighted average effective maturity of five years or less. There can be no assurance that the investment objective of the Fund will be realized.

This Prospectus explains concisely what you should know before investing in the Fund. Please read this Prospectus carefully and keep it for future reference. You can find more detailed information about the Fund in the March 11, 1996 Statement of Additional Information. For a free copy, call OppenheimerFunds Service, the Fund's Transfer Agent, at 1-800-525-7048, or write to the Transfer Agent at the address on the back cover. The Statement of Additional Information has been filed with the Securities and Exchange Commission and is incorporated into this Prospectus by reference (which means

that it is legally part of this Prospectus).

[Logo]

SHARES OF THE FUND ARE NOT DEPOSITS OR OBLIGATIONS OF ANY BANK, ARE NOT GUARANTEED BY ANY BANK, AND ARE NOT INSURED BY THE F.D.I.C. OR ANY OTHER AGENCY, AND INVOLVE INVESTMENT RISKS, INCLUDING THE POSSIBLE LOSS OF THE PRINCIPAL AMOUNT INVESTED.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

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ABOUT THE FUND

EXPENSES

The Fund pays a variety of expenses directly for management of its assets, administration, distribution of its shares and other services, and those expenses are subtracted from the Fund's assets to calculate the Fund's net asset value per share. All shareholders therefore pay those expenses indirectly. Shareholders pay other expenses directly, such as sales charges and account transaction charges. The following tables are provided to help you understand your direct expenses of investing in the Fund and your share of the Fund's business operating expenses that you will bear indirectly. The calculations are based on the Fund's expenses during its last fiscal year ended December 31, 1995.

* Shareholder Transaction Expenses are charges you pay when you buy or sell shares of the Fund. Please refer to "About Your Account," for an explanation of how and when these charges apply.

	Class A Shares -----	Class B Shares -----
Maximum Sales Charge on Purchase (as a % of offering price)	2.00%(1)	None
Sales Charge on Reinvested Dividends	None	None
Deferred Sales Charge (as a % of the lower of the original purchase price or redemption proceeds)	None	2.5% in the first year declining to 0% in the fourth year and eliminated thereafter(3)
Exchange Fee	None	None
Redemption Fee	None	None(2)

- (1) The Fund's maximum sales load on Class A Shares of 2.0% declines to 1.0% on investments of \$1,000,000 and over. In addition, the Fund offers several methods by which investors may aggregate purchases to reduce the applicable sales load. These methods, which include rights of accumulation, letters of intent, and group purchases. See "How to Buy Class A Shares".
- (2) A contingent deferred sales charge of up to 3.50% may be imposed on certain redemptions of Class B Shares acquired by an exchange of another fund on which no contingent deferred sales charge was paid upon redemption. See "How to Exchange Shares".

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* Annual Fund Operating Expenses are paid out of the Fund's assets and represent the Fund's expenses in operating its business. For example, the Fund pays management fees to its investment adviser, Oppenheimer Management Corporation (which is referred to in this Prospectus as the "Manager"). The rates of the Manager's fees are set forth in "How the Fund is Managed" below. The Fund has other regular expenses for services, such as transfer agent fees, custodial fees paid to the bank that holds the Fund's portfolio securities, audit fees and legal expenses. Those expenses are detailed in the Fund's Financial Statements in the Statement of Additional Information.

The numbers in the table below are projections of the Fund's business expenses based on the Fund's expenses in its last fiscal year. These amounts are shown as a percentage of the average net assets of each class of the Fund's shares for that year. The 12b-1 Distribution Plan Fees for Class A shares are Service Plan Fees and Class B Shares are Distribution and Service Plan Fees (which are a maximum of 0.25% for the service fee, and an asset-based sales charge of 0.75% but the Board of Trustees has authorized payment of an asset-based sales charge of only 0.50%). These plans are described in greater detail in "How to Buy Shares."

The actual expenses for each class of shares in future years may be more or less than the numbers in the table, depending on a number of factors, including the actual value of the Fund's assets represented by each class of shares. The Total Fund Operating Expenses for Class B shares are estimates based on amounts that would have been payable if Class B shares had been outstanding during that fiscal year.

	Class A Shares -----	Class B Shares -----
Management Fees		

 Other Expenses

Total Fund Operating Expenses

* Examples. To try to show the effect of these expenses on an investment over time, we have created the hypothetical examples shown below. Assume that you make a \$1,000 investment in each class of shares of the Fund, and that the Fund's annual return is 5%, and that its operating expenses for each class are the ones shown in the Annual Fund Operating Expenses table above. If you were to redeem your shares at the end of each period shown below, your investment would incur the following expenses by the end of 1, 3, 5 and 10 years:

	1 YEAR -----	3 YEARS -----	5 YEARS -----	10 YEARS (1) -----
Class A Shares				

Class B Shares				

If you did not redeem your investment, it would incur the following expenses:

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	1 YEAR -----	3 YEARS -----	5 YEARS -----	10 YEARS (1) -----
Class A Shares				

Class B Shares				

(1) The Class B expenses in years 7 through 10 are based on Class A expenses shown above, because the Fund automatically converts your Class B shares into Class A shares after 6 years. Because of the effect of the asset-based sales charge and the contingent deferred sales charge on Class B Shares, long-term Class B shareholders could pay the economic equivalent of an amount greater than the maximum front-end sales charge allowed under applicable regulations. For Class B shareholders, the automatic conversion of Class B shares to Class A shares is designed to minimize the likelihood that this will occur. Please refer to "How to Buy Shares -- Class B Shares" for more information.

These examples show the effect of expenses on an investment, but are not meant to state or predict actual or expected costs or investment returns of the Fund, all of which will vary.

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A BRIEF OVERVIEW OF THE FUND

Some of the important facts about the Fund are summarized below, with references to the section of this Prospectus where more complete information can be found. You should carefully read the entire Prospectus before making a decision about investing in the Fund. Keep the Prospectus for reference after you invest, particularly for information about your account, such as how to sell or exchange shares.

* WHAT IS THE FUND'S INVESTMENT OBJECTIVE? The Fund's investment objective is to provide shareholders with as high a level of income exempt from Federal, New York State and New York City personal income taxes as is consistent with its investment policies and prudent investment management. There can be no assurance that the investment objective of the Fund will be realized.

* WHAT DOES THE FUND INVEST IN? The Fund seeks to achieve its objective by investing primarily in a portfolio of investment grade obligations with a dollar weighted average effective maturity of five years or less issued by or on behalf of New York State, its political subdivisions, agencies and instrumentalities and obligations of other qualifying issuers (such as issuers located in Puerto Rico, the Virgin Islands, and Guam), which pay interest that is, in the opinion of the bond counsel to the issuer, exempt from federal income tax and New York State and New York City personal income taxes ("Municipal Obligations"). As a fundamental policy, at least 95% of the Fund's net assets will be invested in Municipal Obligations except when the Manager believes that market conditions would cause serious erosion of portfolio value, in which case assets may be invested temporarily in short-term taxable investments as a defensive measure to preserve net asset value.

* WHO MANAGES THE FUND? The Fund's investment adviser is OppenheimerFunds, Inc. The Manager (including a subsidiary) advises investment company portfolios having over \$__ billion in assets at December 31, 1995. The Manager is paid an advisory fee by the Fund, based on its assets. The Fund's portfolio manager, who is employed by the Manager, is primarily responsible for the selection of the Fund's securities. The portfolio manager is Ronald H. Fielding. The Fund's Board of Trustees, which is elected by shareholders, oversees the investment adviser and the portfolio manager. Please refer to "How the Fund is Managed," for more information about the Manager and its fees.

* HOW RISKY IS THE FUND? All investments carry risks to some degree. The Fund's bond investments are subject to change in their value from a number of factors such as change in general bond market movements, the change in value of particular bonds because of an event affecting the issuer, or changes in interest rates that can affect bond prices. These changes affect the value of the Fund's investments and its price per share. While the Manager tries to reduce risks by diversifying investments and by carefully researching securities before they are purchased by the portfolio, there is no guarantee of success in achieving the Fund's objective and your shares may be worth more or less than their original cost when you redeem them. Please refer to "Investment Objective and Policies" for a more complete discussion.

* HOW CAN I BUY SHARES? You can buy shares through your dealer or financial institution, or you can purchase shares directly through the Distributor by completing an Application or by using an Automatic Investment Plan under AccountLink. Please refer to "How to Buy Shares" for more details.

* WILL I PAY A SALES CHARGE TO BUY SHARES? The Fund offers the individual investor two classes of shares. All classes have the same investment portfolio, but different expenses. Class A shares are offered

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with a front-end sales charge, starting at 2.00%, and reduced for larger purchases. Class B shares are offered without a front-end sales charge, but may be subject to a contingent deferred sales charge if redeemed within 4 years. There is also an annual asset-based sales charge on Class B shares. Please review "How To Buy Shares" for more details, including a discussion about factors you and your financial advisor should consider in determining which class may be appropriate for you.

* HOW CAN I SELL MY SHARES? Shares can be redeemed by mail or by telephone call to the Transfer Agent on any business day, or through your dealer or by writing a check against your current account (available for Class A shares only). Please refer to "How to Sell Shares". The Fund also offers exchange privileges to other Oppenheimer funds, described in "How To Exchange Shares" .

* HOW HAS THE FUND PERFORMED? The Fund measures its performance by quoting its yield and total returns, which measure historical performance. Those yields and returns can be compared to the yields and returns (over similar periods) of other funds. Of course, other funds may have different objectives, investments, and levels of risk. The Fund's performance can also be compared to broad-based market indices and narrower market indices. Please remember that past performance does not guarantee future results.

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The table on the following pages presents selected financial information about the Fund, including per share data and expense ratios and other data based on the Fund's average net assets. This information has been audited by Price Waterhouse LLP, the Fund's independent auditors, whose report on the Fund's financial statements for the fiscal year ended December 31, 1995, is included in the Statement of Additional Information. Class B Shares were not publicly offered during each of the periods shown. Accordingly, information on this class of shares is not included for all years in the table below or in the Fund's other financial statements.

<TABLE>
<CAPTION>

	Periods Ended December 31				
	1995	1994	1993	1992	1991*
<S>	<C>	<C>	<C>	<C>	<C>
Net asset value, beginning of period	\$ 3.33	\$ 3.18	\$ 3.07	\$ 3.00	
Income from investment operations:					
Net investment income	0.16	0.17	0.18 (Y)	0.05	
Net realized and unrealized gain (loss) on investments ..	(0.18)	0.15	0.11	0.07	
Total from investment operations	(0.02)	0.32	0.29	0.12	
Less distributions:					
Dividends from net investment income	(0.16)	(0.17)	(0.18)	(0.05)	
Total distributions	(0.16)	(0.17)	(0.18)	(0.05)	
Net asset value, end of period	\$ 3.15	\$ 3.33	\$ 3.18	\$ 3.07	
Total return (excludes sales load)	(0.60%)	10.06%	9.45%	17.47%**	
Ratios/Supplemental data:					
Net assets, end of period (000 omitted)	\$ 496,452	\$ 457,860	\$ 150,096	\$ 18,659	
Ratio of total expenses to average net assets	0.89%	0.89%	0.83% (Y)	0.83%**	
Ratio of total expenses (excluding interest) to average net assets***	0.84%	0.86%	0.78% (Y)	0.74%**	
Ratio of net investment income to average net assets	5.12%	4.94%	5.33% (Y)	5.22%**	
Portfolio turnover rate	34.58%	17.08%	59.87%	1.42%	

<FN>

* The Fund commenced operations on September 18, 1991.

** Annualized.

*** During the periods shown above, the Fund's interest expense was substantially offset by the incremental interest income generated on bonds purchased with borrowed funds.

(Y) Net of fees waived or reimbursed by Fielding Management Company, Inc., the Fund's previous investment adviser, and Rochester Fund Services, Inc., which amounted to \$0.01 per share. Without reimbursement, the ratios would have been 1.14%, 1.09% and 5.02%, respectively. Fielding Management Company, Inc., served as investment adviser to the Fund from September 18, 1991 to December 19, 1993.

</FN>

</TABLE>

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<TABLE>
<CAPTION>

INFORMATION ON BANK LOANS

	Periods Ended December 31				
	1995	1994	1993	1992	1991*
<S>	<C>	<C>	<C>	<C>	<C>
Bank loans outstanding at end of period (000).....					
Monthly average amount of bank loans outstanding during the period (000).....					

Monthly average number of shares of the Fund outstanding during the period (000).....
Average amount of bank loans per share outstanding during the period.....

<FN>
* The Fund commenced operations on September 18, 1991.
</FN>
</TABLE>

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INVESTMENT OBJECTIVE, POLICIES AND CONSIDERATIONS

OBJECTIVE. The investment objective of the Fund is to seek as high a level of income exempt from Federal income tax and New York State and New York City personal income taxes as is consistent with its investment policies and prudent investment management. No assurances can be made, however, that the Fund will achieve its investment objective.

The Fund seeks to achieve its objective by investing primarily in a portfolio of investment grade obligations with a dollar weighted average effective maturity of five years or less issued by or on behalf of New York State, its political subdivisions, agencies and instrumentalities and obligations of other qualifying issuers (such as issuers located in Puerto Rico, the Virgin Islands, and Guam), which pay interest that is, in the opinion of the bond counsel to the issuer, exempt from Federal income tax and New York State and New York City personal income taxes ("Municipal Obligations"). As a fundamental policy, at least 95% of the Fund's net assets will be invested in Municipal Obligations except when the Manager believes that market conditions would cause serious erosion of portfolio value, in which case assets may be invested temporarily in short-term taxable investments as a defensive measure to preserve net asset value.

CAN THE FUND'S INVESTMENT OBJECTIVES AND POLICIES CHANGE? Except as otherwise noted, the Fund's investment objective and policies described herein are not designated fundamental policies and may be changed without the vote of shareholders. As a matter of policy, however, the Fund will not change its objective without the approval of the majority of the Board of Trustees. See the Statement of Additional Information for a more detailed discussion of the Fund's fundamental policies.

INVESTMENT POLICIES AND STRATEGIES.

* MUNICIPAL OBLIGATIONS. The Fund may invest in a variety of Municipal Obligations including municipal notes, municipal bonds and municipal leases. The prices of such fixed income securities fluctuate inversely to the direction of interest rates. Municipal notes are generally used to provide for short-term capital needs and generally have a maturity of one year or less. The municipal notes in which the Fund may invest include tax anticipation notes, revenue anticipation notes, bond anticipation notes, construction loan notes and tax-exempt commercial paper (also known as municipal paper). Municipal bonds, which meet longer term capital needs, generally have maturities of more than one year. The two principal classifications of municipal bonds in which the Fund may invest are "general obligation" and "revenue" bonds. General obligation bonds are secured by the issuer's pledge of its faith, credit and taxing power for the payment of the principal and interest. Revenue bonds are payable only from the revenues derived from a particular facility or class of facility or, in some cases, from the proceeds of a special excise or specific revenue source. Industrial development bonds ("IDBs") are a specific type of revenue bond backed by the credit and security of a private user. The Fund will purchase IDBs only to the extent that they pay interest which continues to be tax-exempt under the Internal Revenue Code of 1986, as amended (the "Code") (although the interest may constitute a tax preference item for purposes of the federal alternative minimum tax). See "Dividends, Capital Gains and Taxes". Investments in tax-exempt lease obligations, which are commonly referred to as "municipal leases," involve additional risk factors which are not associated with investments in other tax-exempt obligations such as general obligation bonds or revenue bonds. See "Investments in Illiquid Securities". The Statement of Additional Information describes the Municipal Obligations in which the Fund may

invest in greater detail.

Shareholders will not be subject to regular federal income tax on distributions of tax-exempt income on Municipal Obligations. The interest on certain private activity bonds, (including those for housing and student loans) issued after August 15, 1986, while still tax-exempt for regular tax purposes, constitute a preference item for taxpayers in determining their alternative minimum tax liability under the Code,

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and, as such, may be subject to the alternative minimum tax. The Code also imposes certain limitations and restrictions on the use of tax-exempt bond financing for non-essential private activity bonds. The Fund intends to purchase private activity bonds only to the extent that the interest paid by such bonds is tax-exempt for regular tax purposes pursuant to the Code.

* CREDIT QUALITY. The Fund invests at least 95% of its net assets which are invested in municipal Obligations in investment grade Municipal Obligations defined as follows: (1) obligations which are backed by the full faith and credit of the U.S. government; (2) short-term tax exempt notes which are rated investment grade by a nationally recognized statistical rating organization ("NRSRO"); (3) municipal bonds which are rated investment grade by an NRSRO; (4) tax-exempt commercial paper which is rated investment grade by an NRSRO; (5) Municipal Obligations which are issued by an entity which has obligations outstanding that meet one of the foregoing rating requirements; (6) Municipal Obligations which are backed by a letter of credit or guarantee of a bank or other institution which has outstanding securities that meet one of the foregoing rating requirements; or (7) Municipal Obligations which, although unrated, are determined by the Manager to be of comparable investment quality to rated securities meeting the foregoing rating criteria.

The remaining 5% of the Fund's net assets, which are invested in Municipal Obligations, may be invested in tax-exempt obligations which are lower-rated or unrated and of comparable quality to lower-rated securities. In no case will the Fund purchase a security with a rating of below Ba by Moody's Investors Service, Inc. ("Moody's"), BB by Standard & Poor's ("Standard & Poor's") or BB by Fitch Investors Service, Inc. ("Fitch") at the time of purchase or an unrated security which, in the opinion of the Manager, is of comparable quality to rated securities below such ratings. For a description of such ratings, see Appendix A to the Statement of Additional Information.

* VARIABLE RATE OBLIGATIONS. The Fund may invest in variable rate obligations. Variable rate obligations have a yield which is adjusted periodically based upon changes in the level of prevailing interest rates. Variable rate obligations have an interest rate fixed to a known lending rate, such as the prime rate, and are automatically adjusted when such known rate changes. Variable rate obligations lessen the capital fluctuations usually inherent in fixed income investments, which diminishes the risk of capital depreciation of portfolio investments and the Fund's shares; but this also means that should interest rates decline, the yield of the Fund will decline and the Fund and its shareholders will forego the opportunity for capital appreciation of its portfolio investments and of their shares. Variable rate obligations with demand periods greater than seven days may be determined to be liquid by the Fund's Board of Trustees. Variable rate instruments in which the Fund may invest include participation interests purchased from banks in variable rate tax-exempt Municipal Obligations (expected to be concentrated in IDBs owned by banks). A participation interest gives the Fund an undivided interest in the Municipal Obligation in the proportion that the Fund's participation interest bears to the total principal amount of the Municipal Obligation. The Fund will only invest in such participation interests to the extent that an opinion of issuer's counsel supports the characterization of interest on such securities as tax-exempt.

* WHEN ISSUED PURCHASES. The Fund may also purchase and sell municipal securities on a "when issued" and "delayed delivery" basis. These transactions are subject to market fluctuation and the value of a security at delivery may be more or less than the purchase price. When the Fund is the buyer in such a transaction, however, it will maintain, in a segregated account with its custodian, cash or high grade marketable debt securities having an aggregate value equal to the amount of such purchase commitments until payment is made. In addition, the Fund will mark the "when issued" security to market each day for purposes of portfolio valuation. To the extent the Fund engages in "when issued" and "delayed delivery" transactions, it will do so for the purpose of acquiring securities for the Fund's portfolio consistent with its investment objective and policies and not for the purpose of investment leverage. Securities purchased on a "when issued" and "delayed delivery" basis may not constitute more than 10% of the Fund's net assets.

* MATURITY GUIDELINES. The Fund intends to invest primarily in a portfolio of investment grade Municipal Obligations with a dollar weighted average effective maturity of five years or less. In maintaining this average, the Fund may purchase individual bonds with effective maturities of more or less than five years.

The effective maturity of bonds in the portfolio may lengthen if market interest rates increase or shorten if market interest rates decrease. Increasing market interest rates can cause the average effective maturity of the portfolio to lengthen beyond five years, absent any portfolio transactions. At any time that the average effective maturity of the portfolio exceeds five years, the Fund will not purchase bonds with effective maturities exceeding five years. The Fund may also take prudent steps to reduce the average effective maturity of the portfolio to five years or less, including selling bonds with effective maturities exceeding five years and purchasing bonds with effective maturities of less than five years.

A bond's effective maturity may be shorter than its stated maturity as a result of differences between its coupon or accretion rate and current market interest rates, callability and call price, scheduled sinking fund payments and anticipated prepayments, as well as other factors. In computing the Fund's average maturity, the Fund intends to use effective maturity dates to the extent that a particular bond is evaluated for pricing and trading purposes in the marketplace to a date which is shorter than the bond's stated maturity. This date may represent a mandatory put, prerefunded call date, optional call date, or the average life to which the bond is priced. Bonds with a variable coupon rate or anticipated principal prepayments may be assigned an effective maturity which is shorter than a stated call date, put date, or average life to properly reflect the reduced price volatility of such bonds.

Bonds which are evaluated for pricing and trading purposes to a maturity date which is shorter than the stated maturity date possess price volatility characteristics which make them substantially similar to bonds with stated maturity dates identical to the effective maturity date.

* TEMPORARY INVESTMENTS. From time to time when, due to adverse factors, market conditions could cause serious erosion of portfolio value, the Fund may invest up to 20% of its assets in taxable short-term investments as a defensive measure to preserve net asset value. Distributions by the Fund of interest earned from such taxable investments will be taxable to investors as ordinary income unless such investors are otherwise exempt from taxation. The Fund may invest on a temporary basis up to 5% of its assets in other investment companies which have a similar objective of obtaining income exempt from federal income tax and New York State and New York City personal income taxes. Such investing involves duplication of expenses similar to the Fund's by the other investment companies involved.

* INDUSTRIAL REVENUE BONDS. The Fund may also invest more than 25% of its assets in industrial revenue bonds, and may invest more than 25% of its assets in Municipal Obligations backed by letters of credit or guarantees issued by banks or other financial institutions. See "Concentration in New York Issuers".

* ZERO COUPON SECURITIES. The Fund may invest without limitation as to amount in zero coupon securities. Zero coupon securities are debt obligations that do not entitle the holder to any periodic payment of interest prior to maturity or a specified date when the securities begin paying current interest. They are issued and traded at a discount from their face amount of par value, which discount varies depending on the time remaining until cash payments begin, prevailing interest rates, liquidity of the security and the perceived credit quality of the issuer. Original issue discount earned on zero coupon securities is included in the Fund's tax-free income. The market prices of zero coupon securities generally are more volatile than the prices of securities that pay interest periodically and in cash and are likely to respond to changes in interest rates to a greater degree than do other types of debt securities having similar maturities and credit quality.

* INVESTMENTS IN ILLIQUID SECURITIES. The Fund may purchase securities in

private placements or in other transactions, the disposition of which would be subject to legal restrictions, or securities for which there is no regular trading market (collectively, "Illiquid Securities"). No more than an aggregate of 15% of the value of the Fund's net assets at the time of acquisition may be invested in Illiquid Securities.

Such investments may include municipal lease obligations or installment purchase contract obligations (herein collectively called "municipal leases") of municipal authorities or entities. Municipal leases generally involve a lease-purchase agreement which is, technically, not a lease, but rather an installment purchase. The Fund may invest up to 15% of the value of its net assets in such municipal leases. Investments in tax-exempt municipal leases which have received an investment grade rating from an NRSRO and which have been determined to be liquid by the Manager are excluded from the 15% limitation on investments in municipal leases. However, unrated or illiquid municipal leases are subject to the overall 15% limitation on investments in Illiquid Securities which may be made by the Fund.

Investment in tax-exempt lease obligations presents certain special risks which are not associated with investments in other tax-exempt obligations such as general obligation bonds or revenue bonds. Although municipal leases do not constitute general obligations of the municipality for which the municipality's taxing power is pledged, a municipal lease may be backed by the municipality's covenant to budget for, appropriate and make the payments due under the municipal lease. Most municipal leases, however, contain "non-appropriation" clauses which provide that the municipality has no obligation to make lease or installment purchase payments in future years unless money is appropriated for such purpose on a yearly basis. Although "non-appropriation" municipal leases are generally secured by the leased property, the Fund's ability to recover under the lease in the event of non-appropriation or default will be limited solely to the repossession of the leased property without recourse to the general credit of the lessee, and disposition of the property in the event of foreclosure might prove difficult. In addition to the risk of "non-appropriation," municipal lease obligations may be subject to an "abatement" risk. The leases underlying certain municipal lease obligations may provide that lease payments are subject to partial or full abatement if, because of material damage or destruction of the leased property, there is substantial interference with the lessee's use or occupancy of such property. This "abatement" risk may be reduced by the existence of insurance covering the leased property, the maintenance by the lessee of reserve funds or the provision of credit enhancements such as letters of credit.

The Board of Trustees has adopted guidelines to be utilized by the Manager in making determinations concerning the liquidity and valuation of a municipal lease obligation. See the Statement of Additional Information for a description of the guidelines which will be utilized by the Manager in making such determinations. Under circumstances where the Fund proposes to purchase unrated municipal lease obligations, the Fund's Board of Trustees will be responsible for determining the credit quality of such obligations and will be responsible for assessing on an ongoing basis the likelihood as to whether the lease will be cancelled.

* BORROWING FOR INVESTMENT PURPOSES. As a fundamental policy, the Fund may borrow money, but only from banks, in amounts up to 10% of its assets to purchase additional securities. Borrowing for investment purposes increases both investment opportunity and investment risk. The Investment Company Act of 1940 (the "Act") requires the Fund to maintain asset coverage of at least 300% for all such borrowings, and should such asset coverage at any time fall below 300%, the Fund would be required to reduce its borrowings within three days to the extent necessary to meet the requirements of the Act. The Fund might be required to sell securities at a time when it would be disadvantageous to do so in order to reduce borrowings. In addition, because interest on money borrowed is an expense that the Fund would not otherwise incur, the Fund may have less net investment income during periods when its borrowings are substantial. The interest paid by the Fund on borrowings may be more or less than the yield on the securities purchased with borrowed funds, depending on prevailing market conditions.

Except as otherwise noted, the Fund's investment objective and policies described herein are not designated fundamental policies and may be changed without the vote of a majority of the outstanding voting securities of the Fund

(as defined in the Act). As a matter of policy, however, the Fund will not change its objective without the approval of the majority of the Board of Trustees. See the SAI for a more detailed discussion of the Fund's fundamental policies.

* OTHER INVESTMENT TECHNIQUES AND STRATEGIES. The Fund may also use the additional investment techniques and strategies described in the Fund's Statement of Additional Information which contains more information about these practices, including limitations on their use that are designed to reduce some of the risks.

* PORTFOLIO TRANSACTIONS

The Fund has no obligation to deal with any dealer or group of dealers in the execution of transactions in securities of the Fund. Municipal Obligations and other securities in which the Fund invests are traded primarily in the over-the-counter market. Where possible, the Fund deals directly with the dealers who make a market in the securities involved except in those circumstances where better prices and execution are available elsewhere. It is the policy of the Fund to obtain the best net results in conducting portfolio transactions for the Fund, taking into account such factors as price (including the applicable dealer spread), and the firm's general execution capabilities. Where more than one dealer is able to provide the most competitive price and the execution capabilities of the dealers are comparable, the sale of shares of the Fund may be taken into consideration as a factor in the selection of dealers to execute portfolio transactions for the Fund. The portfolio securities of the Fund generally are traded on a net basis and normally do not involve the payment of brokerage commissions. The cost of securities transactions of the Fund primarily consists of paying dealer or underwriter spreads.

INVESTMENT CONSIDERATIONS

* CONCENTRATION IN NEW YORK ISSUERS. Because the Fund, as a fundamental policy, will invest at least 95% of its assets in Municipal Obligations of New York issuers, it is more susceptible to factors affecting the State of New York than is a comparable bond fund whose investments are not concentrated in the obligations of issuers located in a single state.

During the last fifteen years, New York State, New York City and other New York public bodies have encountered financial difficulties. Continued financial difficulties could have an adverse effect on the performance of the Fund. In recent years, Moody's and Standard & Poor's (both NRSROs) lowered their ratings on a substantial portion of the State's appropriation-backed bonds from A to Baa and from BBB+ to BBB, respectively, and adjusted their ratings on all of the State's outstanding general obligation bonds. The Manager does not believe that these developments will have a significant adverse effect on the Fund's ability to invest in New York Municipal Obligations. These credit standings could be further reduced and the State's ability to provide assistance to its public authority and political subdivisions could be further impaired.

* CREDIT QUALITY.

The Fund will invest at least 95% of its assets in Municipal Obligations which are investment grade quality as defined herein. Such Municipal Obligations may include those rated in the lowest categories of investment grade ratings (e.g. those rated "BBB" by Standard & Poor's or "Baa" by Moody's). Municipal Obligations in such categories have speculative characteristics and changes in economic conditions or other circumstances are more likely to lead to a weakened capacity to make principal and interest payments than is the case for Municipal Obligations in the higher rated

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categories. Because 5% of the Fund's assets which are invested in tax-exempt securities may be invested in securities which are rated below the lowest investment grade categories or in securities which are unrated but comparable quality, the Fund is dependent on the Manager's judgment, analysis and experience in evaluating the quality of such obligations. In evaluating the credit quality of a particular issue, whether rated or unrated, the Manager will normally take into consideration, among other things, the financial resources of the issuer (or, as appropriate, of the underlying source of the funds for debt service), its sensitivity to economic conditions and trends, any operating history of and the community support for the facility financed by the issue, the ability of the issuer's management and regulatory matters. The Manager will attempt to reduce the risks inherent in investments in such obligations through active portfolio management, diversification, credit analysis and attention to current developments and trends in the economy and the financial markets.

* BORROWING FOR INVESTMENT PURPOSES. Borrowing for investment purposes increases both investment opportunity and investment risk. The Fund might be required to sell securities at a time when it would be disadvantageous to do so in order to reduce its borrowings. In addition, because interest on money borrowed is an expense that the Fund would not otherwise incur, the Fund may have less net investment income during periods when its borrowings are substantial. The interest paid by the Fund on borrowings may be more or less than the yield on the securities purchased with borrowed funds, depending on prevailing market conditions.

* LIQUIDITY AND VALUATION. Unrated securities (including those that the Manager believes are of equivalent quality to rated investment grade securities), lower rated securities (restricted to 5% of the Fund's net assets) and securities in which the Fund has a substantial ownership interest are subject to greater liquidity and valuation risks. In general, such securities are not as liquid as securities for which there are active secondary trading markets. Reduced liquidity may have an adverse impact on the market price and the Fund's ability to dispose of particular issues, when necessary, to meet the Fund's liquidity needs or in response to a particular economic event, such as the deterioration in the credit worthiness of the issuer. Reduced liquidity for certain securities may also make it more difficult for the Fund to obtain market quotations based on actual trades for purposes of valuing the Fund's portfolio. Current values for these securities are obtained from pricing services and pricing grids which factor in coupons, maturities, credit quality, liquidity and other factors. When there are no readily available market quotations, such values are determined in good faith by the Board of Trustees and may be based upon factors other than actual sales.

* NON-DIVERSIFICATION. The Fund expects that it normally will invest in a substantial number of issuers; however, as a non-diversified investment company, the Fund may invest a greater portion of its assets in the securities of a limited number of issuers than a diversified fund. The Fund's ability to invest a greater proportion of its assets in the securities of a smaller number of issuers may enhance the Fund's ability to achieve capital appreciation, but may also make the Fund more susceptible to any single economic, political or regulatory occurrence. However, as of the last day of each fiscal quarter, the Fund generally will be required to meet certain tax-related diversification requirements, which would restrict, to some degree, the amount of the securities of any one issuer that the Fund could hold.

HOW THE FUND IS MANAGED

ORGANIZATION AND HISTORY. Rochester Portfolio Series was organized in 1991 as a Massachusetts business trust consisting of one portfolio, the Fund. The Fund is an open-end, non-diversified management investment company with an unlimited number of authorized shares of beneficial interest.

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The Fund is governed by a Board of Trustees, which is responsible under Massachusetts law for protecting the interests of shareholders. The Trustees meet periodically throughout the year to oversee the Fund's activities, review its performance, and review the actions of the Manager. "Trustees and Officers of the Fund" in the Statement of Additional Information names the Trustees and provides more information about them and the officers of the Fund. Although the Fund is not required by law to hold annual meetings, it may hold shareholder meetings from time to time on important matters, and shareholders have the right to call a meeting to remove a Trustee or to take other action described in the Fund's Declaration of Trust.

The Board of Trustees has the power, without shareholder approval, to divide unissued shares of the Fund into two or more classes. The Board has done so, and the Fund currently has two classes of shares, Class A and Class B. All Classes invest in the same investment portfolio. Each class has its own dividends and distributions and pays certain expenses which may be different for the different classes. Each class may have a different net asset value. Each share has one vote at shareholder meetings, with fractional shares voting proportionally. Only shares of a particular class vote as a class on matters that affect that class alone. Shares are freely transferrable. Please refer to "How the Fund is Managed" in the Statement of Additional Information on voting of shares.

THE MANAGER AND ITS AFFILIATES. The Fund is managed by the Manager, OppenheimerFunds, Inc., which is responsible for selecting the Fund's investments and handles its day-to-day business. The Manager carries out its duties, subject to the policies established by the Board of Trustees, under an

Investment Advisory Agreement which states the Manager's responsibilities. The Agreement sets forth the fees paid by the Fund to the Manager and describes the expenses that the Fund is responsible to pay to conduct its business.

The Manager has operated as an investment adviser since 1959. The Manager and its affiliates currently manages investment companies, including other Oppenheimer funds, with assets of more than \$__ billion as of December 31, 1995, and with more than __ million shareholder accounts. The Manager is owned by Oppenheimer Acquisition Corp., a holding company that is owned in part by senior officers of the Manager and controlled by Massachusetts Mutual Life Insurance Company.

* PORTFOLIO MANAGER. The Portfolio Manager of the Fund is Ronald H. Fielding. He has been the person principally responsible for the day-to-day management of the Fund's portfolio since the Fund's inception in 1991. Mr. Fielding is Vice President of the Fund and has also served as an officer and director of the Fund's previous investment advisers and their affiliates.

* FEES AND EXPENSES. Under the Investment Advisory Agreement, the Fund pays the Manager the following annual fees: 0.50% of the first \$100 million of average daily net assets, 0.45% of the next \$150 million of average daily net assets, 0.40% of the next \$1,750 million of average daily net assets and 0.39% of average daily net assets over \$2 billion. The Fund's management fee for its last fiscal year was __% of average annual net assets.

The Fund pays expenses related to its daily operations, such as custodian fees, Trustees' fees, transfer agency fees, legal and auditing costs. Those expenses are paid out of the Fund's assets and are not paid directly by shareholders. However, those expenses reduce the net asset value of shares, and therefore are indirectly borne by shareholders through their investment. More information about the Investment Advisory Agreement and the other expenses paid by the Fund is contained in the Statement of Additional Information.

There is also information about the Fund's brokerage policies and practices in "Brokerage Policies of the Fund" in the Statement of Additional Information. That section discusses how brokers and dealers are selected for the Fund's portfolio transactions. When deciding which brokers to use, the

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Manager is permitted by the Investment Advisory Agreement to consider whether brokers have sold shares of the Fund or any other funds for which the Manager serves as investment adviser.

* THE DISTRIBUTOR. The Fund's shares are sold through dealers and brokers that have a sales agreement with OppenheimerFunds Distributor, Inc., a subsidiary of the Manager that acts as the Distributor. The Distributor also distributes the shares of other mutual funds managed by the Manager (the "Oppenheimer funds") and is sub-distributor for funds managed by a subsidiary of the Manager.

* THE TRANSFER AGENT. The Fund's transfer agent is OppenheimerFunds Services, a division of the Manager, which acts as the shareholder servicing agent for the Fund and the other Oppenheimer funds. Shareholders should direct inquiries about their account to the Transfer Agent at the address and toll-free numbers shown below in this Prospectus and on the back cover.

PERFORMANCE OF THE FUND

EXPLANATION OF PERFORMANCE TERMINOLOGY. The Fund uses the terms "total return", "average annual total return" and "yield" to illustrate its performance. The performance of each class of shares is shown separately, because the performance of each class of shares will usually be different as a result of the different kinds of expenses each class bears. This performance information may be useful to help you see how well your investment has done and to compare it to other funds or market indices, as we have done below.

It is important to understand that the Fund's total returns represent past performance and should not be considered to be predictions of future returns or performance. This performance data is described below, but more detailed information about how total returns are calculated is contained in the Statement of Additional Information, which also contains information about other ways to measure and compare the Fund's performance. The Fund's investment performance will vary over time, depending on market conditions, the composition of the portfolio, expenses and which class of shares you purchase.

* TOTAL RETURNS. There are different types of total returns used to measure the Fund's performance. Total return is the change in value of a hypothetical investment in the Fund over a given period, assuming that all dividends and

capital gains distributions are reinvested in additional shares. The cumulative total return measures the change in value over the entire period (for example, ten years). An average annual total return shows the average rate of return for each year in a period that would produce the cumulative total return over the entire period. However, average annual total returns do not show the Fund's actual year-by-year performance.

When total returns are quoted for Class A shares, normally they include the payment of the current maximum initial sales charge. Total returns may also be quoted "at net asset value," without including the sales charge, and those returns would be reduced if sales charges were deducted. When total returns are shown for Class B shares, they reflect the effect of the contingent deferred sales charge that applies to the period for which total return is shown. They may also be shown based on the change in net asset value, without including the effect of the contingent deferred sales charge, and those returns would be reduced if sales charges were deducted.

* YIELD. Each Class of shares calculates its yield by dividing the annualized net investment income per share on the portfolio during a 30-day period by the maximum offering price on the last day of the period. The yield of each Class will differ because of the different expenses of each Class of shares. The yield data represents a hypothetical investment return on the portfolio, and does not measure an investment return based on dividends actually paid to shareholders. To show

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that return, a dividend yield may be calculated. Dividend yield is calculated by dividing the dividends of a Class derived from net investment income during a stated period by the maximum offering price on the last day of the period. Yields and dividend yields for Class A shares reflect the deduction of the maximum initial sales charge, but may also be shown based on the Fund's net asset value per share. Yields for Class B do not reflect the deduction of the contingent deferred sales charge.

For additional information regarding calculation of yield and total return, see "Performance of the Fund" in the Statement of Additional Information. Further information about the Fund's performance is set forth in the Fund's Annual Report to Shareholders, which may be obtained upon request at no charge.

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ABOUT YOUR ACCOUNT

HOW TO BUY SHARES

CLASSES OF SHARES. The Fund offers investors two different classes of shares. The different classes of shares represent investments in the same portfolio of securities but are subject to different expenses and will likely have different share prices.

* CLASS A SHARES. If you buy Class A shares, you pay an initial sales charge on investments. If you purchase Class A shares as part of an investment of at least \$1 million in shares of one or more Oppenheimer funds, you will not pay an initial sales charge but if you sell any of those shares within 18 months of buying them, you may pay a contingent deferred sales charge. The amount of that sales charge will vary depending on the amount you invested. Sales charge rates are described in "Buying Class A Shares" below.

* CLASS B SHARES. If you buy Class B shares, you pay no sales charge at the time of purchase, but if you sell your shares within four years of buying them, you will normally pay a contingent deferred sales charge, that varies depending on how long you own your shares. It is described in "Buying Class B Shares" below.

WHICH CLASS OF SHARES SHOULD YOU CHOOSE? Once you decide that the Fund is an appropriate investment for you, the decision as to which class of shares is better suited to your needs depends on a number of factors which you should discuss with your financial advisor. The Fund's operating costs that apply to a class of shares and the effect of the different types of sales charges on your investment will vary your investment results over time. The most important

factors are how much you plan to invest, how long you plan to hold your investment, and whether you anticipate exchanging your shares for shares of other Oppenheimer funds (not all of which currently offer Class B). If your goals and objectives change over time and you plan to purchase additional shares, you should re-evaluate those factors to see if you should consider another class of shares.

The decision as to which class of Shares provides a more suitable investment for an investor depends on a number of factors, including the amount invested and the intended length of investment. Investors making large investments, thus qualifying for a reduced sales charge, might consider Class A Shares. Investors who prefer that 100% of their purchase be invested immediately, or who want to spread the sales charge payment over time, might consider Class B Shares. Orders for Class B Shares for \$500,000 or more will be declined because the investor would not realize the economies of scale available to them through a similar investment in Class A Shares. For more information about these sales arrangements, contact your investment dealer or the Transfer Agent.

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* ARE THERE DIFFERENCES IN ACCOUNT FEATURES THAT MATTER TO YOU? Because some account features may not be available to Class B shareholders, you should carefully review how you plan to use your investment account before deciding which class of shares is better for you. For example, share certificates are not available for Class B shares and if you are considering using your shares as collateral for a loan, that may be a factor to consider. Also, checkwriting privileges are not available for Class B. Additionally, the dividends payable to Class B shareholders will be reduced by the additional expenses borne by those classes, such as the asset-based sales charges described below and in the Statement of Additional Information.

* HOW DOES IT AFFECT PAYMENTS TO MY BROKER? A salesperson, such as a broker, or any other person who is entitled to receive compensation for selling Fund shares may receive different compensation for selling one class than for selling another class. It is important that investors understand that the purpose of the Class B contingent deferred sales charges and asset-based sales charges is the same as the purpose of the front-end sales charge on sales of Class A shares: to compensate the Distributor for commissions it pays to dealers and financial institutions for selling shares.

HOW MUCH MUST YOU INVEST? You can open a Fund account with a minimum initial investment of \$5,000 and make additional investments at any time with as little as \$100. There are reduced minimum investments under special investment plans:

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With Asset Builder Plans, Automatic Exchange Plans, 403(b)(7) custodial plans and military allotment plans, you can make initial and subsequent investments for as little as \$25; and subsequent purchases of at least \$25 can be made by telephone through AccountLink.

There is no minimum investment requirement if you are buying shares by reinvesting dividends from the Fund or other Oppenheimer funds (a list of them appears in the Statement of Additional Information, or you can ask your dealer or call the Transfer Agent), or by reinvesting distributions from unit investment trusts that have made arrangements with the Distributor.

* HOW ARE SHARES PURCHASED? You can buy shares several ways -- through any dealer, broker or financial institution that has a sales agreement with the Distributor, or directly through the Distributor, or automatically from your bank account through an Asset Builder Plan under the Oppenheimer funds AccountLink service. When you buy shares, be sure to specify Class A or Class B. If you do not choose, your investment will be made in Class A shares.

* BUYING SHARES THROUGH YOUR DEALER. Your dealer will place your order with the Distributor on your behalf.

* BUYING SHARES THROUGH THE DISTRIBUTOR. Complete an OppenheimerFunds New Account Application and return it with a check payable to "OppenheimerFunds Distributor, Inc." Mail it to P.O. Box 5270, Denver, Colorado 80217. If you don't list a dealer on the application, the Distributor will act as your agent

in buying the shares. However, we recommend that you discuss your investment first with a financial advisor, to be sure it is appropriate for you.

* BUYING SHARES THROUGH OPPENHEIMERFUNDS ACCOUNTLINK. You can use AccountLink to link your Fund account with an account at a U.S. bank or other financial institution that is an Automated Clearing House (ACH) member. You can then transmit funds electronically to purchase shares, to have the Transfer Agent send redemption proceeds, or to transmit dividends and distributions.

Shares are purchased for your account on AccountLink on the regular business day the Distributor is instructed by you to initiate the ACH transfer to buy shares. You can provide those instructions automatically, under an Asset Builder Plan, described below, or by telephone instructions using OppenheimerFunds PhoneLink, also described below. You should request AccountLink privileges on the application or dealer settlement instructions used to establish your account. Please refer to "AccountLink" below for more details.

* ASSET BUILDER PLANS. You may purchase shares of the Fund (and up to four other Oppenheimer funds) automatically each month from your account at a bank or other financial institution under an Asset Builder Plan with AccountLink. Details are on the Application and in the Statement of Additional Information.

* AT WHAT PRICE ARE SHARES SOLD? Shares are sold at the public offering price based on the net asset value (and any initial sales charge that applies) that is next determined after the Distributor receives the purchase order in Denver. In most cases, to enable you to receive that day's offering price, the Distributor must receive your order by the time of day The New York Stock Exchange closes, which is normally 4:00 P.M., New York time, but may be earlier on some days (all references to time in this Prospectus mean "New York time"). The net asset value of each class

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of shares is determined as of that time on each day The New York Stock Exchange is open (which is a "regular business day").

If you buy shares through a dealer, the dealer must receive your order by the close of The New York Stock Exchange, on a regular business day and transmit it to the Distributor so that it is received before the Distributor's close of business that day, which is normally 5:00 P.M. The Distributor may reject any purchase order for the Fund's shares, in its sole discretion.

BUYING CLASS A SHARES. Class A shares are sold at their offering price, which is normally net asset value plus an initial sales charge. However, in some cases, described below, purchases are not subject to an initial sales charge, and the offering price will be the net asset value. In some cases, reduced sales charges may be available, as described below. Out of the amount you invest, the Fund receives the net asset value to invest for your account. The sales charge varies depending on the amount of your purchase. A portion of the sales charge may be retained by the Distributor and allocated to your dealer as a commission. The current sales charge rates and commissions paid to dealers and brokers are as follows:

Amount of Purchase	Front End Sales Charge as a Percentage of Offering Price	Front End Sales Charge as a Percentage of Amount Invested	Commission as a Percentage of Offering Price
Less than \$100,000	2.00%	2.04%	1.75%
\$100,000 or more but less than \$500,000	1.60%	1.63%	1.40%
\$500,000 or more but less than \$1,000,000	1.30%	1.32%	1.10%
\$1,000,000 and over	1.00%	1.01%	0.80%

The Distributor reserves the right to reallocate the entire commission to dealers.

If that occurs, the dealer may be considered an "underwriter" under Federal securities laws.

* CLASS A CONTINGENT DEFERRED SALES CHARGE. There is no initial sales charge on purchases of Class A shares of any one or more of the Oppenheimer funds aggregating \$1 million or more. Shares of any of the Oppenheimer funds that offers only one class of shares that has no designation are considered "Class A shares" for this purpose. The Distributor pays dealers of record commissions on those purchases in an amount equal to the sum of 1.0% of the first \$2.5 million, plus 0.50% of the next \$2.5 million, plus 0.25% of purchases over \$5 million. That commission will be paid only on the amount of those purchases in excess of \$1 million that were not previously subject to a front-end sales charge and dealer commission.

If you redeem any of those shares within 18 months of the end of the calendar month of their purchase, a contingent deferred sales charge (called the "Class A contingent deferred sales charge") will be deducted from the redemption proceeds. That sales charge will be equal to 1.0% of either (1) the aggregate net asset value of the redeemed shares (not including shares purchased by reinvestment of dividends or capital gain distributions) or (2) the original cost of the shares, whichever is less. However, the Class A contingent deferred sales charge will not exceed the aggregate commissions the Distributor paid to your dealer on all Class A shares of all Oppenheimer funds you purchased subject to the Class A contingent deferred sales charge.

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In determining whether a contingent deferred sales charge is payable, the Fund will first redeem shares that are not subject to the sales charge, including shares purchased by reinvestment of dividends and capital gains, and then will redeem other shares in the order that you purchased them. The Class A contingent deferred sales charge is waived in certain cases described in "Waivers of Class A Sales Charges" below.

No Class A contingent deferred sales charge is charged on exchanges of shares under the Fund's Exchange Privilege (described below). However, if the shares acquired by exchange are redeemed within 18 months of the end of the calendar month of the purchase of the exchanged shares, the contingent deferred sales charge will apply.

* SPECIAL ARRANGEMENTS WITH DEALERS. The Distributor may advance up to 13 months' commissions to dealers that have established special arrangements with the Distributor for Asset Builder Plans for their clients. Dealers whose sales of Class A shares of Oppenheimer funds (other than money market funds) under Oppenheimer Funds-sponsored 403(b)(7) custodial plans exceed \$5 million per year (calculated per quarter), will receive monthly one-half of the Distributor's retained commissions on those sales, and if those sales exceed \$10 million per year, those dealers will receive the Distributor's entire retained commission on those sales.

REDUCED SALES CHARGES FOR CLASS A SHARE PURCHASES. You may be eligible to buy Class A shares at reduced sales charge rates in one or more of the following ways:

* RIGHT OF ACCUMULATION. To qualify for the lower sales charge rates that apply to larger purchases of Class A shares, you and your spouse can add together Class A and Class B shares you purchase for your individual accounts, or jointly, or for trust or custodial accounts on behalf of your children who are minors. A fiduciary can count all shares purchased for a trust, estate or other fiduciary account (including one or more employee benefit plans of the same employer) that has multiple accounts. Additionally, you can add together current purchases of Class A and Class B shares of the Fund and other Oppenheimer funds to reduce the sales charge rate that applies to current purchases of Class A shares. You can also count Class A and Class B shares of Oppenheimer funds you previously purchased subject to an initial or contingent deferred sales charge to reduce the sales charge rate for current purchases of Class A shares, provided that you still hold your investment in one of the Oppenheimer funds. The value of those shares will be based on the greater of the amount you paid for the shares or their current value (at offering price). The Oppenheimer funds are listed in "Reduced Sales Charges" in the Statement of Additional Information, or a list can be obtained from the Distributor. The reduced sales charge will apply only to current purchases and must be requested when you buy your shares.

* LETTER OF INTENT. Under a Letter of Intent, you may purchase Class A shares or Class A shares and Class B shares of the Fund and other Oppenheimer funds during a 13-month period, you can reduce the sales charge rate that applies to your

purchases of Class A shares. The total amount of your intended purchases of both Class A and Class B will determine the reduced sales charge rate for the Class A shares purchased during that period. This can include purchases made up to 90 days before the date of the Letter. More information is contained in the Application and in "Reduced Sales Charges" in the Statement of Additional Information.

* WAIVERS OF CLASS A SALES CHARGES. The Class A sales charges are not imposed in the circumstances described below. There is an explanation of this policy in "Reduced Sales Charges" in the Statement of Additional Information.

Waivers of Initial and Contingent Deferred Sales Charges for Certain Purchasers. Class A shares purchased by the following investors are not subject to any Class A sales charges:

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the Manager or its affiliates;

present or former officers, directors, trustees and employees (and their "immediate families" as defined in "Reduced Sales Charges" in the Statement of Additional Information) of the Fund, the Manager and its affiliates, and retirement plans established by them for their employees;

registered management investment companies, or separate accounts of insurance companies having an agreement with the Manager or the Distributor for that purpose;

dealers or brokers that have a sales agreement with the Distributor, if they purchase shares for their own accounts or for retirement plans for their employees;

employees and registered representatives (and their spouses) of dealers or brokers described above or financial institutions that have entered into sales arrangements with such dealers or brokers (and are identified to the Distributor) or with the Distributor; the purchaser must certify to the Distributor at the time of purchase that the purchase is for the purchaser's own account (or for the benefit of such employee's spouse or minor children);

dealers, brokers or registered investment advisers that have entered into an agreement with the Distributor providing specifically for the use of shares of the Fund in particular investment products made available to their clients; or

dealers, brokers or registered investment advisers that have entered into an agreement with the Distributor to sell shares of defined contribution employee retirement plans for which the dealer, broker or investment adviser provides administration services; or

trust companies and bank trust departments for funds held in fiduciary, agency, custodial or similar capacity.

Waivers of Initial and Contingent Deferred Sales Charges in Certain Transactions. Class A shares issued or purchased in the following transactions are not subject to Class A sales charges:

shares issued in plans of reorganization, such as mergers, asset acquisitions and exchange offers, to which the Fund is a party,

shares purchased by the reinvestment of dividends or other distributions reinvested from the Fund or other Oppenheimer Funds (other than Oppenheimer Cash Reserves) or unit investment trusts for which reinvestment arrangements have been made with the Distributor, or

shares purchased and paid for with the proceeds of shares redeemed in the prior 12 months from a mutual fund (other than a fund managed by the Manager or any of its subsidiaries) on which an initial sales charge or contingent deferred sales charge was paid (this waiver also applies to shares purchased by exchange of shares of Oppenheimer Money Market Fund, Inc. that were purchased and paid for in this manner); this waiver must be requested when the purchase order is placed for your shares of the Fund, and the Distributor may require evidence of your qualification for this waiver.

There is a further discussion of this policy in "Reduced Sales Charges" in the Statement of Additional Information.

Waivers of the Class A Contingent Deferred Sales Charge for Certain Redemptions.

The Class A contingent deferred sales charge is also waived if shares that would otherwise be subject to the contingent deferred sales charge are redeemed in the following cases:

|_ to make Automatic Withdrawal Plan payments that are limited annually to no more than 12% of the original account value; or

|_ involuntary redemptions of shares by operation of law or involuntary redemptions of small accounts (see "Shareholder Account Rules and Policies," below); or

|_ if, at the time a purchase order is placed for Class A shares that would otherwise be subject to the Class A contingent deferred sales charge, the dealer agrees to accept the dealer's portion of the commission payable on the sale in installments of 1/18th of the commission per month (and no further commission will be payable if the shares are redeemed within 18 months of purchase)

* SERVICE PLAN FOR CLASS A SHARES. The Fund has adopted a Service Plan for Class A shares to reimburse the Distributor for a portion of its costs incurred in connection with the personal service and maintenance of accounts that hold Class A shares. Reimbursement is made quarterly at an annual rate that may not exceed 0.25% of the average annual net assets of Class A shares of the Fund. The Distributor uses all of those fees to compensate dealers, brokers, banks and other financial institutions quarterly for providing personal service and maintenance of accounts of their customers that hold Class A shares and to reimburse itself (if the Fund's Board of Trustees authorizes such reimbursements, which it has not yet done) for its other expenditures under the Plan.

Services to be provided include, among others, answering customer inquiries about the Fund, assisting in establishing and maintaining accounts in the Fund, making the Fund's investment plans available and providing other services at the request of the Fund or the Distributor. Payments are made by the Distributor quarterly at an annual rate not to exceed 0.25% of the average annual net assets of Class A shares held in accounts of the dealer or its customers. The payments under the Plan increase the annual expenses of Class A shares. For more details, please refer to "Distribution and Service Plans" in the Statement of Additional Information.

BUYING CLASS B SHARES. Class B shares are sold at net asset value per share without an initial sales charge. However, if Class B shares are redeemed within 4 years of their purchase, a contingent deferred sales charge will be deducted from the redemption proceeds. That sales charge will not apply to shares purchased by the reinvestment of dividends or capital gains distributions. The charge will be assessed on the lesser of the net asset value of the shares at the time of redemption or the original purchase price. The contingent deferred sales charge is not imposed on the amount of your account value represented by the increase in net asset value over the initial purchase price (including increases due to the reinvestment of dividends and capital gains distributions). The Class B contingent deferred sales charge is paid to the Distributor to reimburse its expenses of providing distribution-related services to the Fund in connection with the sale of Class B shares.

To determine whether the contingent deferred sales charge applies to a redemption, the Fund redeems shares in the following order: (1) shares acquired by reinvestment of dividends and capital gains distributions, (2) shares held for over 4 years, and (3) shares held the longest during the 4-year period. The contingent deferred sales charge is not imposed in the circumstances described in "Waivers of Class B Sales Charges" below.

The amount of the contingent deferred sales charge will depend on the number of years since you invested and the dollar amount being redeemed, according to the following schedule:

YEARS SINCE BEGINNING OF MONTH IN CONTINGENT DEFERRED SALES CHARGE
ON REDEMPTIONS IN THAT YEAR

WHICH PURCHASE ORDER WAS ACCEPTED	(AS OF AMOUNT SUBJECT TO CHARGE)
0 - 1	2.50%
1 - 2	2.00%
2 - 3	1.50%
3 - 4	1.00%
4 and following	None

In the table, a "year" is a 12-month period. All purchases are considered to have been made on the first regular business day of the month in which the purchase was made.

* AUTOMATIC CONVERSION OF CLASS B SHARES. 72 months after you purchase Class B shares, those shares will automatically convert to Class A shares. This conversion feature relieves Class B shareholders of the asset-based sales charge that applies to Class B shares under the Class B Distribution and Service Plan, described below. The conversion is based on the relative net asset value of the two classes, and no sales load or other charge is imposed. When Class B shares convert, any other Class B shares that were acquired by the reinvestment of dividends and distributions on the converted shares will also convert to Class A shares. The conversion feature is subject to the continued availability of a tax ruling described in "Alternative Sales Arrangements - Class A and Class B Shares" in the Statement of Additional Information.

* DISTRIBUTION AND SERVICE PLAN FOR CLASS B SHARES. The Fund has adopted a Distribution and Service Plan for Class B shares to compensate the Distributor for distributing Class B shares and servicing accounts. Under the Plan, the Fund pays the Distributor an annual "asset-based sales charge" of 0.50% per year on Class B shares that are outstanding for 4 years or less. The Distributor also receives a service fee of 0.25% per year. Both fees are computed on the average annual net assets of Class B shares, determined as of the close of each regular business day. The asset-based sales charge allows investors to buy Class B shares without a front-end sales charge while allowing the Distributor to compensate dealers that sell Class B shares.

The Distributor uses the service fee to compensate dealers for providing personal services for accounts that hold Class B shares. Those services are similar to those provided under the Class A Service Plan, described above. The asset-based sales charge and service fee increase Class B expenses by ____% of average net assets per year.

The Distributor pays the 0.25% service fee to dealers in advance for the first year after Class B shares have been sold by the dealer. After the shares have been held for a year, the Distributor pays the fee on a quarterly basis. The Distributor pays sales commissions of 2.00% (including a prepaid service fee of 0.25%) of the purchase price to dealers from its own resources at the time of sale.

The Fund pays the asset-based sales charge to the Distributor for its services rendered in connection with the distribution of Class B shares. Those payments, retained by the Distributor, are at a fixed rate which is not related to the Distributor's expenses. The services rendered by the Distributor include paying and financing the payment of sales commissions, service fees, and other costs of distributing and selling Class B shares. If the Plan is terminated by the Fund, the Board of Trustees may allow the Fund to continue payments of the asset-based sales charge to the Distributor for distributing Class B shares before the Plan was terminated.

* WAIVERS OF CLASS B SALES CHARGE. The Class B contingent deferred sales charge will not be applied to shares purchased in certain types of transactions nor will it apply to Class B shares redeemed in certain circumstances as described below. The reasons for this policy are in "Reduced Sales Charges" in the Statement of Additional Information.

Waivers for Redemptions of Shares in Certain Cases. The Class B contingent deferred sales charge will be waived for redemptions of shares in the following cases:

|_ | Following the death or disability of the last surviving shareholder (the death or disability must have occurred after the account was established, and for disability you must provide evidence of a determination of disability by the

Social Security Administration);

|_| shares sold to the Manager or its affiliates;

|_| shares sold to registered management investment companies or separate accounts of insurance companies having an agreement with the Manager or the Distributor for that purpose;

|_| shares issued in plans of reorganization to which the Fund is a party; and

|_| shares redeemed in involuntary redemptions as described below. Further details about this policy are contained in "Reduced Sales Charges" in the Statement of Additional Information.

SPECIAL INVESTOR SERVICES

ACCOUNTLINK. OppenheimerFunds AccountLink links your Fund account to your account at your bank or other financial institution to enable you to send money electronically between those accounts to perform a number of types of account transactions. These include purchases of shares by telephone (either through a service representative or by PhoneLink, described below), automatic investments under Asset Builder Plans, and sending dividends and distributions or Automatic Withdrawal Plan payments directly to your bank account. Please refer to the Application for details or call the Transfer Agent for more information.

AccountLink privileges must be requested on the Application you use to buy shares, or on your dealer's settlement instructions if you buy your shares through your dealer. After your account is established, you can request AccountLink privileges on signature-guaranteed instructions to the Transfer Agent. AccountLink privileges will apply to each shareholder listed in the registration on your account as well as to your dealer representative of record unless and until the Transfer Agent receives written instructions terminating or changing those privileges. After you establish AccountLink for your account, any change of bank account information must be made by signature-guaranteed instructions to the Transfer Agent signed by all shareholders who own the account.

* USING ACCOUNTLINK TO BUY SHARES. Purchases may be made by telephone only after your account has been established. To purchase shares in amounts up to \$250,000 through a telephone representative, call the Distributor at 1-800-852-8457. The purchase payment will be debited from your bank account.

* PHONELINK. PhoneLink is the OppenheimerFunds automated telephone system that enables shareholders to perform a number of account transactions automatically using a touch-tone phone. PhoneLink may be used on already-established Fund accounts after you obtain a Personal Identification Number (PIN), by calling the special PhoneLink number: 1-800-533-3310.

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|_|Purchasing Shares. You may purchase shares in amounts up to \$100,000 by phone, by calling 1-800-533-3310. You must have established AccountLink privileges to link your bank account with the Fund, to pay for these purchases.

|_|Exchanging Shares. With the OppenheimerFunds exchange privilege, described below, you can exchange shares automatically by phone from your Fund account to another Oppenheimer funds account you have already established by calling the special PhoneLink number. Please refer to "How to Exchange Shares," below, for details.

|_|Selling Shares. You can redeem shares by telephone automatically by calling the PhoneLink number and the Fund will send the proceeds directly to your AccountLink bank account. Please refer to "How to Sell Shares," below, for details.

AUTOMATIC WITHDRAWAL AND EXCHANGE PLANS. The Fund has several plans that enable you to sell shares automatically or exchange them to another OppenheimerFunds account on a regular basis:

* AUTOMATIC WITHDRAWAL PLANS. If your Fund account is \$5,000 or more, you can establish an Automatic Withdrawal Plan to receive payments of at least \$50 on a monthly, quarterly, semi-annual or annual basis. The checks may be sent to you or sent automatically to your bank account on AccountLink. You may even set up certain types of withdrawals of up to \$1,500 per month by telephone. You should consult the Application and Statement of Additional Information for more details.

* AUTOMATIC EXCHANGE PLANS. You can authorize the Transfer Agent to exchange an amount you establish in advance automatically for shares of up to five other Oppenheimer funds on a monthly, quarterly, semi-annual or annual basis under an Automatic Exchange Plan. The minimum purchase for each OppenheimerFunds account is \$25. These exchanges are subject to the terms of the Exchange Privilege, described below.

REINVESTMENT PRIVILEGE. If you redeem some or all of your Class A or Class B shares of the Fund, you have up to 90 days to reinvest all or part of the redemption proceeds in Class A or B shares of the Fund or other Oppenheimer funds without paying a sales charge. This privilege applies to Class A shares that you purchased subject to an initial sales charge and to Class A or Class B shares on which you paid a contingent deferred sales charge when you redeemed them. You must be sure to ask the Distributor for this privilege when you send your payment. Please consult the Statement of Additional Information for more details.

HOW TO SELL SHARES

You can arrange to take money out of your account on any regular business day by selling (redeeming) some or all of your shares. Your shares will be sold at the next net asset value calculated after your order is received and accepted by the Transfer Agent. The Fund offers you a number of ways to sell your shares: in writing or by telephone. You can also set up Automatic Withdrawal Plans to redeem shares on a regular basis, as described above. If you have questions about any of these procedures, and especially if you are redeeming shares in a special situation, such as due to the death of the owner, or from a retirement plan, please call the Transfer Agent first, at 1-800-525- 7048, for assistance.

* CERTAIN REQUESTS REQUIRE A SIGNATURE GUARANTEE. To protect you and the Fund from fraud, certain redemption requests must be in writing and must include a signature guarantee in the following situations (there may be other situations also requiring a signature guarantee):

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- You wish to redeem more than \$50,000 worth of shares and receive a check
- The redemption check is not payable to all shareholders listed on the account statement
- The redemption check is not sent to the address of record on your account statement
- Shares are being transferred to a Fund account with a different owner or name
- Shares are redeemed by someone other than the owners (such as an Executor)

* WHERE CAN I HAVE MY SIGNATURE GUARANTEED? The Transfer Agent will accept a guarantee of your signature by a number of financial institutions, including: a U.S. bank, trust company, credit union or savings association, or by a foreign bank that has a U.S. correspondent bank, or by a U.S. registered dealer or broker in securities, municipal securities or government securities, or by a U.S. national securities exchange, a registered securities association or a clearing agency. If you are signing on behalf of a corporation, partnership or other business, or as a fiduciary, you must also include your title in the signature.

SELLING SHARES BY MAIL. Write a "letter of instructions" that includes:

- Your name
- The Fund's name
- Your Fund account number (from your account statement)
- The dollar amount or number of shares to be redeemed
- Any special payment instructions
- Any share certificates for the shares you are selling
- The signatures of all registered owners exactly as the account is registered, and
- Any special requirements or documents requested by the Transfer Agent to assure proper authorization of the person asking to sell shares.

USE THE FOLLOWING ADDRESS FOR
REQUESTS BY MAIL:

OppenheimerFunds Services
P.O. Box 5270
Denver, Colorado 80217

SEND COURIER OR EXPRESS MAIL
REQUESTS TO:

OppenheimerFunds Services
10200 E. Girard Avenue, Building D
Denver, Colorado 80231

SELLING SHARES BY TELEPHONE. You and your dealer representative of record may

also sell your shares by telephone. To receive the redemption price on a regular business day, your call must be received by the Transfer Agent by the close of The New York Stock Exchange that day, which is normally 4:00 P.M., but may be earlier on some days. Shares held in an OppenheimerFunds retirement plan or under a share certificate may not be redeemed by telephone.

- |_| To redeem shares through a service representative, call 1-800-852-8457
- |_| To redeem shares automatically on PhoneLink, call 1-800-533-3310

Whichever method you use, you may have a check sent to the address on the account statement, or, if you have linked your Fund account to your bank account on AccountLink, you may have the proceeds wired to that bank account.

* TELEPHONE REDEMPTIONS PAID BY CHECK. Up to \$50,000 may be redeemed by telephone in any 7-day period. The check must be payable to all owners of record of the shares and must be sent to the address on the account. This service is not available within 30 days of changing the address on an account.

* TELEPHONE REDEMPTIONS THROUGH ACCOUNTLINK. There are no dollar limits on telephone redemption proceeds sent to a bank account designated when you establish AccountLink. Normally

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the ACH wire to your bank is initiated on the business day after the redemption. You do not receive dividends on the proceeds of the shares you redeemed while they are waiting to be wired.

CHECKWRITING. To be able to write checks against your Fund account, you may request that privilege on your account Application or you can contact the Transfer Agent for signature cards, which must be signed (with a signature guarantee) by all owners of the account and returned to the Transfer Agent so that checks can be sent to you to use. Shareholders with joint accounts can elect in writing to have checks paid over the signature of one owner.

|_| Checks can be written to the order of whomever you wish, but may not be cashed at the Fund's bank or custodian.

|_| Checkwriting privileges are not available for accounts holding Class B shares, or Class A shares that are subject to a contingent deferred sales charge.

|_| Checks must be written for at least \$100.

|_| Checks cannot be paid if they are written for more than your account value. Remember: your shares fluctuate in value and you should not write a check close to the total account value.

|_| You may not write a check that would require the Fund to redeem shares that were purchased by check or Asset Builder Plan payments within the prior 15 days.

|_| Don't use your checks if you changed your Fund account number.

SELLING SHARES THROUGH YOUR DEALER. The Distributor has made arrangements to repurchase Fund shares from dealers and brokers on behalf of their customers. Brokers or dealers may charge for that service. Please refer to "Special Arrangements for Repurchase of Shares from Dealers and Brokers" in the Statement of Additional Information for more details.

HOW TO EXCHANGE SHARES

Shares of the Fund may be exchanged for shares of certain Oppenheimer funds at net asset value per share at the time of exchange, without sales charge.

|_| Shares of the fund selected for exchange must be available for sale in your state of residence

|_| The prospectuses of this Fund and the fund whose shares you want to buy must offer the exchange privilege

|_| You must hold the shares you buy when you establish your account for at least 7 days before you can exchange them; after the account is open 7 days, you can exchange shares every regular business day

|_| You must meet the minimum purchase requirements for the fund you purchase by exchange

|_| Before exchanging into a fund, you should obtain and read its prospectus

Shares of a particular class may be exchanged only for shares of the same class in the other Oppenheimer funds. For example, you can exchange Class A shares of this Fund only for Class A shares of another fund. At present, not all of the Oppenheimer funds offer Class B. If a fund has only one class of shares that does not have a class designation, they are "Class A" shares for exchange purposes. A list showing which funds offer which classes can be obtained by calling the Transfer Agent at 1-800-525-7048. In some cases, sales charges may

be imposed on exchange transactions. Please refer to "How to Exchange Shares" in the Statement of Additional Information for more details.

Exchanges may be requested in writing or by telephone:

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* WRITTEN EXCHANGE REQUESTS. Submit an OppenheimerFunds Exchange Request form, signed by all owners of the account. Send it to the Transfer Agent at the addresses listed in "How to Sell Shares."

* TELEPHONE EXCHANGE REQUESTS. Telephone exchange requests may be made either by calling a service representative at 1-800-852-8457 or by using PhoneLink for automated exchanges, by calling 1-800-533-3310. Telephone exchanges may be made only between accounts that are registered with the same name(s) and address. Shares held under certificates may not be exchanged by telephone.

You can find a list of Oppenheimer funds currently available for exchanges in the Statement of Additional Information or by calling a service representative at 1-800-525-7048. Exchanges of shares involve a redemption of the shares of the fund you own and a purchase of shares of the other fund.

There are certain exchange policies you should be aware of:

|_| Shares are normally redeemed from one fund and purchased from the other fund in the exchange transaction on the same regular business day on which the Transfer Agent receives an exchange request that is in proper form by the close of The New York Stock Exchange that day, which is normally 4:00 P.M. but may be earlier on some days. However, either fund may delay the purchase of shares of the fund you are exchanging into up to 7 days if it determines it would be disadvantaged by a same-day transfer of the proceeds to buy shares. For example, the receipt of multiple exchange requests from a dealer in a "market-timing" strategy might require the disposition of securities at a time or price disadvantageous to the Fund.

|_| Because excessive trading can hurt fund performance and harm shareholders, the Fund reserves the right to refuse an exchange request that will disadvantage it, or to refuse multiple exchange requests submitted by a shareholder or dealer.

|_| The Fund may amend, suspend or terminate the exchange privilege at any time. Although the Fund will attempt to provide you notice whenever it is reasonably able to do so, it may impose these changes at any time.

|_| If the Transfer Agent cannot exchange all the shares you request because of a restriction cited above, only the shares eligible for exchange will be exchanged.

The Distributor has entered into agreements with certain dealers and investment advisers permitting them to exchange their clients' shares by telephone. These privileges are limited under those agreements and the Distributor has the right to reject or suspend those privileges. As a result, those exchanges may be subject to notice requirements, delays and other limitations that do not apply to shareholders who exchange their shares directly by calling or writing to the Transfer Agent.

SHAREHOLDER ACCOUNT RULES AND POLICIES

* NET ASSET VALUE PER SHARE is determined for each class of shares as of the close of The New York Stock Exchange, which is normally 4:00 P.M. but may be earlier on some days, on each day the Exchange is open by dividing the value of the Fund's net assets attributable to a class by the number of shares of that class that are outstanding. The Fund's Board of Trustees has established procedures to value the Fund's securities to determine net asset value. In general, securities values are based on market value. There are special procedures for valuing illiquid and restricted securities, obligations for which market values cannot be readily obtained, and call options and

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hedging instruments. These procedures are described more completely in the Statement of Additional Information.

* THE OFFERING OF SHARES may be suspended during any period in which the determination of net asset value is suspended, and the offering may be suspended by the Board of Trustees at any time the Board believes it is in the Fund's best interest to do so.

* TELEPHONE TRANSACTION PRIVILEGES for purchases, redemptions or exchanges may be modified, suspended or terminated by the Fund at any time. If an account has more than one owner, the Fund and the Transfer Agent may rely on the instructions of any one owner. Telephone privileges apply to each owner of the account and the dealer representative of record for the account unless and until the Transfer Agent receives cancellation instructions from an owner of the account.

* THE TRANSFER AGENT WILL RECORD ANY TELEPHONE CALLS to verify data concerning transactions and has adopted other procedures to confirm that telephone instructions are genuine, by requiring callers to provide tax identification numbers and other account data or by using PINs, and by confirming such transactions in writing. If the Transfer Agent does not use reasonable procedures it may be liable for losses due to unauthorized transactions, but otherwise neither the Transfer Agent nor the Fund will be liable for losses or expenses arising out of telephone instructions reasonably believed to be genuine. If you are unable to reach the Transfer Agent during periods of unusual market activity, you may not be able to complete a telephone transaction and should consider placing your order by mail.

* REDEMPTION OR TRANSFER REQUESTS WILL NOT BE HONORED UNTIL THE TRANSFER AGENT RECEIVES ALL REQUIRED DOCUMENTS IN PROPER FORM. From time to time, the Transfer Agent in its discretion may waive certain of the requirements for redemptions stated in this Prospectus.

* DEALERS THAT CAN PERFORM ACCOUNT TRANSACTIONS FOR THEIR CLIENTS BY PARTICIPATING IN NETWORKING through the National Securities Clearing Corporation are responsible for obtaining their clients' permission to perform those transactions and are responsible to their clients who are shareholders of the Fund if the dealer performs any transaction erroneously.

* THE REDEMPTION PRICE FOR SHARES WILL VARY from day to day because the value of the securities in the Fund's portfolio fluctuates, and the redemption price, which is the net asset value per share, will normally be different for Class A and Class B. Therefore, the redemption value of your shares may be more or less than their original cost.

* PAYMENT FOR REDEEMED SHARES is made ordinarily in cash and forwarded by check or through AccountLink (as elected by the shareholder under the redemption procedures described above) within 7 days after the Transfer Agent receives redemption instructions in proper form, except under unusual circumstances determined by the Securities and Exchange Commission delaying or suspending such payments. For accounts registered in the name of a broker-dealer, payment will be forwarded within 3 business days. The Transfer Agent may delay forwarding a check or processing a payment via AccountLink for recently purchased shares, but only until the purchase payment has cleared. That delay may be as much as 10 days from the date the shares were purchased. That delay may be avoided if you purchase shares by certified check or arrange to have your bank provide telephone or written assurance to the Transfer Agent that your purchase payment has cleared.

* INVOLUNTARY REDEMPTIONS OF SMALL ACCOUNTS may be made by the Fund if the account value has fallen below \$200 for reasons other than the fact that the market value of shares has dropped, and

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in some cases involuntary redemptions may be made to repay the Distributor for losses from the cancellation of share purchase orders.

* UNDER UNUSUAL CIRCUMSTANCES, shares of the Fund may be redeemed "in kind," which means that the redemption proceeds will be paid with securities from the Fund's portfolio. Please refer to "How to Sell Shares" in the Statement of Additional Information for more details.

* "BACKUP WITHHOLDING" of Federal income tax may be applied at the rate of 31% from dividends, distributions and redemption proceeds (including exchanges) if you fail to furnish the Fund a certified Social Security or Employer Identification Number when you sign your application, or if you violate Internal Revenue Service regulations on tax reporting of income.

* THE FUND DOES NOT CHARGE A REDEMPTION FEE, but if your dealer or broker handles your redemption, they may charge a fee. That fee can be avoided by

redeeming your Fund shares directly through the Transfer Agent. Under the circumstances described in "How To Buy Shares," you may be subject to a contingent deferred sales charge when redeeming certain Class A and Class B.

* TO AVOID SENDING DUPLICATE COPIES OF MATERIALS TO HOUSEHOLDS, the Fund will mail only one copy of each annual and semi-annual report to shareholders having the same last name and address on the Fund's records. However, each shareholder may call the Transfer Agent at 1-800-525-7048 to ask that copies of those materials be sent personally to that shareholder.

DIVIDENDS, CAPITAL GAINS AND TAXES

There are two types of distributions which the Fund may make to its shareholders, income dividends and capital gain distributions. Distributions paid by the Fund with respect to Class A Shares likely will be greater than those paid with respect to Class B Shares because expenses attributable to Class B Shares generally will be higher.

* INCOME DIVIDENDS. The Fund receives income in the form of interest paid by its investments. This income, less the expenses incurred in the Fund's operations, is referred to as net investment income. Income dividends are declared and recorded each day based on estimated net investment income. Such dividends are paid monthly. Investors earn such dividends beginning on the day payment for Shares is received to the day prior to the settlement date of redemption. For federal tax purposes, all distributions declared in the fourth quarter of any calendar year are deemed paid in that calendar year even if they are distributed in January of the following year. Any net gain the Fund may realize from transactions in securities held less than the period required for long term capital gain recognition (taking into account any carryover of capital losses from previous years), while technically a distribution from capital gain, is taxed as an income dividend under the Code.

* CAPITAL GAIN DISTRIBUTIONS. If, during any fiscal year, the Fund realizes a net gain on transactions in securities held for more than one year, it has a net long term capital gain. After deduction of the amount of any net short term loss, the balance may be used to offset any carryover of capital losses from previous years, or, if there is no loss carryover, will be paid out to shareholders as a capital gain distribution. Capital gain distributions, if any, will be paid to shareholders of record prior to the end of each calendar year.

Because the value of Fund Shares is based directly on the amount of its net assets, rather than on the principle of supply and demand, any distribution of income or capital gain will result in a decrease in the value of Fund Shares equal to the amount of the distribution.

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All dividends and capital gain distributions are paid in additional full and fractional Shares at net asset value for each shareholder's account unless otherwise requested on the Account Application or by notifying the Fund in writing or by telephone. Notice will be effective for the current dividend or distribution only if it is received by the Fund at least five business days before the record date. Notice received thereafter will be effective commencing with the next dividend or distribution. Income dividends and capital gain distributions will be credited to a shareholder's account in additional shares valued at the closing net asset value (without a sales load).

If the U.S. Postal Service cannot deliver a shareholder's check, or if a shareholder check remains uncashed for six months, the Fund reserves the right to credit the shareholder's account with additional shares of the Fund at the then current net asset value in lieu of the cash payment and to thereafter issue such shareholder's dividends in additional Shares of the Fund.

Stock certificates will not be issued in connection with distributions which are paid in additional Shares unless a written request is received and certain other procedures are followed. Call the Transfer Agent at 1-800-525-7048 for more information. Shareholders will be advised of the nature of a distribution, the number of Shares purchased and the price following each such distribution.

In certain circumstances, dividends received from the Fund may cause a portion of Social Security benefits to be subject to federal income tax. See the Statement of Additional Information.

DISTRIBUTION OPTIONS. When you open your account, specify on your application how you want to receive your distributions. For OppenheimerFunds retirement accounts, all distributions are reinvested. For other accounts, you have four options:

*REINVEST ALL DISTRIBUTIONS IN THE FUND. You can elect to reinvest all dividends and long-term capital gains distributions in additional shares of the Fund.

*REINVEST LONG-TERM CAPITAL GAINS ONLY. You can elect to reinvest long-term capital gains in the Fund while receiving dividends by check or sent to your bank account on AccountLink.

*RECEIVE ALL DISTRIBUTIONS IN CASH. You can elect to receive a check for all dividends and long-term capital gains distributions or have them sent to your bank on AccountLink.

*REINVEST YOUR DISTRIBUTIONS IN ANOTHER OPPENHEIMERFUNDS ACCOUNT. You can reinvest all distributions in another OppenheimerFunds account you have established.

TAXES.

* TAXATION OF THE FUND

During the taxable year ended December 31, 1995, the Fund qualified for treatment as a regulated investment company under Subchapter M of the Code. The Fund intends to continue to so qualify for future taxable years. The Fund intends to avoid incurring liability for federal income tax on its investment company taxable income (consisting generally of taxable net investment income and net short-term capital gains) and net capital gain (the excess of net long-term capital gain over net short-term capital loss), and a 4% federal excise tax on certain undistributed income and gains, by distributing all of that income and gains and by meeting other applicable requirements of the Code.

* TAXATION OF SHAREHOLDERS

By meeting certain requirements of the Code, including the requirement that at the close of each quarter of its taxable year at least 50% of the value of its total assets consists of obligations the interest on which is excludable from gross income under section 103(a) of the Code, the Fund

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intends to continue to qualify to pay "exempt-interest" dividends to its shareholders. Exempt-interest dividends designated as such by the Fund may be excluded from a shareholder's gross income for federal income tax purposes. To the extent dividends are derived from earnings on interest attributable to obligations of New York State and its political subdivisions, Puerto Rico, or other U.S. possessions, they also will be excluded from a New York shareholder's gross income for New York State and New York City personal income tax purposes.

Although exempt-interest dividends will not be subject to federal income tax for Fund shareholders, a portion of such dividends which is derived from interest on certain "private activity" bonds will give rise to a tax preference item which could subject a shareholder to, or increase a shareholder's liability under, the federal alternative minimum tax, depending on the shareholder's individual tax situation.

To the extent dividends are derived from options trading, temporary taxable investments, an excess of net short-term capital gain over net long-term capital loss or accretion of market discount, those dividends are taxable as ordinary income for federal income tax purposes whether a shareholder has elected to receive dividends in cash or additional Fund Shares. Such dividends will not qualify for the dividends-received deduction for corporations. Interest on indebtedness incurred or continued to purchase or carry Shares of the Fund is not deductible to the extent the Fund's distributions consist of exempt-interest dividends. Distributions, if any, of net capital gain, when designated as such, will be treated as long-term capital gains by each shareholder regardless of the length of time the shareholder has owned Fund Shares and whether the shareholder received them in cash or additional Fund Shares.

Information as to the tax status of Fund distributions will be provided annually including information as to which portions are taxable or tax-exempt. In addition, information will be provided annually identifying the portion of exempt-interest dividends that constitutes a preference item for shareholders in determining their liability for the alternative minimum tax. Shareholders who have not been in the Fund for a full taxable year may get distributions of income and/or capital gains which are not equivalent to the actual amount

applicable to the period for which they have held shares.

The Fund is required to withhold 31% of all taxable dividends, capital gain distributions and redemption proceeds (including any applicable CDSC) payable to individuals and certain other noncorporate shareholders who do not furnish the Fund with a correct taxpayer identification number. Withholding at that rate from taxable dividends and capital gain distributions also is required for such shareholders who otherwise are subject to backup withholding.

Up to 85% of a Social Security recipient's benefits may be included in federal gross income for recipients whose adjusted gross income (including income from tax-exempt sources such as the Fund) plus 50% of their benefits exceeds certain base amounts. Income from the Fund is still tax-exempt to the extent described above; it is only included in the calculation of whether a recipient's Social Security benefits are to be included in gross income.

A redemption of Fund Shares may result in taxable gain or loss to the redeeming shareholder, depending on whether the redemption proceeds are more or less than the shareholder's adjusted basis for the redeemed Shares (which normally includes any sales load paid). An exchange of Fund Shares for shares of any Eligible Fund generally will have similar tax consequences. However, special rules apply when a shareholder (1) disposes of Fund Shares through an exchange or redemption within 90 days after purchase thereof and (2) subsequently acquires shares of an Eligible Fund or reacquires Fund Shares without paying a sales load due to the exchange privilege or 90-day reinvestment privilege. (See "How to Exchange Shares" "Reinvestment Privileges"). In these cases,

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any gain on the disposition of the original Fund Shares will be increased, or loss decreased, by the amount of the sales load paid when those Shares were acquired, and that amount will increase the basis of the subsequently acquired Shares. In addition, if a shareholder purchases Fund Shares (whether pursuant to the reinvestment privilege or otherwise) within 30 days before or after redeeming other Fund Shares at a loss, all or a portion of that loss will not be deductible and will increase the basis of the newly purchased Shares.

This information is only a summary of certain federal tax information about your investment. More information is contained in the Statement of Additional Information, and in addition you should consult with your tax adviser about the effect of an investment in the Fund on your particular tax situation.

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LOGO OPPENHEIMER FUNDS.

ROCHESTER PORTFOLIO SERIES-LIMITED TERM NEW YORK MUNICIPAL FUND

350 Linden Oaks, Rochester, New York 14625
1-800-525-7048

Statement of Additional Information dated March 11, 1996

This Statement of Additional Information of Rochester Portfolio Series-Limited Term New York Municipal Fund (the "Fund") is not a Prospectus. This document contains additional information about the Fund and supplements information in the Prospectus dated March 11, 1996. It should be read together with the Prospectus, which may be obtained by writing to the Fund's Transfer Agent, OppenheimerFunds Services (the Transfer "Agent"), at P.O. Box 5270, Denver, Colorado 80217 or by calling the Transfer Agent at the toll-free number shown above.

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ABOUT THE FUND

INVESTMENT OBJECTIVES AND POLICIES

INVESTMENT POLICIES AND STRATEGIES. The investment objective of the Fund is to provide shareholders with as high a level of income exempt from federal income tax and New York State and New York City personal income taxes as is consistent with its investment policies and prudent investment management. The Fund intends to invest primarily in a portfolio of investment grade Municipal Obligations as defined below and in the Prospectus with a dollar weighted average effective maturity of five years or less. There can be no assurance that the investment objective of the Fund will be realized.

The Fund seeks to achieve its objective by investing primarily in a portfolio of obligations issued by or on behalf of New York State, its political subdivisions, agencies and instrumentalities and obligations of other qualifying issuers, such as issuers located in Puerto Rico, the Virgin Islands, and Guam, which pay interest which, in the opinion of the bond counsel to the issuer, is exempt from federal income tax and New York State, and New York City personal income taxes ("Municipal Obligations").

The Fund is classified as non-diversified within the meaning of the Investment Company Act of 1940, as amended, (the "Investment Company Act"), which means that the Fund is not limited by the Investment Company Act in the proportion of its assets that it may invest in obligations of a single issuer. The Fund intends to continue to qualify as a "regulated investment company," however, under the Internal Revenue Code of 1986, as amended (the "Code"). See Dividends, Capital Gains and Taxes. In addition to satisfying other requirements to so qualify, the Fund will limit its investments so that, at the close of each quarter of its taxable year, (i) not more than 25% of the market value of its total assets will be invested in the securities of a single issuer and (ii) with respect to 50% of its total assets, not more than 5% will be invested in the securities of a single issuer. In contrast, a fund which elects to be classified as "diversified" under the Investment Company Act must satisfy the foregoing 5% requirement with respect to 75% of its assets at all times. To the extent that the Fund assumes large positions in the obligations of a small number of issuers, the Fund's total return may fluctuate to a greater extent than that of a diversified company as a result of changes in the financial condition or in the market's assessment of the issuers.

MUNICIPAL OBLIGATIONS

-- MUNICIPAL BONDS. Municipal bonds include debt obligations issued to obtain funds for various public purposes, including the construction of a wide range of public facilities such as bridges, highways, housing, hospitals, mass transportation, schools, streets and water and sewer works. Other public purposes for which municipal securities or bonds may be issued include the refunding of outstanding obligations, the obtaining of funds for general operating expenses and the obtaining of funds to loan to other public institutions and facilities. In addition, certain types of private activity bonds are issued by or on behalf of public authorities to obtain funds to provide housing facilities, sports facilities, convention or trade show

parking facilities, manufacturing facilities, air or water pollution control facilities and certain local facilities for water supply, gas, electricity or sewage or solid waste disposal.

-- GENERAL OBLIGATION BONDS. Issuers of general obligation bonds include states, counties, cities, towns and regional districts. The proceeds of these obligations are used to fund a wide range of public projects, including construction or improvement of schools, highways and roads, and water and sewer systems. General obligation bonds are secured by the issuer's pledge of its full faith, credit and taxing power for the payment of principal and interest. The taxes that can be levied for the payment of debt service may be limited or unlimited as to the rate or amount of special assessments.

-- REVENUE BONDS. Revenue Bonds are not secured by the full faith, credit and taxing power of an issuer. Rather, the principal security for revenue bonds is generally the net revenue derived from a particular facility, group of facilities or, in some cases, the proceeds of a special excise tax or other specific revenue source. Revenue bonds are issued to finance a wide variety of capital projects including: electric, gas, water, and sewer systems; highways, bridges, and tunnels; port and airport facilities; colleges and universities, and hospitals. Although the principal security behind these bonds may vary, many provide additional security in the form of a debt service reserve fund, from which money may be used to make principal and interest payments on the issuer's obligations. Housing finance authorities have a wide range of security, including partially or fully insured mortgages, rent subsidized and/or collateralized mortgages, and/or the net revenues from housing or other public projects. Some authorities are provided with further security in the form of state assurance (although without obligation) to make up deficiencies in the debt service reserve fund.

-- INDUSTRIAL DEVELOPMENT BONDS. Industrial development bonds are, in most cases, revenue bonds and are issued by or on behalf of public authorities to raise money for the financing of various privately-operated facilities such as manufacturing, housing, and pollution control. These bonds are also used to finance public facilities such as airports, mass transit systems, ports and parking. The payment of the principal and interest on such bonds is solely dependent on the ability of the facilities user to meet its financial obligations and the pledge, if any, of the real and personal property so financed as security for such payment. The Fund will purchase industrial development bonds only to the extent that the interest paid by a particular bond is tax-exempt pursuant to the Code, which limits the types of facilities that may be financed with tax-exempt industrial development and private activity bonds and the amounts of such bonds each state may issue.

-- MUNICIPAL NOTES. Municipal notes generally fund short-term capital needs and have maturities of one year or less. The Fund may invest in municipal notes which include:

-- TAX ANTICIPATION NOTES. Tax anticipation notes are issued to finance working capital needs of municipalities. Generally, they are issued in anticipation of various seasonal tax revenues, such as income, sales, use and business taxes, and are payable from these specific future taxes.

-- REVENUE ANTICIPATION NOTES. Revenue anticipation notes are issued in expectation of receipt of other types of revenue, such as federal revenues available under the Federal Revenue Sharing Programs.

-- BOND ANTICIPATION NOTES. Bond anticipation notes are issued to provide interim financing until long-term financing can be arranged. In most cases, the long-term bonds then provide the money for the repayment of the notes.

-- MISCELLANEOUS, TEMPORARY AND ANTICIPATORY INSTRUMENTS. These instruments may include notes issued to obtain interim financing pending entering into alternate financial arrangements such as receipt of anticipated federal, state or other grants or aid, passage of increased legislative authority to issue longer term instruments or obtaining other refinancing.

-- CONSTRUCTION LOAN NOTES. Construction loan notes are sold to provide construction financing. Permanent financing, the proceeds of which are applied to the payment of the Construction Loan Notes, is sometimes provided by a commitment of the Government National Mortgage Association ("GNMA") to purchase the loan, accompanied by a commitment by the Federal Housing Administration to

insure mortgage advances thereunder. In other instances, permanent financing is provided by commitments of banks to purchase the loan. The Fund will only purchase Construction Loan Notes that are subject to permanent GNMA or bank purchase commitments.

-- TAX-EXEMPT COMMERCIAL PAPER. Tax-exempt commercial paper is a short-term obligation with a stated maturity of 365 days or less. It is issued by agencies of state and local governments to finance seasonal working capital needs or as short-term financing in anticipation of longer term financing.

-- MUNICIPAL LEASES. Municipal lease obligations or installment purchase contract obligations (collectively, "Municipal Leases") have special risks not normally associated with Municipal Obligations. Although Municipal Leases do not constitute general obligations of the municipality for which the municipality's taxing power is pledged, a Municipal Lease may be backed by the municipality's covenant to budget for, appropriate and make the payments due under the lease obligations. However, most lease obligations contain "non-appropriation" clauses which provide that the municipality has no obligation to make lease or installment purchase payments in future years unless money is appropriated for such purpose on a yearly basis. Although "non-appropriation" Municipal Leases are generally secured by the leased property, the Fund's ability to recover under the lease in the event of non-appropriation or default will be limited solely to repossession of the leased property without recourse to the general credit of the lessee, and disposition of the property in the event of foreclosure might prove difficult. In addition, Municipal Leases may be subject to an "abatement" risk. The leases underlying certain municipal lease obligations may provide that lease payments are subject to partial or full abatement if, because of material damage or destruction of the leased property, there is substantial interference with the lessee's use or occupancy of such property. The "abatement" risk may be reduced by the existence of insurance covering the leased property, the maintenance by the lessee of reserve funds or the provision of credit enhancements such as letters of credit.

In addition to the "non-appropriation" and "abatement" risks, investments in Municipal Leases represent a relatively new type of financing. As such, Municipal Leases have not yet

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developed the depth of marketability associated with more conventional Municipal Obligations. The Fund will seek to minimize these risks by investing not more than 10% of its total assets in Municipal Leases that contain "non-appropriation" clauses, and by investing only in those "non-appropriation" lease obligations where (1) the nature of the leased equipment or property is such that its ownership or use is essential to a governmental function of the municipality, (2) the lease payments will commence amortization of principal at an early date resulting in an average life of seven years or less for the lease obligation, (3) appropriate covenants will be obtained from the municipal obligor prohibiting the substitution or purchase of similar equipment if lease payments are not appropriated, (4) the lease obligor has maintained good market acceptability in the past, (5) the investment is of a size that will be attractive to institutional investors, and (6) the underlying leased equipment has elements of portability and/or use that enhance its marketability in the event foreclosure on the underlying equipment is ever required.

Investments in Municipal Leases will be subject to the Fund's 15% limit on investments in Illiquid Securities unless, in the judgment of OppenheimerFunds, Inc. ("the Manager"), a particular Municipal Lease is liquid. The Board of Trustees has adopted guidelines to be utilized by the Adviser in making determinations concerning the liquidity and valuation of a municipal lease obligation. Such determinations will be based on all relevant factors including among others: (1) the frequency of trades and quotes for the obligation; (2) the number of dealers willing to purchase or sell the security and the number of other potential buyers; (3) the willingness of dealers to undertake to make a market in the security; (4) the nature of the marketplace trades, including, the time needed to dispose of the security, the method of soliciting offers, and the mechanics of transfer; (5) the likelihood that the marketability of the obligation will be maintained throughout the time the Fund holds the obligation; and (6) the likelihood that the municipality will continue to appropriate funding for the leased property.

-- NEW FORMS OF MUNICIPAL OBLIGATIONS. New forms of Municipal Obligations in which the Fund may desire to invest are continuing to evolve. Accordingly, the descriptions herein as to certain types of existing Municipal Obligations should be viewed as illustrative and not exclusive. The Fund may invest in new forms of instruments or variations of existing instruments, subject only to the Fund's criteria of investment quality and tax exemption and to the restrictions specified in this Statement of Additional Information. As new forms of instruments or variations of existing instruments evolve, the Fund will revise

its prospectus to reflect such evolution prior to investing.

-- DEFINITION OF ISSUER. For purposes of diversification under the Investment Company Act, identification of the "issuer" of a Municipal Obligation depends on the terms and conditions of the obligation. If the assets and revenues of an agency, authority, instrumentality or other political subdivision are separate from those of the government creating the subdivision and the obligation is backed only by the assets and revenues of the subdivision, such subdivision would be regarded as the sole issuer. Similarly, in the case of an industrial development revenue bond, if the bond is backed only by the assets and revenues of the non-governmental user, the non-governmental user would be deemed to be the sole issuer.

If, however, in either case, the creating government or some other entity guarantees the security, such a guarantee would not be a separate security which must be included in the Fund's

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limitation on investments in a single issuer, provided the value of all securities guaranteed by a guarantor is not greater than 10% of the Fund's total assets.

OTHER INVESTMENT TECHNIQUES AND STRATEGIES

-- STAND-BY COMMITMENTS. The Fund may purchase municipal securities together with the right to resell the securities to the seller at an agreed upon price or yield within a specified period prior to the maturity date of the securities. Although it is not a put option in the technical sense, such a right to resell is commonly known as a "put" and is also referred to as a "stand-by commitment."

-- WHEN-ISSUED SECURITIES. Municipal bonds are frequently offered on a "when-issued" basis. When so offered, the price, which is generally expressed in yield terms, is fixed at the time the commitment to purchase is made, but delivery and payment for the when-issued securities take place at a later date. Normally, the settlement date occurs within six months of the purchase of municipal bonds and notes; during the period between purchase and settlement, no payment is made by the Fund to the issuer and no interest accrues to the Fund. To the extent that assets of the Fund are held in cash pending the settlement of a purchase of securities, the Fund would earn no income; however, it is the Fund's intention to be fully invested to the extent practicable and subject to the policies stated above. While when-issued securities may be sold prior to the settlement date, the Fund intends to purchase such securities with the purpose of actually acquiring them unless a sale appears desirable for investment reasons. At the time the Fund makes the commitment to purchase a municipal bond on a when-issued basis, it will record the transaction and reflect the value of the security in determining its net asset value. The Fund does not believe that its net asset value or income will be adversely affected by its purchase of municipal bonds on a when-issued basis. The Fund will establish a segregated account in which it will maintain cash and marketable securities equal in value to commitment for when-issued securities.

-- OPTIONS TRANSACTION. The Fund may engage in options transactions in order to provide additional income (the writing of covered call options) or in order to afford protection against adverse market conditions (the buying of put options). Such transactions may, however, limit the amount of possible capital appreciation which might otherwise be realized. The Fund may only write covered call options or purchase put options which are listed for trading on a national securities exchange and purchase call options and sell put options to the extent necessary to cancel options previously written. As an operational policy, no more than 5% of the Fund's total assets will be invested in options transactions.

Unless otherwise noted, the foregoing investment objectives and policies are not designated as fundamental policies within the meaning of the Investment Company Act.

INVESTMENT CONSIDERATIONS/RISK FACTORS

-- CONCENTRATION OF INVESTMENTS IN NEW YORK STATE ISSUERS

In view of the Fund's policy of concentrating its investments in the obligations of New York State (the "State"), its municipalities, agencies and instrumentalities (collectively "New York

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Issuers"), the following information is provided to investors. This represents only a brief summary of the corresponding risks inherent in the Fund

and does not purport to be a complete description. It is based on information obtained from official statements relating to securities offerings of the State, from independent municipal credit reports and from other sources. This information is believed to be accurate but has not been independently verified by the Fund. Additional information may be obtained from official statements and prospectuses issued by, and other information reported by the State and its various public bodies and other entities located within the State in connection with the issuance of their respective securities.

As noted in the Fund's Prospectus, as a fundamental policy, at least 95% of the Fund's net assets will ordinarily be invested in New York State, municipal and public authority debt obligations, the interest from which is exempt from Federal income tax, New York State income tax and New York City personal income tax ("New York State Tax Exempt Securities"). Therefore, the Fund is more susceptible to political, economic or regulatory factors and/or events affecting the State and its political subdivisions than would a more diverse portfolio of securities relating to a number of different states. In addition, the value of the Fund's shares may fluctuate more widely than the value of shares of a diversified portfolio of securities relating to a number of different states.

A national recession commenced in mid-1990. The nation then experienced a period of weak economic growth during 1991 and 1992. In 1993, the nation's economy grew faster than in 1992, but still at a very moderate rate, as compared to other recoveries. The rate of economic expansion accelerated considerably in 1994. National employment and income growth in 1994 were substantial. In response, the Federal Reserve Board shifted to a policy of monetary tightening by raising interest rates throughout most of the year. As a result, expansion of the economy slowed sharply during the first half of 1995 as higher interest rates reduced the growth of consumer spending and business investment.

The economic recession was more severe in State and its recovery started later than in the nation as a whole due in part to the significant downsizing in the banking and financial services industries, defense related industries and other major corporations as well as an overbuilt commercial real estate market. The State recovery, as measured by employment, began near the start of calendar year 1993. During the calendar year 1993, employment began to increase, though sporadically, and the unemployment rate declined. Moderate employment growth continued into the first half of 1994 but then came to a virtual halt in the middle of the year. Employment growth once again picked up in 1995, though as of September, 1995, unemployment in New York State was 6.8%.

New York State's fiscal year begins April 1 of each year. The 1995-1996 budget, adopted over two months later than the April 1, 1995 deadline, attempted to make important changes to the State's fiscal policies. For the first time in 50 years, the State's budget called for a reduction in year to year expenditures. At the same time, the budget attempted to close a \$4.8 billion gap identified at the beginning of the budget process by, in part, significantly reducing expenditures on certain services. Through the first six months of the 1995-1996 fiscal year, the State has made no significant revisions to the budget and still projects a balanced budget for the year. However, with the projected slow down of the national and State economies along with the sizes of the additional tax reductions expected to be phased in over the next two years, the State's fiscal outlook remains stressed.

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On October 2, 1995, the State Comptroller released a report entitled "Comptroller's Report on the Financial Condition of New York State 1995" in which he identified several risks to the State Financial Plan and reaffirmed his estimate that the State faces a potential imbalance in receipts and disbursements of at least \$2.7 billion for the State's 1996-1997 fiscal year and at least \$3.9 billion for the State's 1997-1998 fiscal year.

Uncertainties with regard to both the economy and potential decisions at the federal level add further pressure on future budget balance in New York State. Specific budget proposals being discussed at the federal level but not included in the State's current economic forecast would, if enacted, have a disproportionately negative impact on the longer-term outlook for the State's economy as compared to other states.

To the extent that the State's municipalities, agencies and authorities require State assistance to meet their financial obligations, the ability of the State of New York to meet its own obligations as they become due or to obtain additional financing could be adversely affected and any reduction in such assistance and subsidies by the State could adversely affect the ability of such issuers to meet their debt obligations. Any reduction in the actual or perceived ability of any issuer of New York State Tax Exempt Securities to meet its

obligations (including a reduction in the rating of its outstanding securities) would be likely to adversely affect the market value and marketability of its obligations and could adversely affect the values of New York Tax Exempt Securities as well.

A substantial principal amount of bonds issued by various municipalities, agencies and authorities are either guaranteed by the State through lease-purchase arrangements, other contractual obligations or moral obligation provisions, which impose no immediate financial obligation on the State and require appropriations by the legislature before any payments can be made. Failure of the State to appropriate necessary amounts or to take other action to permit such municipalities, agencies or authorities to meet their obligations could result in their default. If a default were to occur, it would likely have a significant adverse impact on the market price of obligations of the State and its municipalities, agencies and authorities. While debt service is normally paid out of revenues generated by projects of such issuers, the State has had to appropriate large amounts of funds in recent years to enable such municipalities, agencies and authorities to meet their financial obligations and in some cases, prevent default. Additional financial assistance is expected to be required in the current and in the future fiscal years since certain municipalities, agencies and authorities continue to experience financial difficulties.

The combination of state and local taxes in the State has been among the highest in the nation for many years. The burden of state and local taxation, in combination with the many other causes of regional economic dislocation, has contributed to the decisions of some businesses and individuals to relocate outside, or not relocate within, the State. The current high level of taxes limits the ability of New York State, New York City (the "City") and other municipalities to impose higher taxes in the event of future difficulties. In addition, constitutional challenges to State laws have limited the amount of taxes which political subdivisions can impose on real property, which may have an adverse effect on the ability of issuers to meet obligations supported by such taxes. A variety of additional court actions have been brought against the State and certain agencies and municipalities relating to financing, amount of real estate tax, use of tax revenues and other matters, which could adversely affect the ability of the State or such agencies or municipalities to pay their obligations.

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The fiscal health of the State is closely related to the fiscal health of its localities, particularly the City, which has required and continues to require significant financial assistance from the State. Both the State and the City face potential economic problems which could seriously affect the ability of both the State and the City to meet their respective financial obligations. On July 10, 1995, S&P lowered its rating on the City's general obligation bonds to BBB+ from A-. The City faces continuing and recurring problems of economic sluggishness compounded by reductions in State aid. Moreover, large budget gaps projected over the next three years further indicate the City's lack of financial flexibility. Despite Mayor Guiliani's efforts at reform, many industry analysts expect further downgrades by the credit agencies rating in the future.

Beginning in early 1975, the State, the City and other State entities faced serious financial difficulties which jeopardized the credit standing and impaired the borrowing abilities of such entities and contributed to higher interest rates on, and lower market prices for, debt obligations issued by them. A recurrence of such financial difficulties or failure of certain financial recovery programs could result in defaults or declines in the market values of numerous New York obligations in which the Fund may invest.

Since 1990, S&P and Moody's Investor Service, Inc. ("Moody's") each lowered its credit rating on New York State's general obligation bonds and certain other obligations issued by New York State. Ratings of New York State's general obligation bonds are among the lowest of all states. As a result, there are special risks inherent in the Fund's concentration of investments in New York Tax Exempt Securities.

The foregoing information as to certain New York risk factors is given to investors in view of the Fund's policy of concentrating its investments in New York issuers. Such information constitutes only a brief summary and does not purport to be a complete description. See Appendix A to this Statement.

-- MANAGEMENT OF CREDIT RISK. Because 5% of the Fund's assets may be invested in securities which are rated below the lowest investment grade categories, as rated by a nationally recognized statistical rating organization ("NRSRO"), and because a substantial portion of its assets may be invested in

securities which are unrated, but which are, in the opinion of the Adviser, comparable in quality to investment grade securities, the Fund is dependent on the Adviser's judgment, analysis and experience in evaluating the quality of such obligations. In evaluating the credit quality of a particular issue, whether rated or unrated, the Adviser will normally take into consideration, among other things, the financial resources of the issuer (or, as appropriate, of the underlying source of the funds for debt service), its sensitivity to economic conditions and trends, any operating history of and the community support for the facility financed by the issue, the ability of the issuer's management and regulatory matters. The Adviser will attempt to reduce the risks inherent in investments in such obligations through active portfolio management, diversification, credit analysis and attention to current developments and trends in the economy and the financial markets.

Changes in the value of municipal bonds held in the Fund's portfolio arising from these or

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other factors will cause changes in the net asset value per share of the Fund. As an operational policy, however, the Fund will not invest more than 5% of its assets in securities where the principal and interest are the responsibility of an industrial user with less than three years' operational history.

-- DEFAULT. The Fund will also take such action as it considers appropriate in the event of anticipated financial difficulties, default or bankruptcy of either the issuer of any such obligation or of the underlying source of funds for debt service. Such action may include retaining the services of various persons and firms to evaluate or protect any real estate, facilities or other assets securing any such obligation or acquired by the Fund as a result of any such event. The Fund will incur additional expenditures in taking protective action with respect to portfolio obligations in default and assets securing such obligations, and, as a result, the Fund's net asset value could be adversely affected. Any income derived from the Fund's ownership or operation of assets acquired as a result of such actions may not be tax-exempt.

-- LIQUIDITY AND VALUATIONS. The Fund may from time to time, purchase securities which have a rating which is less than investment grade or securities for which there is no regular trading market. The market values of such securities tend to reflect individual developments affecting the issuer to a greater extent than do higher rated or more liquid securities, which react primarily to fluctuation in the general level of interest rates. Such securities also tend to be more sensitive to economic conditions than higher rated securities or securities for which there is a regular trading market. A portion of these fixed income securities are considered by S&P and Moody's, on balance, to be speculative with respect to capacity to pay interest and repay principal in accordance with the terms of the obligation and will generally involve more credit risk than securities in the higher rating categories. Securities rated BBB or Baa by S&P or Moody's are considered to be speculative with respect to their ability to timely make principal and interest payments. It is possible that the Fund may be required to liquidate such securities at an inopportune time, thus having a possible adverse affect on the Fund's performance.

OTHER INVESTMENT RESTRICTIONS

The following investment restrictions and policies are designated fundamental policies within the meaning of the Investment Company Act and may not be changed without the consent of the shareholders of a majority of the Fund's outstanding Shares, including a majority of the Shares of the Fund. A majority of the shares means the lesser of (i) 67% of the shares represented at a meeting at which more than 50% of the outstanding shares are represented or (ii) more than 50% of the outstanding shares. The Fund may not:

- (1) Purchase common stocks, preferred stocks, warrants, or other equity securities;
- (2) Borrow money or mortgage or pledge any of its assets, except that the Fund may borrow from a bank for temporary or emergency purposes or for investment purposes in amounts not exceeding 10% of its total net assets. Where borrowings are made for a purpose other than temporary or emergency purposes, the Investment Company Act requires that the Fund maintain asset coverage of at least 300% for all such borrowings. Should such asset coverage at any time fall below 300%, the Fund will be required to reduce its borrowings within three (3) days to the extent necessary to meet such asset coverage.

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- (3) Sell securities short, purchase securities on margin, or write put

options. The Fund reserves the right to purchase securities with puts attached;

- (4) Underwrite the securities of other issuers, except to the extent that the purchase of municipal obligations in accordance with the Fund's investment objective and policies, either directly from the issuer, or from an underwriter for an issuer, may be deemed an underwriting;
- (5) Purchase or sell real estate, real estate investment trust securities, commodities, or commodity contracts, or oil and gas interests, but this shall not preclude the Fund from investing in municipal obligations secured by real estate or interests therein;
- (6) Purchase the securities of any issuer which would result in the Fund owning more than 10% of the voting securities of such issuer.
- (7) Purchase or retain securities of any issuer if trustees of the Fund, each of whom owns more than 1/2 of 1% of the outstanding securities of such issuer, together own more than 5% of such outstanding securities;
- (8) Make loans to others, except in accordance with the Fund's investment objective and policies or pursuant to contracts providing for the compensation of service providers by compensating balances;
- (9) Invest more than 25% of its assets in any particular industry or industries, except that the Fund may invest more than 25% of its assets in obligations issued or guaranteed by the U. S. Government, its agencies or instrumentalities. Industrial development bonds, where the payment of principal and interest is the responsibility of companies within the same industry, are grouped together as an "industry";
- (10) Invest in companies for the purpose of exercising control or management;
- (11) Issue senior securities.

The percentage limitations on investments which are set forth above are applied at the time an investment is made. No violation of the percentage limitation will occur unless the limitation is exceeded immediately after an investment is made and as a result thereof (except for the limitations on borrowing which are in effect at all times.)

HOW THE FUND IS MANAGED

ORGANIZATION AND HISTORY. Rochester Portfolio Series (the "Trust"), a Massachusetts business trust established on June 14, 1991, is an open-end, non-diversified, management investment company consisting of one portfolio, the Limited Term New York Municipal Fund which currently has two classes of Shares. As a Massachusetts business trust, the Fund is not required to hold, and does not plan to hold, regular annual meetings of shareholders. The Fund will hold meetings when required to do so by the Investment Company Act or other applicable law, or when a shareholder meeting is called by the Trustees. Shareholders have the right, upon the declaration in writing or vote of two-

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thirds of the outstanding shares of the Fund, to remove a Trustee. The Trustees will call a meeting of shareholders to vote on the removal of a Trustee upon the written request of the record holders of 10% of its outstanding shares. In addition, if the Trustees receive a request from at least 10 shareholders (who have been shareholders for at least six months) holding shares of the Fund valued at \$25,000 or more or holding at least 1% of the Fund's outstanding shares, whichever is less, stating that they wish to communicate with other shareholders to request a meeting to remove a Trustee, the Trustees will then either make the Fund's shareholder list available to the applicants or mail their communication to all other shareholders at the applicants' expense, or the Trustees may take such other action as set forth under Section 16(c) of the Investment Company Act.

Each share of the Fund represents an interest in the Fund proportionately equal to the interest of each other share of the same class and entitles the holder to one vote per share (and a fractional vote for a fractional share) on matters submitted to their vote at shareholders' meetings. Shareholders of the Fund vote together in the aggregate on certain matters at shareholders' meetings, such as the election of Trustees and ratification of appointment of auditors for the Fund. Shareholders of a particular series or class vote separately on proposals which affect that series or class, and shareholders of a series or class which is not affected by that matter are not entitled to vote on the proposal.

The Trustees are authorized to create new series and classes of series. The Trustees may reclassify unissued shares of the Fund or its series or classes into additional series or classes of shares. The Trustees may also divide or combine the shares of a class into a greater or lesser number of shares without thereby changing the proportionate beneficial interest of a shareholder in the Fund. Shares do not have cumulative voting rights or preemptive or subscription rights. Shares may be voted in person or by proxy.

The Fund's Declaration of Trust contains an express disclaimer of shareholder or Trustee liability for the Fund's obligations, and provides for indemnification and reimbursement of expenses out of its property for any shareholder held personally liable for its obligations. The Declaration of Trust also provides that the Fund shall, upon request, assume the defense of any claim made against any shareholder for any act or obligation of the Fund and satisfy any judgment thereon. Thus, while Massachusetts law permits a shareholder of a business trust (such as the Fund) to be held personally liable as a "partner" under certain circumstances, the risk of a Fund shareholder incurring financial loss on account of shareholder liability is limited to the relatively remote circumstances in which the Fund would be unable to meet its obligations described above. Any person doing business with the Trust, and any shareholder of the Trust, agrees under the Trust's Declaration of Trust to look solely to the assets of the Trust for satisfaction of any claim or demand which may arise out of any dealings with the Trust, and the Trustees shall have no personal liability to any such person, to the extent permitted by law.

TRUSTEES AND OFFICERS OF THE FUND. The Fund's Trustees and officers, one of which is the Fund's portfolio manager, are listed below, together with principal occupations and business affiliations during the past five years. The address of each is Two World Trade Center, New York, New York 10048, except as noted. As of January 5, 1996 the Trustees and officers of the Fund as a group owned less than 1% of the outstanding shares of class of the Fund.

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BRIDGET A. MACASKILL, CHAIRMAN OF THE BOARD OF TRUSTEES AND PRESIDENT*; AGE: 47.

Chairman of the Board, President and a Trustee of the Fund, Rochester Fund Municipals and Rochester Fund Series-The Bond Fund For Growth; Chief Executive Officer of the Adviser; President and Chief Operating Officer of the Adviser; prior thereto, Chief Operating Officer of the Adviser and Executive Vice President of the Adviser from 1987-1989. Vice President and a Director of Oppenheimer Acquisition Corp., Director of Oppenheimer Partnership Holdings, Inc., Chairman and a Director of Oppenheimer Shareholder Services, Director of Main Street Advisers, Inc., and Director of HarbourView Asset Management Corporation, all of which are subsidiaries of the Adviser; a Trustee of the New York-based Oppenheimer funds.

JOHN CANNON, TRUSTEE; AGE 65
620 Sentry Parkway West, Suite 220, Blue Bell, Pennsylvania 19422

Chairman and Treasurer, CDC Associates, Inc., registered investment adviser, 1993-present; prior thereto, President, AMA Investment Advisers, Inc., a mutual fund investment adviser, 1976-1991; Senior Vice President AMA Investment Advisers, Inc., 1991-1993; Director, Neuberger & Berman Income Managers Trust, Neuberger & Berman Income Funds and Neuberger & Berman Income Trust, 1995-present; Trustee of Rochester Fund Municipals and Rochester Fund Series-The Bond Fund For Growth.

PAUL Y. CLINTON, DIRECTOR; AGE: 64
946 Morris Avenue, Bryn Mawr, Pennsylvania 19010

Director, External Affairs, Kravco Corporation, a national real estate owner and property management corporation; formerly President of Essex Management Corporation, a management consulting company; Trustee of Capital Cash Management Trust, Prime Cash Fund and Short Term Asset Reserves, each of which is a money-market fund; Director of Oppenheimer Quest Value Fund, Inc., Oppenheimer Quest Global Value Fund, Inc., and Quest Cash Reserves, Inc. and Trustee of Quest For Value Accumulation Trust, all of which are open-end investment companies. Formerly a general partner of Capital Growth Fund, a venture capital partnership; formerly a general partner of Essex Limited Partnership, an investment partnership; formerly President of Geneve Corp., a venture capital fund; formerly Chairman of Woodland Capital Corp., a small business investment company; formerly Vice President of W.R. Grace & Co.; Trustee of Rochester Fund Municipals and Rochester Fund Series-The Bond Fund For Growth.

THOMAS W, COURTNEY, DIRECTOR; AGE: 62
P.O. Box 580, Sewickley, Pennsylvania 15143

Principal of Courtney Associates, Inc., a venture capital firm; former General Partner of Trivest Venture Fund, a private venture capital fund; former

President of Investment Counseling Federated Investors, Inc.; Trustee of Cash Assets Trust, a money market fund; Director of Quest Cash Reserves, Inc., Oppenheimer Quest Value Fund, Inc. and Oppenheimer Quest Global Value Fund, Inc. and Trustee of Quest for Value Accumulation Trust, all of which are open-end investment companies; former President of Boston Company Institutional Investors; Trustee of Hawaiian Tax-Free Trust and Tax Free Trust of Arizona, tax-exempt bond funds; Director of several privately owned corporations; former Director of Financial Analysts Federation; Trustee of Rochester Fund Municipals and Rochester Fund Series-The Bond Fund For Growth.

* A Trustee who is an "intrested person" as defined in the Investment Company Act.

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LACY B. HERRMANN, DIRECTOR; AGE: 66
380 Madison Avenue, Suite 2300, New York, New York 10017

President and Chairman of the Board of Aquila Management Corporation, the sponsoring organization and Administrator and/or Sub-Adviser to the following open-end investment companies, and Chairman of the Board of Trustees and President of each: Churchill Cash Reserves Trust, Short Term Asset Reserves, Pacific Capital Cash Assets Trust, Pacific Capital U.S. Treasuries Cash Assets Trust, Pacific Capital Tax-Free Cash Assets Trust, Prime Cash Fund, Narragansett Insured Tax-Free Income Fund, Tax-Free Fund For Utah, Churchill Tax-Free Fund of Kentucky, Tax-Free Fund of Colorado, Tax-Free Trust of Oregon, Tax-Free Trust of Arizona, Hawaiian Tax-Free Trust, and Aquila Rocky Mountain Equity Fund; Vice President, Director, Secretary, and formerly Treasurer of Aquila Distributors, Inc., distributor of the above funds; President and Chairman of the Board of Trustees of Capital Cash Management Trust ("CCMT"), and an Officer and Trustee/Director of its predecessors; President and Director of STCM Management Company, Inc., sponsor and adviser to CCMT; Chairman, President and a Director of InCap Management Corporation, formerly sub-adviser and administrator of Prime Cash Fund and Short Term Asset Reserves; Director or Trustee of Quest Cash Reserves, Inc., Oppenheimer Quest Global Value Fund, Inc. and Oppenheimer Quest Value Fund, Inc. and Trustee of Quest for Value Accumulation Trust and The Saratoga Advantage Trust, each of which is an open-end investment company; Trustee of Rochester Fund Municipals and Rochester Fund Series-The Bond Fund For Growth: Trustee of Brown University.

GEORGE LOFT, DIRECTOR; AGE: 80
51 Herrick Road
Sharon, Connecticut 06069

Private Investor; Director of Quest Cash Reserves, Inc., Oppenheimer Quest for Value Fund, Inc. and Oppenheimer Quest Global Value Fund, Inc. and Trustee of Quest for Value Accumulation Trust and The Saratoga Advantage Trust, all of which are open-end investment companies, and Director of the Quest for Value Dual Purpose Fund, Inc., a closed-end investment company; Trustee of Rochester Fund Municipals and Rochester Fund Series-The Bond Fund For Growth

RONALD H. FIELDING, VICE PRESIDENT; AGE 46
350 Linden Oaks, Rochester, New York 14625

Vice President of the Fund and Rochester Fund Municipals, January 5, 1996-present; Senior Vice President and Portfolio Manager of the Adviser, January 5, 1996-present; Chairman of the Rochester Division of the Adviser, January 5, 1996-present; President and Trustee of the Fund, 1986-January 4, 1996; Portfolio Manager of the Fund, 1986-present; President and Trustee of Rochester Fund Municipals and Rochester Fund Series - The Bond Fund For Growth, 1986-January 4, 1996; President and Director of Rochester Tax Managed Fund, Inc., 1982-1995; President and a director, Fielding Management Company, Inc. (1982-present); President and a director, Rochester Fund Distributors, Inc. (1982-present); President and a director, Rochester Capital Advisors, Inc. (1993-present); President and a director, Rochester Fund Services, Inc. (1986-present).

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ANDREW J. DONOHUE, SECRETARY; AGE: 45

Secretary of the Fund, Rochester Fund Municipals and Rochester Fund Series-The Bond Fund For Growth; Executive Vice President and General Counsel of the Adviser and the Distributor; an officer of other Oppenheimer funds; formerly Senior Vice President and Associate General Counsel of the Adviser and the Distributor, partner in Kraft & McManimon (a law firm), an officer of First Investors Corporation (a broker-dealer) and First Investors Management Company, Inc. (broker-dealer and investment adviser), and a director and an officer of First Investors Family of Funds and First Investors Life Insurance Company.

GEORGE C. BOWEN, TREASURER; AGE: 59
 3410 South Galena Street Denver, Colorado 80231

Treasurer of the Fund, Rochester Fund Municipals and Rochester Fund Series-The Bond Fund For Growth; Senior Vice President and Treasurer of the Adviser; Vice President and Treasurer of the Distributor and HarbourView Asset Management Corporation; Senior Vice President, Treasurer, Assistant Secretary and a director of Centennial Asset Management Corporation, an investment advisory subsidiary of the Adviser; Vice President, Treasurer and Secretary of the Agent and Shareholder Financial Services, Inc., a transfer agent subsidiary of the Adviser; an officer of other Oppenheimer funds.

ROBERT G. ZACK, ASSISTANT SECRETARY; AGE: 47

Assistant Secretary of the Fund, Rochester Fund Municipals and Rochester Fund Series-The Bond Fund For Growth; Senior Vice President and Associate General Counsel of the Adviser; Assistant Secretary of SSI and SFSI; an officer of other Oppenheimer funds.

ROBERT BISHOP, ASSISTANT TREASURER; AGE: 36

Assistant Treasurer of the Fund, Rochester Fund Municipals and Rochester Fund Series-The Bond Fund For Growth; 3410 South Galena Street, Denver, Colorado 80231 Assistant Vice President of the Adviser/Mutual Fund Accounting; an officer of other Oppenheimer funds; previously a Fund Controller for the Adviser, prior to which he was an Accountant for Yale & Seffinger, P.C., an accounting firm, and previously an Accountant and Commissions Supervisor for Stuart James Company Inc., a broker-dealer.

SCOTT FARRAR, ASSISTANT TREASURER; AGE: 30
 3410 South Galena Street, Denver, Colorado 80231

Assistant Treasurer of the Fund, Rochester Fund Municipals and Rochester Fund Series-The Bond Fund For Growth; Assistant Vice President of the Adviser/Mutual Fund Accounting; an officer of other Oppenheimer funds; previously a Fund Controller for the Adviser, prior to which he was an International Mutual Fund Supervisor for Brown Brothers Harriman & Co., a bank, and previously a Senior Fund Accountant for State Street Bank & Trust Company.

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-- REMUNERATION OF TRUSTEES. All officers of the Fund and Ms. Macaskill, a Trustee and President, are officers or directors of the Adviser and receive no salary or fee from the Fund. The following table sets forth the aggregate compensation received by the non-interested Trustees from the Fund during the fiscal year ended December 31, 1995.

<TABLE>
 <CAPTION>

Name of Person <S>	Aggregate Compensation from the Fund(1) <C>	Pension or Retirement Benefits Accrued as Part of Fund Expenses(2) <C>	Estimated Annual Benefits Upon Retirement(2) <C>	Total Compensation From Fund Complex(3) <C>
John Cannon	\$6,300	\$43,667	\$13,500	\$29,400
Paul Y. Clinton	\$	\$		
Thomas W. Courtney	\$	\$		
Lacy B. Herrmann	\$	\$		
George Loft	\$	\$		

</TABLE>

(1) During the fiscal year ended December 31, 1995, only one of the Fund's current trustees, John Cannon, served as a Trustee of the Fund.

(2) The Board of Rochester Fund Municipals has adopted a Retirement Plan for Independent Trustees of that Fund. Under the terms of the Retirement Plan, as amended and restated on October 16, 1995, an eligible Trustee (an Independent Trustee who has served as such for at least three years prior to retirement) may receive an annual benefit equal to the product of \$1500 multiplied by the number of years of service as an Independent Trustee up to a maximum of nine years. The maximum annual benefit which may be paid to an eligible Trustee under the Retirement Plan is \$13,500. The Retirement Plan will be effective for all eligible Trustees who have dates of retirement occurring on or after December 31, 1995. Subject to certain exceptions, retirement is mandatory at age 72 in order to qualify for the Retirement Plan. Although the Retirement Plan permits

Eligible Trustees to elect early retirement at age 63, retirement benefits are not payable to Eligible Trustees who elect early retirement until age 65. The Retirement Plan provides that no Independent Trustee who is elected as a Trustee of Rochester Fund Municipals after September 30, 1995, will be eligible to receive benefits thereunder. Mr. Cannon is the only current Independent Trustee who may be eligible to receive benefits under the Retirement Plan. The estimate of annual benefits payable to Mr. Cannon under the Retirement Plan is based upon the assumption that Mr. Cannon, who was first elected as a Trustee of the Fund in 1992, will serve as an Independent Trustee for nine years.

(3) Includes compensation received during the fiscal year ended December 31, 1995, from all registered investment companies within the Fund Complex during that year which consisted of the Fund, Rochester Fund Municipals, Rochester Fund Series - The Bond Fund For Growth, and Rochester Tax Managed Fund, Inc. On June 28, 1995, Rochester Fund Series - The Bond Fund For Growth acquired all of the assets and assumed all of the liabilities of Rochester Tax Managed Fund, Inc.

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-- MAJOR SHAREHOLDERS. As of December 15, 1995, no person owned of record or was known by the Fund to own beneficially 5% or more of the Fund as a whole or of the Fund's outstanding Class A or Class B Shares, except for Merrill Lynch Pierce Fenner & Smith, Inc., 4800 Deer Lake Drive, EFL 3, Jacksonville, Florida 32246 which was the record owner of 22% and 43% of the Class A Shares and the Class B Shares then outstanding, respectively.

THE MANAGER AND ITS AFFILIATES. The Manager is wholly-owned by Oppenheimer Acquisition Corp. ("OAC"), a holding company controlled by Massachusetts Mutual Life Insurance Company. OAC is also owned in part by certain of the Adviser's directors and officers, some of whom serve as officers of the Fund and one of whom (Ms. Macaskill) serves as a Trustee of the Fund. On January 4, 1996, the Manager acquired substantially all of the assets of Rochester Capital Advisors L.P., the Fund's previous investment adviser, and certain of its affiliates and was appointed investment adviser to the Fund.

The Manager and the Fund have a Code of Ethics. It is designed to detect and prevent improper personal trading by certain employees, including portfolio managers, that would compete with or take advantage of the Fund's portfolio transactions. Compliance with the Code of Ethics is carefully monitored and strictly enforced by the Manager.

-- THE INVESTMENT ADVISORY AGREEMENT. The Investment Advisory Agreement between the Adviser and the Fund which was entered into on January 4, 1996 (the "Advisory Agreement") requires the Manager, at its expense, to provide the Fund with adequate office space, facilities and equipment, and to provide and supervise the activities of all administrative and clerical personnel required to provide effective corporate administration for the Fund, including the compilation and maintenance of records with respect to its operations, the preparation and filing of specified reports, and the composition of proxy materials and registration statements for continuous public sale of shares of the Fund. For these services, the Manager will receive from the Fund an annual fee, computed and payable monthly as a percentage of average daily net assets, as follows: 0.50% of average daily net assets up to \$100 million; 0.45% of average daily net assets on the next \$150 million; 0.40% of average daily net assets in excess of \$250 million but less than \$2 billion, and 0.39% of average daily net assets in excess of \$2 billion.

Expenses not expressly assumed by the Manager under the Advisory Agreement or by the Distributor are paid by the Fund. The Advisory Agreement lists examples of expenses paid by the Fund, the major categories of which relate to interest, taxes, brokerage commissions, fees to certain Trustees, legal and audit expenses, custodian and transfer agent expenses, share issuance costs, certain printing and registration costs, and non-recurring expenses, including litigation. For the Fund's fiscal years ended December 31, 1994 and 1995, the management fees paid by the Fund to its previous investment adviser, Rochester Capital Advisors, L.P. were \$2,154,234 and \$2,282,690, respectively. Rochester Capital Advisors, Inc. is the general partner of Rochester Capital Advisors, L.P. During the fiscal year ended December 31, 1993, the Fund paid investment advisory fees as follows: \$1,344,075 to Fielding Management Company, Inc. for investment advisory services provided during the period from January 1, 1993 through December 19, 1993, and \$55,857 to Rochester Capital Advisors L.P. Fielding Management Company, Inc. served as investment adviser to the Fund from the commencement of its operations on September 18, 1991 through December 19, 1993.

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The Advisory Agreement contains no expense limitation. However, independently of the Agreement, the Manager has voluntarily undertaken that the total expenses of the Fund in any fiscal year (exclusive of taxes, interest,

brokerage commissions, and any extraordinary non-recurring expenses, such as litigation costs) shall not exceed the most stringent state regulatory limitation on Fund expenses applicable to the Fund. The payment of the management fee will be reduced so that at no time will there be any accrued but unpaid liability under the above expense limitation. The Manager reserves the right to amend or terminate this expense limitation at any time.

The Advisory Agreement provides that in the absence of willful misfeasance, bad faith, gross negligence or reckless disregard of its obligations and duties thereunder, the Manager shall not be liable for any loss sustained by reason of good faith errors or omissions on its part with respect to any matters to which the Advisory Agreement relates.

-- THE DISTRIBUTOR. Under its General Distributor's Agreement with the Fund, which was entered into on January 4, 1996, The Distributor acts as the Fund's principal underwriter in the continuous public offering of the Fund's Class A Shares and Class B Shares, but is not obligated to sell a specific number of shares. Expenses normally attributable to sales (other than those paid under the Distribution and Service Plans, but including advertising and the cost of printing and mailing prospectuses, other than those furnished to existing shareholders) are borne by the Distributor. During the Fund's fiscal years ended December 31, 1993, 1994 and 1995, the aggregate amount of sales charge on sales of the Fund's Class A Shares was \$4,437,005, \$1,699,143, and \$1,439,854 respectively, of which Rochester Fund Distributors, Inc., the Fund's previous principal underwriter, retained \$527,405, \$211,300 and \$214,315 in those respective years. Class B Shares were offered to the public commencing on May 2, 1995. During the period from May 2, 1995 through December 31, 1995, the contingent deferred sales charge collected by Rochester Fund Distributors, Inc. on the redemption of Class B Shares totalled \$6,001. For additional information about distribution of the Fund's shares and the payments made by the Fund to the Distributor in connection with such activities, please refer to "Distribution and Service Plans," below.

-- THE TRANSFER AGENT; Oppenheimer Funds Services, a division of the Manager, serves as the Fund's Transfer Agent pursuant to a Service Contract dated _____, 1996. The Transfer Agent is responsible for maintaining shareholder accounting records and for shareholder servicing and administrative functions. The Transfer Agent is compensated on the basis of a fixed fee per account. The compensation paid by the Fund for such services under a comparable arrangement with Rochester Fund Services, Inc., the Fund's previous shareholder services agent, for the fiscal years ending December 31, 1993, 1994 and 1995 was \$189,702, \$255,622 and \$292,278, respectively.

-- ACCOUNTING AND RECORDKEEPING SERVICES. The Manager also provides certain accounting and recordkeeping services to the Fund pursuant to an Accounting and Administration Agreement entered

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into on January 4, 1996. The services provided pursuant to the Fund thereunder include the maintenance of general ledger accounts and records relating to the business of the Fund in the form required to comply with the Investment Company Act and the calculation of the daily net asset value of the Fund. The compensation paid by the Fund for such services to Rochester Fund Services, Inc. its previous shareholder services agent, for the fiscal years ended December 31, 1993, 1994 and 1995 was \$120,896, \$150,500 and \$161,850.

BROKERAGE POLICIES OF THE FUND

BROKERAGE PROVISIONS OF THE INVESTMENT ADVISORY AGREEMENT. One of the duties of the Manager under the Advisory Agreement is to arrange the portfolio transactions for the Fund. The Advisory Agreement contains provisions relating to the employment of broker-dealers ("brokers") to effect the Fund's portfolio transactions. In doing so, the Manager is authorized by the Advisory Agreement to employ broker-dealers, including "affiliated" brokers, as that term is defined in the Investment Company Act, as may, in its best judgment based on all relevant factors, implement the policy of the Fund to obtain, at reasonable expense, the "best execution" (prompt and reliable execution at the most favorable price obtainable) of such transactions. The Manager need not seek competitive commission bidding but is expected to minimize the commissions paid to the extent consistent with the interest and policies of the Fund as established by its Board of Trustees.

Under the Advisory Agreement, the Manager is authorized to select brokers that provide brokerage and/or research services for the Fund and/or the other accounts over which the Adviser or its affiliates have investment discretion. The commissions paid to such brokers may be higher than another qualified broker would have charged if a good faith determination is made by the Manager that the commission is fair and reasonable in relation to the services provided. Subject to the foregoing considerations, the Manager may also consider sales of shares of the Fund and other investment companies managed by the

Manager or its affiliates as a factor in the selection of brokers for the Fund's portfolio transactions.

DESCRIPTION OF BROKERAGE PRACTICES FOLLOWED BY THE MANAGER. Subject to the provisions of the Advisory Agreement and the procedures and rules described above, allocations of brokerage are generally made by the Adviser's portfolio traders based upon recommendations from the Adviser's portfolio managers. In certain instances, portfolio managers may directly place trades and allocate brokerage, also subject to the provisions of the Advisory Agreement and the procedures and rules described above. In either case, brokerage is allocated under the supervision of the Adviser's executive officers. Transactions in securities other than those for which an exchange is the primary market are generally done with principals or market makers. As stated in the prospectus, the portfolio securities of the Fund are generally traded on a net basis and, as such, do not involve the payment of brokerage commissions. It is the policy of the Manager to obtain the best net results in conducting portfolio transactions for the Fund, taking into account such factors as price (including the applicable dealer spread) and the firm's general execution capabilities. Where more than one dealer is able to provide the most competitive price, both the sale of Fund shares and the receipt of research may be taken into consideration as factors in the selection of dealers to execute portfolio transactions for the Fund. The transaction costs associated with such transactions consist primarily of the payment of dealer and underwriter spreads. Brokerage commissions are paid primarily for effecting transactions in listed securities and or for certain fixed-income agency transactions, in the

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secondary market, otherwise only if it appears likely that a better price or execution can be obtained. When possible, concurrent orders to purchase or sell the same security by more than one of the accounts managed by the Adviser or its affiliates are combined. The transactions effected pursuant to such combined orders are averaged as to price and allocated in accordance with the purchase or sale orders actually placed for each account.

The research services provided by a particular broker may be useful in one or more of the advisory accounts of the Adviser and its affiliates. The research services provided by brokers broaden the scope and supplement the research activities of the Adviser, by making available additional views for consideration and comparisons. The Board of Trustees, including the "independent" Trustees of the Fund (those Trustees of the Fund who are not "interested persons" as defined in the Investment Company Act, and who have no direct or indirect financial interest in the operation of the Advisory Agreement or the Distribution Plans described below) annually reviews information furnished by the Adviser as to the commissions paid to brokers furnishing such services so that the Board may ascertain whether the amount of such commissions was reasonably related to the value or benefit of such services. The Fund did not incur costs for brokerage commissions in connection with its portfolio transactions during the fiscal years ended December 31, 1993, 1994 and 1995.

A change in securities held by the Fund is known as "portfolio turnover". As portfolio turnover increases, the Fund can be expected to incur brokerage commission expenses and transaction costs which will be borne by the Fund. In any particular year, however, market conditions could result in portfolio activity at a greater or lesser rate than anticipated. For the fiscal years ended December 31, 1993, 1994, and 1995 the Fund's portfolio turnover rates were and 17.08%, 34.58%, and 22.34% respectively.

PERFORMANCE OF THE FUND

YIELD AND TOTAL RETURN INFORMATION. As described in the Prospectus, from time to time the "standardized yield," "dividend yield," "average annual total return," "cumulative total return," "average annual total return at net asset value" and "total return at net asset value" of an investment in a class of shares of the Fund may be advertised. An explanation of how these total returns are calculated for each class and the components of those calculations is set forth below.

The Fund's advertisements of its performance data with respect to any class must, under applicable rules of the Securities and Exchange Commission, include the average annual total returns for that class of shares of the Fund for the 1, 5, and 10-year periods (or the life of the class, if less) ending as of the most recently-ended calendar quarter prior to the publication of the advertisement. This enables an investor to compare the Fund's performance to the performance of other funds for the same periods. However, a number of factors should be considered before using such information as a basis for comparison with other investments. An investment in the Fund is not insured; its returns and share prices are not guaranteed and normally will fluctuate on a daily basis. When redeemed, an investor's shares may be worth more or less than their original cost. Returns for any given past period are not a prediction or representation

by the Fund of future returns. The returns of each class of shares of the Fund are affected by portfolio quality, the type of investments the Fund holds and its operating expenses allocated to the particular class.

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-- STANDARDIZED YIELDS

-- YIELD. The Fund's "yield" (referred to as "standardized yield") for a given 30-day period for a class of shares is calculated using the following formula set forth in rules adopted by the Securities and Exchange Commission that apply to all funds that quote yields:

$$\text{Standardized Yield} = 2 \left[\left(\frac{2-b}{cd} + 1 \right)^{\frac{6}{365}} - 1 \right]$$

The symbols above represent the following factors:

- a = dividends and interest earned during the 30-day period.
- b = expenses accrued for the period (net of any expense reimbursements).
- c = the average daily number of shares of that class outstanding during the 30-day period that were entitled to receive dividends.
- d = the maximum offering price per share of that class on the last day of the period, adjusted for undistributed net investment income.

The standardized yield of a class of shares for a 30-day period may differ from its yield for any other period. The SEC formula assumes that the standardized yield for a 30-day period occurs at a constant rate for a six-month period and is annualized at the end of the six-month period. This standardized yield is not based on actual distributions paid by the Fund to shareholders in the 30-day period, but is a hypothetical yield based upon the net investment income from the Fund's portfolio investments calculated for that period. The standardized yield may differ from the "dividend yield" of that class, described below. Additionally, because each class of shares is subject to different expenses, it is likely that the standardized yields of the Fund's classes of shares will differ. For the 30-day period ended December 31, 1995, the standardized yields for the Fund's Class A and Class B Shares were 4.90% and 4.30%, respectively.

-- TAX-EQUIVALENT YIELD. The Fund's "tax-equivalent yield" adjusts the Fund's current yield, as calculated above, by a stated combined Federal, state and city tax rate. The tax-equivalent yield is based on a 30-day period, and is computed by dividing the tax-exempt portion of the Fund's current yield (as calculated above) by one minus a stated income tax rate and adding the result to the portion (if any) of the Fund's current yield that is not tax exempt. The tax equivalent yield may be used to compare the tax effects of income derived from the Fund with income from taxable investments at the tax rates stated. The Fund's tax-equivalent yields (after expense assumptions by the Adviser) for its Class A Shares and Class B Shares for the 30-day period ended December 31, 1995, for an individual New York City resident in the 38.3% combined tax bracket were 7.94% and 6.97%, respectively.

-- DIVIDEND YIELD AND DISTRIBUTION RETURN. From time to time the Fund may quote a "dividend yield" or a "distribution return" for each class. Dividend yield is based on the dividends paid on shares of a class from dividends derived from net investment income during a stated period. Distribution return includes dividends derived from net investment income and from realized capital

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gains declared during a stated period. Under those calculations, the dividends and/or distributions for that class declared during a stated period of one year or less (for example, 30 days) are added together, and the sum is divided by the maximum offering price per share of that class on the last day of the period. When the result is annualized for a period of less than one year, the "dividend yield" is calculated as follows:

$$\text{Dividend Yield of the Class} = \frac{\text{Dividends of the Class}}{\text{Max. Offering Price of the Class (last day of period)}} / \text{Number of Days (accrual period)} \times 365$$

The maximum offering price for Class A Shares includes the maximum front-end sales charge. For Class B Shares, the maximum offering price is the net asset value per share without considering the effect of contingent deferred

sales charges.

From time to time similar yield or distribution return calculations may also be made using the Class A net asset value (instead of its maximum offering price) at the end of the period. The dividend yields on Class A Shares for the 30-day period ended December 31, 1995 were 5.43% and 5.31% when calculated at maximum offering price and at net asset value, respectively. The dividend yield on Class B Shares for the 30-day period ended December 31, 1995, were 4.98% when calculated at net asset value.

-- TOTAL RETURN INFORMATION

-- AVERAGE ANNUAL TOTAL RETURNS. The "average annual total return" of each class is an average annual compounded rate of return for each year in a specified number of years. It is the rate of return based on the change in value of a hypothetical initial investment of \$1,000 ("P" in the formula below) held for a number of years ("n") to achieve an Ending Redeemable Value ("ERV") of that investment, according to the following formula:

$$\left(\frac{\text{ERV}}{\text{P}} \right)^{1/n} - 1 = \text{Average Annual Total Return}$$

-- CUMULATIVE TOTAL RETURNS. The cumulative "total return" calculation measures the change in value of a hypothetical investment of \$1,000 over an entire period of years. Its calculation uses some of the same factors as average annual total return, but it does not average the rate of return on an annual basis. Cumulative total return is determined as follows:

$$\frac{\text{ERV} - \text{P}}{\text{P}} = \text{Total Return}$$

In calculating total returns for Class A shares, the current maximum sales charge of 2.0% (as a percentage of the offering price) is deducted from the initial investment ("P") (unless the return is shown at net asset value, as described below). For Class B shares, payment of a contingent deferred sales charge of 2.5% for the first year, 2.0% for the second year, 1.5% for the third year,

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1.0% for the fourth year, and none thereafter, is applied, as described in the Prospectus. Total returns also assume that all dividends and capital gains distributions during the period are reinvested to buy additional shares at net asset value per share, and that the investment is redeemed at the end of the period. The "average annual total returns" on an investment in Class A shares of the Fund for the one year period ended December 31, 1995 and for the period from September 18, 1991 through December 31, 1995, were 7.95% and 7.20%, respectively. The cumulative "total return" on Class A shares for the period from September 18, 1991 through December 31, 1995 was 34.65%. The cumulative total return on Class B Shares for the period from May 1, 1995 (commencement of Class B Shares) through December 31, 1995 was 1.84%.

-- TOTAL RETURNS AT NET ASSET VALUE. From time to time the Fund may also quote an average annual total return at net asset value or a cumulative total return at net asset value for Class A or Class B Shares. Each is based on the difference in net asset value per share at the beginning and the end of the period for a hypothetical investment in that class of shares (without considering front-end or contingent deferred sales charges) and takes into consideration the reinvestment of dividends and capital gains distributions. The cumulative total return at net asset value of the Fund's Class A shares for the one year period ended December 31, 1995 and the period from September 18, 1991 through December 31, 1995 was 10.01% and 37.34%, respectively. The cumulative total return at net asset value for Class B Shares for the period from May 1, 1995 through December 31, 1995 was 4.34%.

OTHER PERFORMANCE COMPARISONS. From time to time the Fund may publish the ranking of its Class A or Class B Shares by Lipper Analytical Services, Inc. ("Lipper"), a widely-recognized independent service. Lipper monitors the performance of regulated investment companies, including the Fund, and ranks their performance for various periods based on categories relating to investment objectives. The performance of the Fund's classes are ranked against (i) all other funds (excluding money market funds), (ii) all other New York municipal bond funds. The Lipper performance rankings are based on total returns that include the reinvestment of capital gain distributions and income dividends but do not take sales charges or taxes into consideration. From time to time the Fund may include in its advertisement and sales literature performance information about the Fund cited in other newspapers and periodicals such as The New York Times, which may include performance quotations from other services including Lipper and Morningstar.

From time to time the Fund may publish the ranking of the performance of its Class A or Class B Shares by Morningstar, Inc., an independent mutual fund monitoring service that ranks mutual funds, including the Fund, monthly in broad investment categories (equity, taxable bond, municipal bond and hybrid) based on risk-adjusted investment return. Investment return measures a fund's three, five and ten-year average annual total returns (when available) in excess of 90-day U.S. Treasury bill returns after considering sales charges and expenses. Risk reflects fund performance below 90-day U.S. Treasury bill monthly returns. Risk and return are combined to produce star rankings reflecting performance relative to the average fund in a fund's category. Five stars is the "highest" ranking (top 10%), four stars is "above average" (next 22.5%), three stars is "average" (next 35%), two stars is "below average" (next 22.5%) and one star is "lowest" (bottom 10%). Morningstar ranks the Class A and Class B Shares of the Fund in relation to other New York State municipal bond funds. Rankings are subject to change.

The total return on an investment in the Fund's Class A or Class B shares may be compared with performance for the same period of comparable indices, including but not limited to The Merrill

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Lynch Municipal Index (3-7 year maturities) and the Lehman Brothers 5-year Municipal Bond Index. The Merrill Lynch Municipal Index is a broadly based, widely recognized unmanaged index of municipal bonds with a specific maturity of between 3 and 7 years. The Lehman Brothers Municipal Bond Index is also a broadly based, widely recognized unmanaged index of municipal bonds, but with a specific maturity of between 4 and 6 years. Whereas the Fund's portfolio comprises bonds principally from New York State, the Indices are comprised of bonds from all 50 states and many jurisdictions. Index performance reflects the reinvestment of income but does not consider the effect of capital gains or transaction costs. Any other index selected for comparison would be similar in composition to one of these two indices.

Investors may also wish to compare the return on the Fund's Class A or Class B Shares to the returns on fixed income investments available from banks and thrift institutions, such as certificates of deposit, ordinary interest-paying checking and savings accounts, and other forms of fixed or variable time deposits, and various other instruments such as Treasury bills. However, the Fund's returns and share price are not guaranteed by the FDIC or any other agency and will fluctuate daily, while bank depository obligations may be insured by the FDIC and may provide fixed rates of return, and Treasury bills are guaranteed as to principal and interest by the U.S. government.

From time to time, the Fund's Adviser may publish rankings or ratings of the Adviser (or other service providers) or the investor services provided by them to shareholders of the Oppenheimer funds, other than performance rankings of the Oppenheimer funds themselves. Those ratings or rankings of shareholder/investor services by third parties may compare the Oppenheimer Funds' services to those of other mutual fund families selected by the rating or ranking services and may be based upon the opinions of the rating or ranking service itself, based on its research or judgment, or based upon surveys of investors, brokers, shareholders or others.

The performance of the Fund's Class A or Class B Shares may also be compared in publications to (i) the performance of various market indices or to other investments for which reliable performance data is available, and (ii) to averages, performance rankings or other benchmarks prepared by recognized mutual fund statistical services.

DISTRIBUTION AND SERVICE PLANS

The Fund has adopted a Service Plan for Class A Shares and a Distribution and Service Plan for Class B Shares under Rule 12b-1 of the Investment Company Act, pursuant to which the Fund makes payment to the Distributor in connection with the distribution and/or servicing of shares of that class as described in the Prospectus (collectively, the "Plans"). Each Plan has been approved by a vote of (i) the Board of Trustees of the Fund, including a majority of the "Independent Trustees", cast in person at a meeting called for the purpose of voting on that Plan, and (ii) the holders of a "majority" (as defined in the Investment Company Act) of the shares of each class. The fee structure of each of the Plans, which became effective on January 4, 1996, is identical to the fee structure of the Distribution Plan for each class of shares as in effect prior to that time.

In addition, under the Plans, the Manager and the Distributor, in their sole discretion, from time to time, may use their own resources (which, in the case of the Manager, may include profits from the Manager fee it receives from

the Fund), to make payments to brokers, dealers or other

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financial institutions (each is referred to as a "Recipient" under the Plans) for distribution and administrative services they perform, at no cost to the Fund. The Distributor and the Manager may, in their sole discretion, increase or decrease the amount of payments they make from their own resources to Recipients.

Unless terminated as described below, each Plan continues in effect from year to year but only as long as such continuance is specifically approved at least annually by the Fund's Board of Trustees, including the Independent Trustees, by a vote cast in person at a meeting called for the purpose of voting on such continuance. Each Plan may be terminated at any time by the vote of a majority of the Independent Trustees or by the vote of the holders of a "majority" (as defined in the Investment Company Act) of the outstanding shares of that class. No Plan may be amended to increase materially the amount of payments to be made unless such amendment is approved by the class affected by the amendment. In addition, because Class B shares of the Fund automatically convert into Class A shares after six years, the Fund is required to obtain the approval of Class B as well as Class A shareholders for a proposed amendment to the Class A Plan that would materially increase the amount to be paid by Class A shareholders under the Class A Plan. Such approval must be by a "majority" (as defined in the Investment Company Act), of the Class A and Class B shares voting separately by class. All material amendments must be approved by the Board and the Independent Trustees.

While the Plans are in effect, the Treasurer of the Fund shall provide separate written reports to the Fund's Board of Trustees at least quarterly for its review, detailing the amount of all payments made pursuant to each Plan, the identity of each Recipient that received any such payment, and the purpose of the payments. E Those reports will be subject to the review and approval of the Independent Trustees in the exercise of their fiduciary duty. Each Plan further provides that while it is in effect, the selection or replacement and nomination of those Trustees of the Fund who are not "interested persons" of the Fund is committed to the discretion of the Independent Trustees. This does not prevent the involvement of others in such selection and nomination if the final decision as to any such selection or nomination is approved by a majority of such Independent Trustees.

For the fiscal year ended December 31, 1995, payments under the Class A Plan totaled \$1,410,995. Of that amount, \$1,177,597 was paid by Rochester Fund Distributors, Inc. to Recipients as reimbursement for services and \$125,485 was retained by Rochester Fund Distributors, Inc. for its services in maintaining shareholder accounts.

For the fiscal year ended December 31, 1995, payments under the Class B Plan totaled \$41,927. Of that amount, \$41,927 was paid to Rochester Fund Distributors, Inc., the Fund's previous distributor as reimbursement for expenses incurred by it under the Class B Plan. In addition, \$0 was paid by Rochester Fund Distributors, Inc. to Recipients as reimbursement for services and \$0 was retained by Rochester Fund Distributors, Inc. for its services in maintaining shareholder accounts. Any unreimbursed expenses incurred with respect to Class B shares for any fiscal quarter by the Distributor may not be recovered under the Class B Plan in subsequent fiscal quarters.

The Class B Plan allows the service fee payment to be paid by the Distributor to Recipients in advance for the first year such shares are outstanding, and thereafter on a quarterly basis, as

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described in the Prospectus. The advance payment is based on the net assets of the shares sold. An exchange of shares does not entitle the Recipient to an advance service fee payment. In the event shares are redeemed during the first year such shares are outstanding, the Recipient will be obligated to repay a pro rata portion of such advance payment to the Distributor.

The Class B Plan provides for the Distributor to be compensated at a flat rate, whether the Distributor's distribution expenses are more or less than the amount paid by the Fund during that period. Such payments are made in recognition that the Distributor (i) pays sales commissions to authorized brokers and dealers at the time of sale and pays service fees as described in the Prospectus, (ii) may finance such commissions and/or the advance of the service fee payment to Recipients under those Plans, (iii) employs personnel to

support distribution of shares, and (iv) may bear the costs of sales literature, advertising and prospectuses (other than those furnished to current shareholders) and state "blue sky" registration fees.

ABOUT YOUR ACCOUNT

HOW TO BUY SHARES

ALTERNATIVE SALES ARRANGEMENTS - CLASS A SHARES AND CLASS B SHARES. The availability of two classes of shares permits an investor to choose the method of purchasing shares that is more beneficial to the investor depending on the amount of the purchase, the length of time the investor expects to hold shares and other relevant circumstances. Any salesperson or other person entitled to receive compensation for selling Fund shares may receive different compensation with respect to one class of shares than another.

The two classes of shares each represent an interest in the same portfolio investments of the Fund. However, each class has different shareholder privileges and features. The net income attributable to Class A and Class B Shares and the dividends payable on Class A and Class B Shares will be reduced by incremental expenses borne by those classes, including the asset-based sales charge to which Class A and Class B shares are subject.

The conversion of Class B shares to Class A shares after six years is subject to the continuing availability of a private letter ruling from the Internal Revenue Service, or an opinion of counsel or tax adviser, to the effect that the conversion of Class B shares does not constitute a taxable event for the holder under Federal income tax law. If such a revenue ruling or opinion is no longer available, the automatic conversion feature may be suspended, in which event no further conversions of Class B shares would occur while such suspension remained in effect. Although Class B shares could then be exchanged for Class A shares on the basis of relative net asset value of the two classes, without the imposition of a sales charge or fee, such exchange could constitute a taxable event for the holder.

The methodology for calculating the net asset value, dividends and distributions of the Fund's Class A Shares and Class B Shares recognizes two types of expenses. General expenses that do not pertain specifically to any class are allocated pro rata to the shares of each class, based on the percentage of the net assets of such class to the Fund's total assets, and then equally to each

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outstanding share within a given class. Such general expenses include (i) management fees, (ii) legal, bookkeeping and audit fees, (iii) printing and mailing costs of shareholder reports, Prospectuses, Statements of Additional Information and other materials for current shareholders, (iv) fees to unaffiliated Trustees, (v) custodian expenses, (vi) share issuance costs, (vii) organization and start-up costs, (viii) interest, taxes and brokerage commissions, and (ix) non-recurring expenses, such as litigation costs. Other expenses that are directly attributable to a class are allocated equally to each outstanding share within that class. Such expenses include (i) Distribution and/or Service Plan fees, (ii) incremental transfer and shareholder servicing agent fees and expenses, (iii) registration fees and (iv) shareholder meeting expenses, to the extent that such expenses pertain to a specific class rather than to the Fund as a whole.

DETERMINATION OF NET ASSET VALUE PER SHARE. The net asset values per share of Class A and Class B shares of the Fund are determined as of the close of business of The New York Stock Exchange on each day that the Exchange is open, by dividing the value of the Fund's net assets attributable to that class by the number of shares of that class outstanding. The Exchange normally closes at 4:00 P.M., New York time, but may close earlier on some days (for example, in case of weather emergencies or on days falling before a holiday). The Exchanges most recent annual holiday schedule (which is subject to change) states that it will close on New Year's Day, Presidents' Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. It may also close on other days. Trading may occur in debt securities and in foreign securities when the Exchange is closed (including weekends and holidays). Because the Fund's net asset values will not be calculated on those days, the Fund's net asset value per share may be significantly affected on such days when shareholders may not purchase or redeem shares.

The Fund's Board of Trustees has established procedures for the valuation of the Fund's securities, generally as follows: (i) equity securities traded on a securities exchange or on the Nasdaq National Market System ("Nasdaq") are valued at the last reported sale prices on their primary exchange or Nasdaq that day (or, in the absence of sales that day, at values based on the last sale prices of the preceding trading day, or closing bid and asked prices); (ii) securities actively traded on a foreign securities exchange are valued at the last sales price available to the pricing service approved by the Fund's Board

of Trustees or to the Adviser as reported by the principal exchange on which the security is traded; (iii) unlisted foreign securities or listed foreign securities not actively traded are valued as in (i) above, if available, or at the mean between "bid" and "asked" prices obtained from active market makers in the security on the basis of reasonable inquiry; (iv) long-term debt securities having a remaining maturity in excess of 60 days are valued at the mean between the "bid" and "asked" prices determined by a portfolio pricing service approved by the Fund's Board of Trustees or obtained from active market makers in the security on the basis of reasonable inquiry; (v) debt instruments having a maturity of more than one year when issued, and non-money market type instruments having a maturity of one year or less when issued, which have a remaining maturity of 60 days or less are valued at the mean between "bid" and "asked" prices determined by a pricing service approved by the Fund's Board of Trustees or obtained from active market makers in the security on the basis of reasonable inquiry; (vi) money market-type debt securities having a maturity of less than one year when issued that having a remaining maturity of 60 days or less are valued at cost, adjusted for amortization of premiums and accretion of discounts; and (vii) securities (including restricted securities) not having readily-available market quotations are valued at fair value under the Board's procedures. In the case of certain securities where last sale information is not generally

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available, such pricing procedures may include "matrix" comparisons to the prices for comparable instruments on the basis of quality, yield, maturity and other special factors involved. The Trustees will monitor the accuracy of pricing services by comparing prices used for portfolio valuation to actual sales prices of selected securities.

See How to Buy Shares in the Prospectus for a description of how shares of each class are offered to the public and how the excess of public offering price over the net amount invested, if any, is allocated to authorized dealers. The Prospectus describes several special purchase plans and methods by which Shares of each class may be purchased. As discussed in the Prospectus, a reduced sales charge rate may be obtained for Class A shares under Right of Accumulation and Letters of Intent because of the economies of sales efforts and expenses realized by the Distributor, dealers and brokers making such sales. No sales charge is imposed in certain circumstances described in the Prospectus because the Distributor or dealer or broker incurs little or no selling expenses. The term "immediate family" refers to one's spouse, children, grandchildren, parents, grandparents, parents-in-law, brothers and sisters, sons-and daughters-in-law, siblings, a sibling's spouse and a spouse's siblings.

-- THE OPPENHEIMER FUNDS. The Oppenheimer funds are those mutual funds for which the Distributor acts as the distributor or the sub-distributor and include the following:

Oppenheimer Tax-Free Bond Fund
Oppenheimer New York Tax-Exempt Fund
Oppenheimer California Tax-Exempt Fund
Oppenheimer Intermediate Tax-Exempt Fund
Oppenheimer Insured Tax-Exempt Fund
Oppenheimer Main Street California Tax-Exempt Fund
Oppenheimer Florida Tax-Exempt Fund
Oppenheimer Pennsylvania Tax-Exempt Fund
Oppenheimer New Jersey Tax-Exempt Fund
Oppenheimer Fund
Oppenheimer Discovery Fund
Oppenheimer Target Fund
Oppenheimer Growth Fund
Oppenheimer Equity Income Fund
Oppenheimer Value Stock Fund
Oppenheimer Asset Allocation Fund
Oppenheimer Total Return Fund, Inc.
Oppenheimer Main Street Income & Growth Fund

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Oppenheimer High Yield Fund
Oppenheimer Champion High Yield Fund
Oppenheimer U.S. Government Trust
Oppenheimer Limited-Term Government Fund
Oppenheimer Global Fund
Oppenheimer Global Emerging Growth Fund
Oppenheimer Global Growth & Income Fund
Oppenheimer Gold & Special Minerals Fund
Oppenheimer Strategic Income Fund
Oppenheimer Strategic Income & Growth Fund

Oppenheimer Bond Fund
Oppenheimer International Bond Fund
and the following "Money Market Funds":
Oppenheimer Money Market Fund, Inc.
Oppenheimer Cash Reserves
Centennial Money Market Trust
Centennial Tax Exempt Trust
Centennial Government Trust
Centennial New York Tax Exempt Trust
Centennial California Tax Exempt Trust
Centennial America Fund, L.P.
Daily Cash Accumulation Fund, Inc.

There is an initial sales charge on the purchase of Class A shares of each of the Oppenheimer funds except Money Market Funds (under certain circumstances described herein, redemption proceeds of Money Market Fund shares may be subject to a contingent deferred sales charge).

-- LETTERS OF INTENT. A Letter of Intent (referred to as a "Letter") is an investor's statement in writing to the Distributor of the intention to purchase Class A shares of the Fund (and Class A and Class B shares of other Oppenheimer funds) during a 13-month period (the "Letter of Intent period"), which may, at the investor's request, include purchases made up to 90 days prior to the date of the Letter. The Letter states the investor's intention to make the aggregate amount of purchases of shares which, when added to the investor's holdings of shares of those funds, will equal or exceed the amount specified in the Letter. Purchases made by reinvestment of dividends or distributions of capital gains and purchases made at net asset value without sales charge do not count toward satisfying the amount of the Letter. A Letter enables an investor to count the Class A and Class B shares purchased under the Letter to obtain the reduced sales charge rate on purchases of Class A shares of the Fund (and other Oppenheimer funds) that applies under the Right of Accumulation to current purchases of Class A shares. Each purchase of Class A shares under the Letter will be made at the public offering price (including the sales charge) that applies to a single lump-sum purchase of shares in the amount intended to be purchased under the Letter.

In submitting a Letter, the investor makes no commitment to purchase shares, but if the investor's purchases of shares within the Letter of Intent period, when added to the value (at offering price) of the investor's holdings of shares on the last day of that period, do not equal or exceed the intended purchase amount, the investor agrees to pay the additional amount of sales charge applicable

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to such purchases, as set forth in "Terms of Escrow," below (as those terms may be amended from time to time). The investor agrees that shares equal in value to 5% of the intended purchase amount will be held in escrow by the Transfer Agent subject to the Terms of Escrow. Also, the investor agrees to be bound by the terms of the Prospectus, this Statement of Additional Information and the Application used for such Letter of Intent, and if such terms are amended, as they may be from time to time by the Fund, that those amendments will apply automatically to existing Letters of Intent.

If the total eligible purchases made during the Letter of Intent period do not equal or exceed the intended purchase amount, the commissions previously paid to the dealer of record for the account and the amount of sales charge retained by the Distributor will be adjusted to the rates applicable to actual purchases. If total eligible purchases during the Letter of Intent period exceed the intended purchase amount and exceed the amount needed to qualify for the next sales charge rate reduction set forth in the applicable prospectus, the sales charges paid will be adjusted to the lower rate, but only if and when the dealer returns to the Distributor the excess of the amount of commissions allowed or paid to the dealer over the amount of commissions that apply to the actual amount of purchases. The excess commissions returned to the Distributor will be used to purchase additional shares for the investor's account at the net asset value per share in effect on the date of such purchase, promptly after the Distributor's receipt thereof.

In determining the total amount of purchases made under a Letter, shares redeemed by the investor prior to the termination of the Letter of Intent period will be deducted. It is the responsibility of the dealer of record and/or the investor to advise the Distributor about the Letter in placing any purchase orders for the investor during the Letter of Intent period. All of such purchases must be made through the Distributor.

-- Terms of Escrow That Apply to Letters of Intent.

1. Out of the initial purchase (or subsequent purchases if necessary) made pursuant to a Letter, shares of the Fund equal in value up to 5% of the intended

purchase amount specified in the Letter shall be held in escrow by the Transfer Agent. For example, if the intended purchase amount is \$50,000, the escrow shall be shares valued in the amount of \$2,500 (computed at the public offering price adjusted for a \$50,000 purchase). Any dividends and capital gains distributions on the escrowed shares will be credited to the investor's account.

2. If the intended purchase amount specified under the Letter is completed within the thirteen-month Letter of Intent period, the escrowed shares will be promptly released to the investor.

3. If, at the end of the thirteen-month Letter of Intent period the total purchases pursuant to the Letter are less than the intended purchase amount specified in the Letter, the investor must remit to the Distributor an amount equal to the difference between the dollar amount of sales charges actually paid and the amount of sales charges which would have been paid if the total amount

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purchased had been made at a single time. Such sales charge adjustment will apply to any shares redeemed prior to the completion of the Letter. If such difference in sales charges is not paid within twenty days after a request from the Distributor or the dealer, the Distributor will, within sixty days of the expiration of the Letter, redeem the number of escrowed shares necessary to realize such difference in sales charges. Full and fractional shares remaining after such redemption will be released from escrow. If a request is received to redeem escrowed shares prior to the payment of such additional sales charge, the sales charge will be withheld from the redemption proceeds.

4. By signing the Letter, the investor irrevocably constitutes and appoints the Transfer Agent as attorney-in-fact to surrender for redemption any or all escrowed shares.

5. The shares eligible for purchase under the Letter (or the holding of which may be counted toward completion of a Letter) include (a) Class A shares sold with a front-end sales charge or subject to a Class A contingent deferred sales charge, (b) Class B shares of other Oppenheimer funds acquired subject to a contingent deferred sales charge, and (c) Class A shares or Class B shares acquired in exchange for either (i) Class A shares of one of the other Oppenheimer funds that were acquired subject to a Class A initial or contingent deferred sales charge or (ii) Class B shares of one of the other Oppenheimer funds that were acquired subject to a contingent deferred sales charge.

6. Shares held in escrow hereunder will automatically be exchanged for shares of another fund to which an exchange is requested, as described in the section of the Prospectus entitled "How to Exchange Shares," and the escrow will be transferred to that other fund.

ASSET BUILDER PLANS. To establish an Asset Builder Plan from a bank account, a check (minimum \$25) for the initial purchase must accompany the application. Shares purchased by Asset Builder Plan payments from bank accounts are subject to the redemption restrictions for recent purchases described in "How To Sell Shares," in the Prospectus. Asset Builder Plans also enable shareholders of Oppenheimer Cash Reserves to use those accounts for monthly automatic purchases of shares of up to four other Oppenheimer funds.

There is a front-end sales charge on the purchase of certain Oppenheimer funds, or a contingent deferred sales charge may apply to shares purchased by Asset Builder payments. An application should be obtained from the Distributor, completed and returned, and a prospectus of the selected fund(s) should be obtained from the Distributor or your financial advisor before initiating Asset Builder payments. The amount of the Asset Builder investment may be changed or the automatic investments may be terminated at any time by writing to the Transfer Agent. A reasonable period (approximately 15 days) is required after the Transfer Agent's receipt of such instructions to implement them. The Fund reserves the right to amend, suspend, or discontinue offering such plans at any time without prior notice.

CANCELLATION OF PURCHASE ORDERS. Cancellation of purchase orders for the Fund's shares (for example, when a purchase check is returned to the Fund unpaid) causes a loss to be incurred when the net asset value of the Fund's shares on the cancellation date is less than on the purchase date. That loss is equal to the amount of the decline in the net asset value per share multiplied by the number of shares in the purchase order. The investor is responsible for that loss. If the investor fails to compensate the Fund for the loss, the Distributor will do so. The Fund may reimburse the Distributor for that amount by redeeming shares from any account registered in that investor's name, or the Fund or the Distributor may seek other redress.

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Information on how to sell shares of the Fund is stated in the Prospectus. The information below supplements the terms and conditions for redemptions set forth in the Prospectus.

-- CHECKWRITING. When a check is presented to the Bank for clearance, the Bank will ask the Fund to redeem a sufficient number of full and fractional shares in the shareholder's account to cover the amount of the check. This enables the shareholder to continue receiving dividends on those shares until the check is presented to the Fund. Checks may not be presented for payment at the offices of the Bank or the Fund's Custodian. This limitation does not affect the use of checks for the payment of bills or to obtain cash at other banks. The Fund reserves the right to amend, suspend or discontinue offering checkwriting privileges at any time without prior notice.

-- INVOLUNTARY REDEMPTIONS. The Fund's Board of Trustees has the right to cause the involuntary redemption of the shares held in any account if the aggregate net asset value of those shares is less than \$_____ or such lesser amount as the Board may fix. The Board of Trustees will not cause the involuntary redemption of shares in an account if the aggregate net asset value of the shares has fallen below the stated minimum solely as a result of market fluctuations. Should the Board elect to exercise this right, it may also fix, in accordance with the Investment Company Act, the requirements for any notice to be given to the shareholders in question (not less than 30 days), or the Board may set requirements for granting permission to the Shareholder to increase the investment, and set other terms and conditions so that the shares would not be involuntarily redeemed.

REINVESTMENT PRIVILEGE. Within six months of a redemption, a shareholder may reinvest all or part of the redemption proceeds of (i) Class A shares, (ii) Class B shares. The reinvestment may be made without sales charge only in Class A shares of the Fund or any of the other Oppenheimer funds into which shares of the Fund are exchangeable as described below, at the net asset value next computed after the Transfer Agent receives the reinvestment order. The shareholder must ask the Distributor for that privilege at the time of reinvestment. Any capital gain that was realized when the shares were redeemed is taxable, and reinvestment will not alter any capital gains tax payable on that gain. If there has been a capital loss on the redemption, some or all of the loss may not be

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tax deductible, depending on the timing and amount of the reinvestment. Under the Internal Revenue Code, if the redemption proceeds of Fund shares on which a sales charge was paid are reinvested in shares of the Fund or another of the Oppenheimer funds within 90 days of payment of the sales charge, the shareholder's basis in the shares of the Fund that were redeemed may not include the amount of the sales charge paid. That would reduce the loss or increase the gain recognized from the redemption. However, in that case the sales charge would be added to the basis of the shares acquired by the reinvestment of the redemption proceeds. The Fund may amend, suspend or cease offering this reinvestment privilege at any time as to shares redeemed after the date of such amendment, suspension or cessation.

TRANSFERS OF SHARES. Shares are not subject to the payment of a contingent deferred sales charge of any class at the time of transfer to the name of another person or entity (whether the transfer occurs by absolute assignment, gift or bequest, not involving, directly or indirectly, a public sale). The transferred shares will remain subject to the contingent deferred sales charge, calculated as if the transferee shareholder had acquired the transferred shares in the same manner and at the same time as the transferring shareholder. If less than all shares held in an account are transferred, and some but not all shares in the account would be subject to a contingent deferred sales charge if redeemed at the time of transfer, the priorities described in the Prospectus under "How to Buy Shares" for the imposition of the Class B or Class C contingent deferred sales charge will be followed in determining the order in which shares are transferred.

SPECIAL ARRANGEMENTS FOR REPURCHASE OF SHARES FROM DEALERS AND BROKERS. The Distributor is the Fund's agent to repurchase its shares from authorized dealers or brokers. The repurchase price per share will be the net asset value next computed after the Distributor receives the order placed by the dealer or broker, except that if the Distributor receives a repurchase order from a dealer or broker after the close of The New York Stock Exchange on a regular business day, it will be

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processed at that day's net asset value if the order was received by the dealer or broker from its customers prior to the time the Exchange closes (normally, that is 4:00 P.M., but may be earlier on some days) and the order was transmitted to and received by the Distributor prior to its close of business that day (normally 5:00 P.M.). Ordinarily, for accounts redeemed by a broker-dealer under this procedure, payment will be made within three business days after the shares have been redeemed upon the Distributor's receipt the required redemption documents in proper form, with the signature(s) of the registered owners guaranteed on the redemption document as described in the Prospectus.

AUTOMATIC WITHDRAWAL AND EXCHANGE PLANS. Investors owning shares of the Fund valued at \$5,000 or more can authorize the Transfer Agent to redeem shares (minimum \$50) automatically on a monthly, quarterly, semi-annual or annual basis under an Automatic Withdrawal Plan. Shares will be redeemed three business days prior to the date requested by the shareholder for receipt of the payment. Automatic withdrawals of up to \$1,500 per month may be requested by telephone if payments are to be made by check payable to all shareholders of record and sent to the address of record for the account (and if the address has not been changed within the prior 30 days). Required minimum distributions from OppenheimerFunds-sponsored retirement plans may not be arranged on this basis. Payments are normally made by check, but shareholders having AccountLink privileges (see "How To Buy Shares") may arrange to have Automatic Withdrawal Plan payments transferred to the bank account designated on the OppenheimerFunds New Account Application or signature-guaranteed instructions. The Fund cannot guarantee receipt of a payment on the date requested and reserves the right to amend, suspend or discontinue offering such plans at any time without prior notice. Because of the sales charge assessed on Class A share purchases, shareholders should not make regular additional Class A share purchases while participating in an Automatic Withdrawal Plan. Class B shareholders should not establish withdrawal plans because of the imposition of the contingent deferred sales charge on such withdrawals (except where the contingent deferred sales charge is waived as described in the Prospectus under "Waivers of Class B Contingent Deferred Sales Charge").

By requesting an Automatic Withdrawal or Exchange Plan, the shareholder agrees to the terms and conditions applicable to such plans, as stated below and in the provisions of the OppenheimerFunds Application relating to such Plans, as well as the Prospectus. These provisions may be amended from time to time by the Fund and/or the Distributor. When adopted, such amendments will automatically apply to existing Plans.

-- **AUTOMATIC EXCHANGE PLANS.** Shareholders can authorize the Transfer Agent (on the OppenheimerFunds Application or signature-guaranteed instructions) to exchange a pre-determined amount of shares of the Fund for shares (of the same class) of other Oppenheimer funds automatically on a monthly, quarterly, semi-annual or annual basis under an Automatic Exchange Plan. The minimum amount that may be exchanged to each other fund account is \$25. Exchanges made under these plans are subject to the restrictions that apply to exchanges as set forth in "How to Exchange Shares" in the Prospectus and below in this Statement of Additional Information.

-- **AUTOMATIC WITHDRAWAL PLANS.** Fund shares will be redeemed as necessary to meet withdrawal payments. Shares acquired without a sales charge will be redeemed first and shares acquired with reinvested dividends and capital gains distributions will be redeemed next, followed by shares acquired with a sales charge, to the extent necessary to make withdrawal payments. Depending upon the amount withdrawn, the investor's principal may be depleted. Payments made

under withdrawal plans should not be considered as a yield or income on your investment.

The Transfer Agent will administer the investor's Automatic Withdrawal Plan (the "Plan") as agent for the investor (the "Planholder") who executed the Plan authorization and application submitted to the Transfer Agent. The Transfer Agent and the Fund shall incur no liability to the Planholder for any action taken or omitted by the Transfer Agent in good faith to administer the Plan. Certificates will not be issued for shares of the Fund purchased for and held under the Plan, but the Transfer Agent will credit all such shares to the

account of the Planholder on the records of the Fund. Any share certificates held by a Planholder may be surrendered unendorsed to the Transfer Agent with the Plan application so that the shares represented by the certificate may be held under the Plan.

For accounts subject to Automatic Withdrawal Plans, distributions of capital gains must be reinvested in shares of the Fund, which will be done at net asset value without a sales charge. Dividends on shares held in the account may be paid in cash or reinvested.

Redemptions of shares needed to make withdrawal payments will be made at the net asset value per share determined on the redemption date. Checks or AccountLink payments of the proceeds of Plan withdrawals will normally be transmitted three business days prior to the date selected for receipt of the payment (receipt of payment on the date selected cannot be guaranteed), according to the choice specified in writing by the Planholder.

The amount and the interval of disbursement payments and the address to which checks are to be mailed or AccountLink payments are to be sent may be changed at any time by the Planholder by writing to the Transfer Agent. The Planholder should allow at least two weeks' time in mailing such notification for the requested change to be put in effect. The Planholder may, at any time, instruct the Transfer Agent by written notice (in proper form in accordance with the requirements of the then-current Prospectus of the Fund) to redeem all, or any part of, the shares held under the Plan. In that case, the Transfer Agent will redeem the number of shares requested at the net asset value per share in effect in accordance with the Fund's usual redemption procedures and will mail a check for the proceeds to the Planholder.

The Plan may be terminated at any time by the Planholder by writing to the Transfer Agent. A Plan may also be terminated at any time by the Transfer Agent upon receiving directions to that effect from the Fund. The Transfer Agent will also terminate a Plan upon receipt of evidence satisfactory to it of the death or legal incapacity of the Planholder. Upon termination of a Plan by the Transfer Agent or the Fund, shares that have not been redeemed from the account will be held in uncertificated form in the name of the Planholder, and the account will continue as a dividend-reinvestment, uncertificated account unless and until proper instructions are received from the Planholder or his or her executor or guardian, or other authorized person.

To use shares held under the Plan as collateral for a debt, the Planholder may request issuance of a portion of the shares in certificated form. Upon written request from the Planholder, the Transfer Agent will determine the number of shares for which a certificate may be issued without causing the withdrawal checks to stop because of exhaustion of uncertificated shares needed to continue payments. However, should such uncertificated shares become exhausted, Plan withdrawals will terminate.

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If the Transfer Agent ceases to act as transfer agent for the Fund, the Planholder will be deemed to have appointed any successor transfer agent to act as agent in administering the Plan.

HOW TO EXCHANGE SHARES

As stated in the Prospectus, shares of a particular class of Oppenheimer funds having more than one class of shares may be exchanged only for shares of the same class of other Oppenheimer funds. Shares of the Oppenheimer funds that have a single class without a class designation are deemed "Class A" shares for this purpose. All of the Oppenheimer funds offer Class A shares, but certain [other] Oppenheimer funds do not presently offer either or both of Class B shares. A list showing which funds offer which class can be obtained by calling the Distributor at 1-800-525-7048.

Class A shares of Oppenheimer funds may be exchanged at net asset value for shares of any Money Market Fund. Shares of any Money Market Fund purchased without a sales charge may be exchanged for shares of Oppenheimer funds offered with a sales charge upon payment of the sales charge (or, if applicable, may be used to purchase shares of Oppenheimer funds subject to a contingent deferred sales charge). However, shares of Oppenheimer Money Market Fund, Inc. purchased with the redemption proceeds of shares of other mutual funds (other than funds managed by the Manager or its subsidiaries) redeemed within the 12 months prior to that purchase may subsequently be exchanged for shares of other Oppenheimer funds without being subject to an initial or contingent deferred sales charge, whichever is applicable. To qualify for that privilege, the investor or the investor's dealer must notify the Distributor of eligibility for this privilege

at the time the shares of Oppenheimer Money Market Fund, Inc. are purchased, and, if requested, must supply proof of entitlement to this privilege. No contingent deferred sales charge is imposed on exchanges of shares of either class purchased subject to a contingent deferred sales charge. However, when Class A shares acquired by exchange of Class A shares of other Oppenheimer funds purchased subject to a Class A contingent deferred sales charge are redeemed within 18 months of the end of the calendar month of the initial purchase of the exchanged Class A shares, the Class A contingent deferred sales charge is imposed on the redeemed shares (see "Class A Contingent Deferred Sales Charge" in the Prospectus). The Class B contingent deferred sales charge is imposed on Class B shares acquired by exchange if they are redeemed within 6 years of the initial purchase of the exchanged Class B shares.

When Class B shares are redeemed to effect an exchange, the priorities described in "How To Buy Shares" in the Prospectus for the imposition of the Class B contingent deferred sales charge will be followed in determining the order in which the shares are exchanged. Shareholders should take into account the effect of any exchange on the applicability and rate of any contingent deferred sales charge that might be imposed in the subsequent redemption of remaining shares. Shareholders owning shares of more than one class must specify whether they intend to exchange Class A, or Class B shares.

The Fund reserves the right to reject telephone or written exchange requests submitted in bulk by anyone on behalf of 10 or more accounts. The Fund may accept requests for exchanges of up to 50 accounts per day from representatives of authorized dealers that qualify for this privilege. In connection with any exchange request, the number of shares exchanged may be less than the number

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requested if the exchange or the number requested would include shares subject to a restriction cited in the Prospectus or this Statement of Additional Information or would include shares covered by a share certificate that is not tendered with the request. In those cases, only the shares available for exchange without restriction will be exchanged.

When exchanging shares by telephone, a shareholder must either have an existing account in, or obtain and acknowledge receipt of a prospectus of, the fund to which the exchange is to be made. For full or partial exchanges of an account made by telephone, any special account features such as Asset Builder Plans, Automatic Withdrawal Plans, Checkwriting, if available, and retirement plan contributions will be switched to the new account unless the Transfer Agent is instructed otherwise. If all telephone lines are busy (which might occur, for example, during periods of substantial market fluctuations), shareholders might not be able to request exchanges by telephone and would have to submit written exchange requests.

Shares to be exchanged are redeemed on the regular business day the Transfer Agent receives an exchange request in proper form (the "Redemption Date"). Normally, shares of the fund to be acquired are purchased on the Redemption Date, but such purchases may be delayed by either fund up to five business days if it determines that it would be disadvantaged by an immediate transfer of the redemption proceeds. The Fund reserves the right, in its discretion, to refuse any exchange request that may disadvantage it (for example, if the receipt of multiple exchange requests from a dealer might require the disposition of portfolio securities at a time or at a price that might be disadvantageous to the Fund).

The different Oppenheimer funds available for exchange have different investment objectives, policies and risks, and a shareholder should assure that the Fund selected is appropriate for his or her investment and should be aware of the tax consequences of an exchange. For federal income tax purposes, an exchange transaction is treated as a redemption of shares of one fund and a purchase of shares of another. "Reinvestment Privilege," above, discusses some of the tax consequences of reinvestment of redemption proceeds in such cases. The Fund, the Distributor, and the Transfer Agent are unable to provide investment, tax or legal advice to a shareholder in connection with an exchange request or any other investment transaction.

DIVIDENDS, CAPITAL GAINS AND TAXES

In order to continue to qualify for treatment as a regulated investment company ("RIC") under the Code, the Fund must distribute to its shareholders for each taxable year at least 90% of

the sum of its investment company taxable income (consisting generally of taxable net investment income and net short-term capital gain) plus its interest income excludable from gross income under Section 103(a) of the Code ("tax-exempt income") and must meet several additional requirements. These requirements include the following: (1) the Fund must derive at least 90% of its gross income each taxable year from dividends, interest, payments with respect to securities loans and gains from the sale or other disposition of securities, or other income (including gains from options) derived with respect to its business of investing in securities ("Income Requirement"); (2) the Fund must derive less than 30% of its gross income each taxable year from the sale or other disposition of securities or options that were held for less than three months ("Short-Short Limitation"); and (3) at the close of each quarter of the Fund's taxable year, (i) at least 50% of the value of its total assets must be represented by cash and cash items, U.S. Government securities, securities of other RICs and other securities that are limited, in respect of any one issuer, to an amount that does not exceed 5% of the value of the Fund's total assets, and (ii) not more than 25% of the value of its total assets may be invested in securities (other than U.S. Government securities or the securities of other RICs) of any one issuer.

Dividends paid by the Fund will qualify as exempt-interest dividends, and thus will be excludable from gross income by its shareholders, if the Fund satisfies the additional requirement that, at the close of each quarter of its taxable year, at least 50% of the value of its total assets consists of securities the interest on which is tax-exempt income; the Fund intends to continue to satisfy this requirement. The aggregate exempt-interest dividends may not be greater than the excess of the Fund's tax-exempt income over certain amounts disallowed as deductions. The shareholders' treatment of dividends from the Fund under local and state income tax laws may differ from the treatment thereof under the Code.

As noted in the Prospectus, the Fund annually reports to its shareholders regarding the amounts and status of distributions paid during the year. Such report allocates dividends among tax-exempt, taxable and alternative minimum taxable income in approximately the same proportions as they bear to the Fund's total income for the year. Accordingly, income derived from each of these sources by the Fund in any particular distribution period may vary substantially from the allocation reported to shareholders annually. The proportion of dividends that constitutes taxable income will depend on the relative amounts of assets invested in taxable securities, the yield relationships between taxable and tax-exempt securities, and the period of time for which such securities are held.

Because the taxable portion of the Fund's investment income consists primarily of interest and income from options transactions, its dividends will not qualify for the dividends-received deduction available to corporations.

Dividends and other distributions declared by the Fund, and payable to shareholders of record on a date, in the last quarter of any calendar year are deemed to have been paid by the Fund and received by the shareholders on December 31 of that year if the distributions are paid by the Fund during the following January. Accordingly, those distributions will be treated as received by the shareholders for the year in which that December 31 falls.

As noted in the Prospectus, interest on indebtedness incurred or continued by shareholders

to purchase or carry Shares of the Fund is not deductible for federal income tax purposes. Under rules applied by the Internal Revenue Service to determine whether borrowed funds are used for the purpose of purchasing or carrying particular assets, the purchase of Fund Shares may, depending upon the circumstances, be considered to have been made with borrowed funds even though the borrowed funds are not directly traceable to the purchase of those Shares.

If you redeem at a loss Shares of the Fund held for six months or less, that loss will not be recognized for federal income tax purposes to the extent of exempt-interest dividends you have received with respect to those shares. If any such loss exceeds the amount of such exempt-interest dividends you received, that excess loss will be treated as a long-term capital loss to the extent you receive any capital gain distribution with respect to those Shares.

Persons who are "substantial users" (or persons related thereto) of facilities financed by industrial development bonds should consult their own tax advisers before purchasing Shares. Such persons may find investment in the Fund

unsuitable for tax reasons. Generally, an individual will not be a "related person" under the Code unless he or his immediate family (spouse, brothers, sisters, ancestors and lineal descendants) owns, directly or indirectly, in the aggregate more than 50% of the equity of a corporation or partnership that is a "substantial user" of a facility financed from the proceeds of such bonds. A "substantial user" of such a facility is defined generally as a non-exempt person who regularly uses a part of such facility in his trade or business.

The Fund will be subject to a nondeductible 4% excise tax to the extent it fails to distribute by the end of any calendar year substantially all of its ordinary income for that year and capital gain net income for the one-year period ending on December 31 of that year, plus certain other amounts.

The use of hedging strategies, such as writing (selling) and purchasing options, involves complex rules that will determine for income tax purposes the character and timing of recognition of the gains and losses the Fund realizes in connection therewith. Income from transactions in options derived by the Fund with respect to its business of investing in securities will qualify as permissible income under the Income Requirement. However, income from the disposition of options will be subject to the Short-Short Limitation if they are held for less than three months.

If the Fund satisfies certain requirements, any increase in value of a position that is part of a "designated hedge" will be offset by any decrease in value (whether realized or not) of the offsetting hedging position during the period of the hedge for purposes of determining whether the Fund satisfies the Short-Short Limitation. Thus, only the net gain (if any) from the designated hedge will be included in gross income for purposes of that limitation. The Fund will consider whether it should seek to qualify for this treatment for its hedging transactions. To the extent the Fund does not so qualify, it may be forced to defer the closing out of certain options beyond the time when it otherwise would be advantageous to do so, in order for the Fund to continue to qualify as RIC.

Corporate investors may wish to consult their own tax advisers before purchasing Fund shares. Corporations may find investment in the Fund unsuitable for tax reasons, because the interest on all Municipal Obligations held by the Fund distributed to corporate shareholders will be includible in calculating adjusted current earnings for purposes of both the alternative minimum tax and the environmental tax. In addition, certain property and casualty insurance companies, financial

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institutions, and U.S. branches of foreign corporations may be adversely affected by the tax treatment of the interest on Municipal Obligations.

ADDITIONAL INFORMATION ABOUT THE FUND

THE CUSTODIAN. Investors Bank & Trust Company ("Custodian"), whose principal business address is 89 South Street Boston, MA 02111 is the Custodian of the Fund's assets. The Custodian's responsibilities include safeguarding and controlling the Fund's portfolio securities and handling the delivery of such securities to and from the Fund. It will be the practice of the Fund to deal with the Custodian in a manner uninfluenced by any banking relationship the Custodian may have with the Manager and its affiliates.

INDEPENDENT AUDITORS. Price Waterhouse LLP, 1900 Chase Square, Rochester, NY 14604, serves as the Fund's independent accountants. The services provided by Price Waterhouse LLP include auditing services and review and consultations on various filings by the Fund with the Securities and Exchange Commission and tax authorities, and the Fund's financial statements and perform other related audit services. They also act as auditors for certain other funds advised by the Manager and its affiliates.

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INVESTMENT ADVISER

OppenheimerFunds, Inc.
Two World Trade Center
New York, New York 10048-0203

DISTRIBUTOR

OppenheimerFunds Distributor, Inc.
Two World Trade Center
New York, New York 10048-0203

TRANSFER AGENT

OppenheimerFunds Services
P.O. Box 5270
Denver, Colorado 80217
1-800-525-7048

CUSTODIAN OF PORTFOLIO SECURITIES

Investors Bank & Trust Company
89 South Street
Boston, MA 02111

INDEPENDENT AUDITORS

Price Waterhouse LLP
1900 Chase Square
Rochester, NY 14604

LEGAL COUNSEL

Kirkpatrick & Lockhart LLP
1800 Massachusetts Ave, N.W.
Washington, D.C. 20036

APPENDIX A

DESCRIPTION OF MUNICIPAL SECURITIES RATINGS

STANDARD & POOR'S RATING GROUP

A brief description of the applicable Standard & Poor's Corporation rating symbols and their meanings (as published by Standard & Poor's Corporation) follows:

A Standard & Poor's corporate or municipal debt rating is a current assessment of the creditworthiness of an obligator with respect to a specific debt obligation. This assessment may take into consideration obligors such as guarantors, insurers, or lessees.

The rating is not a recommendation to purchase, sell or hold a security, inasmuch as it does not comment as to market price or suitability for a particular investor.

The ratings are based on current information furnished by the issuer and obtained by Standard & Poor's from other sources it considers reliable. Standard & Poor's does not perform an audit in connection with any rating and may, on occasion rely on unaudited financial information. The ratings may be changed, suspended, or withdrawn as a result of changes in, or unavailability of, such information, or for other circumstances.

The ratings are based, in varying degrees, on the following considerations:

I. Likelihood of default--capacity and willingness of the obligor as to the timely payment of interest and repayment of principal in accordance with the terms of the obligation;

II. Nature of and provisions of the obligation;

III. Protection afforded by, and relative position of, the obligation in the event of bankruptcy, reorganization or other arrangements under the laws of bankruptcy and other laws affecting creditors' rights.

Long-Term Municipal Bonds

- AAA Bonds rated AAA have the highest rating assigned by Standard & Poor's to a debt obligation. Capacity to pay interest and repay principal is extremely strong.
- AA Bonds rated AA have a very strong capacity to pay interest and repay principal and differ from the highest rated issues only in small degree.
- A Bonds rated A have a strong capacity to pay interest and repay principal although they are somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than bonds in higher rated categories.

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- BBB Bonds rated BBB are regarded as having an adequate capacity to pay interest and repay principal. Whereas they normally exhibit adequate protection parameters, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity to pay interest and repay principal for bonds in this category than for bonds in higher rated categories.
- BB-D Debt rated "BB", "B", "CCC" and "CC" is regarded, on balance, as predominantly speculative with respect to capacity to pay interest and repay principal in accordance with the terms of the obligation. "BB" indicates the lowest degree of speculation and "CC" the highest degree of speculation. While such debt will likely have some quality and protective characteristics, these are outweighed by large uncertainties or major risk exposures to adverse conditions. The "C" is reserved for income bonds on which no interest is being paid. Debt rated "D" is in default, and payment of interest and/or repayment of principal is in arrears.

Plus (+) or minus (-): The ratings from "AA" to "BBB" may be modified by the addition of a plus or minus sign to show relative standing within the major rating categories.

Provisional Ratings: The letter "P" indicates that the rating is provisional. A provisional rating assumes the successful completion of the project being financed by the bonds being rated and indicates that payment of debt service requirements is largely or entirely dependent upon the successful and timely completion of the project. This rating, however, while addressing credit quality subsequent to completion of the project, makes no comment on the likelihood of, or the risk of default upon failure of, such completion. The investors should exercise his own judgement with respect to such likelihood and risk.

Short-Term Tax-Exempt Notes

Standard & Poor's tax exempt note ratings are generally given to such notes that mature in three years or less. The three rating categories are as follows:

- SP-1 Very strong or strong capacity to pay principal and interest. Those issues determined to possess overwhelming safety characteristics will be given a plus (+) designation.
- SP-2 Satisfactory capacity to pay principal interest.
- SP-3 Speculative capacity to pay principal and interest.

Tax-Exempt Commercial Paper

A Standard & Poor's commercial paper rating is a current assessment of the likelihood of timely payment of debt having an original maturity of no more than 165 days. Ratings are graded into four categories, ranging from "A" for the highest quality obligations to "D" for the lowest. The four categories are as follows:

- A Issues assigned this highest rating are regarded as having the greatest capacity for timely payment. Issues in this category are further refined with the designation 1,

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2, and 3 to indicate the relative degree of safety. These issues determined to possess overwhelming safety characteristics are denoted with a plus (+) sign designation.

- A-1 This designation indicates that the degree of safety regarding timely

payment is very strong.

- A-2 Capacity for timely payment on issues with this designation is strong. However, the relative degree of safety is not as overwhelming as for issues designated "A-1".
- A-3 Issues carrying this designation have a satisfactory capacity for timely payment. They are, however, somewhat more vulnerable to the adverse effects of changes in circumstances than obligations carrying the higher designation.
- B Issues rated "B" are regarded as having only an adequate capacity for timely payment. However, such capacity may be damaged by changing conditions or short-term adversities.
- C & D These ratings indicate that the issue is either in default or expected to be in default upon maturity.

MOODY'S INVESTORS SERVICE, INC.

A brief description of the applicable Moody's Investors Service, Inc. rating symbols and their meanings follow:

Long-Term Municipal Bonds

- Aaa Bonds which are rated Aaa are judged to be the best quality. They carry the smallest degree of investment risk and are generally referred to as "gilt edge". Interest payments are protected by a large, or by an exceptionally stable, margin and principal is secure. While the various protective elements are likely to change, such changes as can be visualized are more unlikely to impair the fundamentally strong position of such issues. With the occasional exception of oversupply in a few specific instances, the safety of obligations of this class is so absolute that their market value is affected solely by money market fluctuations.
- Aa Bonds which are rated Aa are judged to be of high quality by all standards. Together with the Aaa group they comprise what are generally known as high grade bonds. They are rated lower than the best bonds because margins of protection may not be as large as in Aaa securities or fluctuations of protective elements may be of greater amplitude or there may be other elements present which make the one-term risks appear somewhat larger than the Aaa securities. These Aa bonds are high grade, their market value virtually immune to all but money market fluctuations.
- A Bonds which are rated A possess many favorable investment attributes and are to be considered as higher medium grade obligations. Factors giving security to principal and interest are considered adequate, but elements may be present which suggest a

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susceptibility to A-rated bonds may be influenced to some degree by credit circumstances during a sustained period of depressed business conditions. During periods of normalcy, bonds of this quality frequently move in parallel with Aaa and Aa obligations, with the occasional exception of oversupply in a few specific instances.

- Baa Bonds which are rated Baa are considered as lower medium grade obligations, i.e., they are neither highly protected nor poorly secured. Interest payments but certain protective elements may be lacking or may be characteristically unreliable or over any great length of time. Such bonds lack outstanding investment characteristics and in fact have speculative characteristics as well. The market value of Baa-rated bonds is more sensitive to change in economic circumstances, and aside from occasional speculative factors applying to some bonds of this class, Baa market valuations move in parallel with Aaa, Aa and A obligations during periods of economic normalcy, except in instances of oversupply.
- Ba-C Bonds which are rated Ba are judged to have speculative elements; their future cannot be considered as well assured. Often, the protection of interest and principal payments may be very moderate, and thereby not well safeguarded during both good and bad times over the future. Uncertainty of position characterizes bonds in this class. Bonds which are rated B generally lack characteristics of the desirable investment. Assurance of interest and principal payments or of maintenance of other terms of the contract over any long period of time may be small. Bonds which are rated Caa are of poor standing. Such issues may be in default or there may be present elements of danger with respect to principal or interest. Bonds which are rated Ca represent obligations which are

speculative in a high degree. Such issues are often in default or have other marked shortcomings. Bonds which are rated C are the lowest rated of bonds, and issues so rated can be regarded as having extremely poor prospects of ever attaining any real investment standing.

Moody's bond rating symbols may contain numerical modifiers of a generic rating classification. The modifier 1 indicates that the bond ranks at the high end of its category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates that the issue ranks in the lower end of its generic rating category.

Con. Bonds for which the security depends upon the completion of some act or the fulfillment of some conditions are rated conditionally. These are bonds secured by (a) earnings of projects under construction, (b) earnings of projects unseasoned in operating experience, (c) rentals which begin when facilities are completed, or (d) payments to which some other limiting condition attaches. Parenthetical rating denotes probable credit status upon completion of construction or elimination of basis of condition.

Short-Term Tax-Exempt Notes

The four ratings of Moody's for short-term notes are MIG 1, MIG 2, MIG 3, and MIG 4; MIG 1 denotes "best quality, enjoying strong protection from established cash flows"; MIG 2 denotes "high quality" with "ample margins of protection"; MIG 3 notes are of "favorable quality... but lacking the undeniable strength of the preceding grades"; MIG 4 notes are of "adequate quality, carrying specific risk but having protection...and not distinctly or predominantly speculative".

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Tax-Exempt Commercial Paper

Moody's commercial paper ratings are opinions of the ability of issuers to repay punctually promissory obligations not having an original maturity in excess of nine months. Moody's employs the following three designations, all judged to be investment grade, to indicate the relative repayment capacity of rated issuers:

Issuers rated Prime 1 (or related supporting institutions) have a superior capacity for repayment of short-term promissory obligations.

Issuers rated Prime 2 (or related supporting institutions) have a strong capacity for repayment of short-term promissory obligations.

Issuers rated Prime 3 (or related supporting institutions) have an acceptable capacity for repayment of short-term promissory obligations.

Issuers rated Not Prime do not fall within any of the Prime rating categories.

FITCH INVESTORS SERVICE, INC.

A brief description of the applicable Fitch Investors Service rating symbols and their meanings follow:

Long Term Municipal Bonds

AAA Bonds considered to be investment grade and of the highest credit quality. The obligor has an exceptionally strong ability to pay interest and repay principal, which is unlikely to be affected by reasonably foreseeable events.

AA Bonds considered to be investment grade and of very high quality. "The obligor's ability to pay interest and repay principal is very strong, although not quite as strong as bond rating "AAA".

A Bonds considered to be investment grade and of high quality. The obligor's ability to pay interest and repay principal is considered to be strong, but may be more vulnerable to adverse changes in economic conditions and circumstances than bonds with higher ratings.

BBB Bonds considered to be investment grade and of satisfactory credit quality. The obligor's ability to pay interest and repay principal is considered to be adequate. Adverse changes in economic conditions and circumstances, however, are more likely to have an adverse impact on these bonds, and therefore impair timely payment. The likelihood that the ratings of these bonds will fall below investment grade is higher than for bonds with higher ratings.

BB-C BB bonds are considered speculative. The obligor's ability to pay interest and repay principal

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may be affected over time by adverse economic changes, however, business and financial alternatives can be identified which could assist the obligor in satisfying debt service requirements. B bonds are considered highly speculative. While debt service payments are currently being met, the probability of continued timely payment of principal and interest reflects the obligor's limited margin of safety. CCC bonds have certain identifiable characteristics which, if not remedied, may lead to default; CC bonds are minimally protected and default in payment of interest and/or principal seems probable over time; C bonds are in imminent default in payment of interest or principal.

DDD Bonds rated DDD, DD, D are in default on interest and/or principal payments. Such bonds are extremely speculative. "DDD" represents the highest probability for recovery on these bonds, "D" represents the lowest probability for recovery

Plus (+) Minus(-): Plus and minus signs are used with a rating symbol to indicate the relative position of a credit within the rating category. Plus and minus signs are not used in the "AAA", "DDD", "DD", or "D" categories.

Conditional: A conditional rating is premised on the successful completion of a project or the occurrence of a specific event.

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ROCHESTER PORTFOLIO SERIES
LIMITED TERM NEW YORK MUNICIPAL FUND

PART C
OTHER INFORMATION

ITEM 24. FINANCIAL STATEMENTS AND EXHIBITS

(a) Financial Statements: None

(b) Exhibits:

- (1) Amended and Restated Declaration of Trust as filed with the Common of Massachusetts on February 8, 1995, as amended on November 7, 1995 - filed herewith
- (2) Bylaws - filed with Registrant's initial Registration Statement filed July 1, 1991 - incorporated by reference
- (3) Not Applicable
- (4) Specimen Share Certificates representing Class A Shares and Class B shares of Limited Term New York Municipal Fund, a portfolio of the Registrant - filed with Registrant's Post Effective Amendment No. 5 filed February 28, 1995 - incorporated by reference
- (5) Investment Advisory Agreement dated January 4, 1996 with Oppenheimer Management Corporation - filed herewith
- (6)
 - (a) General Distributor's Agreement dated January 4, 1996 with Oppenheimer Funds Distributor, Inc. - filed herewith
 - (b) Form of Oppenheimer Funds Distributor Inc. Dealer Agreement - Filed with Post-Effective Amendment No. 14 of Oppenheimer Main Street Funds, Inc. (Reg. No. 33-17850) filed September 30, 1994 - incorporated by reference
 - (c) Form of Oppenheimer Funds Distributor Inc. Broker Agreement - Filed with Post-Effective Amendment No. 14 of Oppenheimer Main Street Funds, Inc. (Reg. No. 33-17850) filed September 30, 1994 - incorporated by reference
 - (d) Form of Oppenheimer Funds Distributor Inc. Agency Agreement - Filed with Post-Effective Amendment No. 14 of Oppenheimer Main Street Funds, Inc. (Reg. No. 33-17850) filed September 30, 1994 - incorporated by reference
- (7) Not Applicable

- (8) Form of Custodian Agreement - Filed with Registrant's initial Registration Statement filed July 1, 1991 - incorporated by reference
- (9) (a) Accounting, Administration and Recordkeeping Agreement with Rochester Fund Services Inc. dated April 15, 1994 as assigned to Oppenheimer Management Corporation - filed herewith
- (b) Form of Service Contract with Oppenheimer Shareholder Services - filed

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herewith

- (10) Consent of Counsel - incorporated by reference to the Registrant's Rule 24f-2 Notice filed on February 17, 1995
- (11) Independent Auditor's Consent - filed herewith
- (12) Not Applicable
- (13) Not Applicable
- (14) Not Applicable
- (15) (a) Amended and Restated Service Plan and Agreement with Oppenheimer Funds Distributor, Inc. dated January 4, 1996 for Class A Shares - filed herewith
- (b) Amended and Restated Service Plan and Agreement with Oppenheimer Funds Distributor, Inc. dated January 4, 1996 for Class B Shares - filed herewith
- (16) Performance Computation Schedule - to be filed
- (17) (a) Financial Data Schedule for Class A Shares - to be filed
- (b) Financial Data Schedule for Class B Shares - to be filed
- (18) Oppenheimer Fund Multiple Class Plan under Rule 18f-3 dated January 5, 1996 - filed herewith
- Powers of Attorney

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ITEM 25. PERSONS CONTROLLED BY OR UNDER COMMON CONTROL WITH REGISTRANT

The Board of Trustees of the Registrant is identical to the Boards of Trustees of Rochester Fund Municipals ("RFM") and The Bond Fund For Growth (formerly known as Rochester Convertible Fund) ("BFFG"), both of which are Massachusetts business trusts, organized and existing under the laws of the Commonwealth of Massachusetts, (collectively "The Rochester Funds").

ITEM 26. NUMBER OF HOLDERS OF SECURITIES

Title of Class	Number of Record Holders as of January 3, 1996
Class A Shares of beneficial interest	172,900,357.0930
Class B Shares of beneficial interest	4,986,765.2620

ITEM 27. INDEMNIFICATION

EFFECT OF REGISTRANT'S AMENDED AND RESTATED AGREEMENT AND DECLARATION OF TRUST (THE "DECLARATION OF TRUST")

Registrant's Declaration of Trust, which is incorporated herein by reference, as Exhibit 1.3 contains certain provisions relating to the indemnification of Registrant's officers and trustees. Section 6.4 of Registrant's Declaration of Trust provides that Registrant shall indemnify (from the assets of the Fund or Funds in question) each of its trustees and officers (including persons who served at Registrant's request as directors, officers or trustees of another organization in which Registrant has any interest as a shareholder, creditor or otherwise [hereinafter referred to as a "Covered Person"]) against all liabilities, including but not limited to, amounts paid for satisfaction of judgments, in compromise or as fines and penalties, and expenses, including reasonable accountants' and counsel fees, incurred by any Covered Person in connection with the defense or disposition of any action, suit or other proceeding, whether civil or criminal, before any court or administrative or legislative body, in which such Covered Person may be or may have been involved as a party or otherwise or with which such person may be or may have been threatened, while in office or thereafter, by reason of being or having been such a trustee or officer, director or trustee, except with respect to any matter as to which it has been determined in one of the ways described below, that such Covered Person (i) did not act in good faith in the reasonable belief that such Covered Person's action was in or not opposed to the best interest of Registrant or (ii) had acted with willful misfeasance, bad faith, gross negligence, or reckless disregard of the duties involved in the conduct described in (i) and (ii) being referred to hereafter as "Disabling Conduct".

Section 6.4 provides that a determination that the Covered Conduct may be made by (i) a final decision on the merits by a court or other body before whom the proceeding was brought that the person to be indemnified was not liable by reason of Disabling Conduct, (ii) dismissal of a court action or an administrative proceeding against a Covered Person for insufficiency of evidence of Disabling Conduct, or (iii) a reasonable determination, based upon a review of the facts, that the indemnitee was not liable by reason of Disabling Conduct by (a) a vote of a majority of a quorum of trustees who are neither "interested persons" of Registrant as defined in Section 2(a)(19) of the 1940 Act nor parties to the proceeding, or (b) an independent legal counsel in a written opinion.

In addition, Section 6.4 provides that expenses, including accountants' and counsel fees so incurred by any such Covered Person (but excluding amounts paid in satisfaction of judgments, in compromise or as fines or penalties), may be paid from time to time in advance of the final disposition of any such action, suit or proceeding, provided that the Covered Person shall have undertaken to repay the amounts so paid to the Fund in question if it is ultimately determined that indemnification of such expenses is not authorized under Article 6 and (i) the Covered Person shall have provided security for such undertaking, (ii) Registrant shall be insured against losses arising by reason of any lawful advances, or (iii) a majority of a quorum of disinterested trustees who are not a party to the proceeding, by an independent legal counsel in a written opinion, based upon a review of readily available facts (as opposed to a full trial-type inquiry), that there is reason to believe that the Covered Person ultimately will be found entitled to indemnification.

EFFECT OF THE SECURITIES ACT OF 1933, AS AMENDED

Insofar as indemnification for liability arising under the Securities Act of 1933, as amended may be permitted to trustees, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a trustee, officer or controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

EFFECT OF THE INVESTMENT COMPANY ACT OF 1940, AS AMENDED

Notwithstanding the foregoing provisions of the Fund's Agreement and Declaration of Trust, nothing contained therein shall protect or purport to protect any individual ("Indemnitee") against any liability to which the Indemnitee would otherwise be subject by reason of willful misfeasance, bad faith, gross negligence, or reckless

disregard of the duties involved in the conduct of the Indemnitee's office ("Disabling Conduct"). Anything in the Declaration of Trust or the By-laws to the contrary notwithstanding, no indemnification shall be made by the Fund to any Indemnitee unless:

(a) there is a final decision on the merits by a court or other body before whom the proceeding was brought that the Indemnitee was not liable by reason of Disabling Conduct; or

(b) in the absence of such a decision, there is a reasonable determination, based upon a review of the facts, that the Indemnitee was not liable by reason of Disabling Conduct, which determination shall be made by:

(i) the vote of a majority of a quorum of trustees who are neither "interested persons" of the Fund as defined in Section 2(a)(19) of the Investment Company Act of 1940, as amended, nor parties to the proceedings; or

(ii) an independent legal counsel in a written opinion.

Anything in the Declaration of Trust or the By-laws to the contrary notwithstanding, any advance of expenses by the Fund to any Indemnitee shall be made only upon the undertaking of such Indemnitee to repay the advance unless it is ultimately determined that such Indemnitee is entitled to indemnification as above provided, and only if one of the following conditions is met:

(a) the Indemnitee provides security for his undertaking; or

(b) the Fund shall insure against losses arising by reason of any lawful advances; or

(c) there is a determination, based on a review of readily available facts, that there is reason to believe that the Indemnitee will ultimately be found entitled to indemnification, which determination shall be made by:

(i) a majority of a quorum of trustees who are neither "interested persons" of the Fund as defined in Section 2(a)(19) of the Investment Company Act of 1940, as amended, nor parties to the proceeding; or

(ii) an independent legal counsel in a written opinion.

ITEM 28. BUSINESS AND OTHER CONNECTIONS OF INVESTMENT ADVISOR

During the last two fiscal years, all other business, profession, vocation or employment of a substantial nature in which the investment advisor of Registrant and each director, officer or partner of that investment advisor have been engaged for their own account or in the capacity of director, officer, employee, partner or trustee is as follows:

(a) OppenheimerFunds, Inc. is the investment adviser of the Registrant; it and certain subsidiaries and affiliates act in the same capacity to other registered investment companies as described in Parts A and B hereof and listed in Item 28(b) below.

(b) There is set forth below information as to any other business, profession, vocation or employment of a substantial nature in which each officer and director of OppenheimerFunds, Inc. is, or at any time during the past two fiscal years has been, engaged for his/her own account or in the capacity of director, officer, employee, partner or trustee.

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Name & Current Position with OppenheimerFunds, Inc.	Other Business and Connections During the Past Two Years
Lawrence Apolito, Vice President	None.
James C. Ayer, Jr., Assistant Vice President	Vice President and Portfolio Manager of Oppenheimer Gold & Special Minerals Fund and Oppenheimer Global Emerging Growth Fund.
Victor Babin, Senior Vice President	None.

Robert J. Bishop, Assistant Vice President	Assistant Treasurer of the Oppenheimer Funds (listed below); previously a Fund Controller for Oppenheimer Management Corporation (the "Manager").
Bruce Bartlett, Vice President	Vice President and Portfolio Manager of Oppenheimer Total Return Fund, Inc., Oppenheimer Main Street Funds, Inc. and Oppenheimer Variable Account Funds; formerly a Vice President and Senior Portfolio Manager at First of America Investment Corp.
George Bowen, Senior Vice President and Treasurer	Treasurer of the New York-based Oppenheimer Funds; Vice President, Secretary and Treasurer and Treasurer of the Denver-based Oppenheimer Funds. Vice President and Treasurer of Oppenheimer Funds Distributor, Inc. (the "Distributor") and HarbourView Asset Management Corporation ("HarbourView"), an investment adviser subsidiary of OMC; Senior Vice President, Treasurer, Assistant Secretary and a director of Centennial Asset Management Corporation ("Centennial"), an investment adviser subsidiary of the Manager; Vice President, Treasurer and Secretary of Shareholder Services, Inc. ("SSI") and Shareholder Financial Services, Inc. ("SFSI"), transfer agent subsidiaries of OMC; President, Treasurer and Director of Centennial Capital Corporation; Vice President and Treasurer of Main Street Advisers.
Michael A. Carbuto, Vice President	Vice President and Portfolio Manager of Oppenheimer Tax-Exempt Cash Reserves, Centennial California Tax Exempt Trust, Centennial New York Tax Exempt Trust and Centennial Tax Exempt Trust; Vice President of Centennial.
William Colbourne, Assistant Vice President	Formerly, Director of Alternative Staffing Resources, and Vice President of Human Resources, American Cancer Society.

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Name & Current Position with OppenheimerFunds, Inc. -----	Other Business and Connections During the Past Two Years -----
Lynn Coluccy, Vice President	Formerly Vice President\Director of Internal Audit of the Manager.
O. Leonard Darling, Executive Vice President	Formerly Co-Director of Fixed Income for State Street Research & Management Co.
Robert A. Densen, Senior Vice President	None.
Robert Doll, Jr., Executive Vice President	Vice President and Portfolio Manager of Oppenheimer Growth Fund, Oppenheimer Variable Account Funds, Oppenheimer Main Street Funds, Inc. and Oppenheimer Target Fund; Senior Vice President and Portfolio Manager of Oppenheimer Strategic Income & Growth Fund.
John Doney, Vice President	Vice President and Portfolio Manager of Oppenheimer Equity Income Fund.
Andrew J. Donohue, Executive Vice President & General Counsel	Secretary of the New York-based Oppenheimer Funds; Vice President of the Denver-based Oppenheimer Funds; Executive Vice President, Director and General Counsel of the Distributor; formerly Senior Vice President and Associate General Counsel of the Manager and the Distributor.
Kenneth C. Eich, Executive Vice President/ Chief Financial Officer	Treasurer of Oppenheimer Acquisition Corporation
George Evans, Vice President	Vice President and Portfolio Manager of Oppenheimer Variable Account Funds and

Oppenheimer Global Securities Fund.

<p>Scott Farrar, Assistant Vice President</p>	<p>Assistant Treasurer of the Oppenheimer Funds; previously a Fund Controller for the Manager.</p>
<p>Ronald H. Fielding Senior Vice President</p>	<p>Vice President and Portfolio Manager of Rochester Fund Municipals and Limited Term New York Municipal Fund</p>
<p>Katherine P.Feld, Vice President and Secretary</p>	<p>Vice President and Secretary of Oppenheimer Funds Distributor, Inc.; Secretary of HarbourView, Main Street Advisers, Inc. and Centennial; Secretary, Vice President and Director of Centennial Capital Corp.</p>
<p>Jon S. Fossel, Chairman of the Board and Director</p>	<p>President and director of Oppenheimer Acquisition Corp. ("OAC"), the Manager's parent holding company; President, CEO and a director of HarbourView; a director of SSI and SFSI; President, Director, Trustee, and Managing General Partner of the Denver-based</p>

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Name & Current Position with OppenheimerFunds, Inc. -----	Other Business and Connections During the Past Two Years -----
	Oppenheimer Funds; President and Chairman of the Board of Main Street Advisers, Inc.; formerly Chief Executive Officer of the Manager.
Robert G. Galli, Vice Chairman	Trustee of the New York-based Oppenheimer Funds; Vice President and Counsel of OAC; formerly he held the following positions: a director of the Distributor, Vice President and a director of HarbourView and Centennial, a director of SFSI and SSI, an officer of other Oppenheimer Funds and Executive Vice President & General Counsel of the Manager and the Distributor.
Linda Gardner, Assistant Vice President	None.
Ginger Gonzalez, Vice President	Formerly 1st Vice President/Director of Creative Services for Shearson Lehman Brothers.
Mildred Gottlieb, Assistant Vice President	Formerly served as a Strategy Consultant for the Private Client Division of Merrill Lynch.
Dorothy Grunwager, Assistant Vice President	None.
Caryn Halbrecht, Vice President	Vice President and Portfolio Manager of Oppenheimer Insured Tax-Exempt Fund and Oppenheimer Intermediate Tax Exempt Fund; an officer of other Oppenheimer Funds; formerly Vice President of Fixed Income Portfolio Management at Bankers Trust.
Barbara Hennigar, President and Chief Executive Officer of Oppenheimer Shareholder Services, a division of OMC.	President and Director of Shareholder Financial Service, Inc.
Alan Hoden, Vice President	None.
Merryl Hoffman, Vice President	None.
Scott T. Huebl, Assistant Vice President	None.
Jane Ingalls, Assistant Vice President	Formerly a Senior Associate with Robinson, Lake/Sawyer Miller.

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Name & Current Position	Other Business and Connections
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with OppenheimerFunds, Inc. -----	During the Past Two Years -----
Bennett Inkeles, Assistant Vice President	Formerly employed by Doremus & Company, an advertising agency.
Frank Jennings Vice President	Portfolio Manager of Oppenheimer Global Growth & Income Fund. Formerly a Managing Director of Global Equities at Paine Webber's Mitchell Hutchins division.
Stephen Jobe, Vice President	None.
Heidi Kagan, Assistant Vice President	None.
Avram Kornberg, Vice President	Formerly a Vice President with Bankers Trust.
Paul LaRocco, Assistant Vice President	Portfolio Manager of Oppenheimer Capital Appreciation Fund and Oppenheimer Variable Account Funds; Associate Portfolio Manager of Oppenheimer Discovery Fund. Formerly a Securities Analyst for Columbus Circle Investors.
Mitchell J. Lindauer, Vice President	None.
Loretta McCarthy, Senior Vice President	None.
Bridget Macaskill, President, Chief Executive Officer and Director	Director and Trustee of the New York based Oppenheimer funds; Vice President and a Director of OAC; Director of HarbourView; Director of Main Street Advisers, Inc.; and Chairman of Shareholder Services, Inc.
Sally Marzouk, Vice President	None.
Marilyn Miller, Vice President	Formerly a Director of marketing for TransAmerica Fund Management Company.
Denis R. Molleur, Vice President	None.
Kenneth Nadler, Vice President	None.
David Negri, Vice President	Vice President and Portfolio Manager of Oppenheimer Strategic Bond Fund, Oppenheimer Multiple Strategies Fund, Oppenheimer Asset Allocation Fund, Oppenheimer Strategic Income Fund, Oppenheimer Strategic Income & Growth Fund, Oppenheimer High Income Fund, Oppenheimer Variable Account Funds and Oppenheimer Bond Fund; an officer of other Oppenheimer Funds.

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Name & Current Position with OppenheimerFunds, Inc. -----	Other Business and Connections During the Past Two Years -----
Barbara Niederbrach, Assistant Vice President	None.
Stuart Novek, Vice President	Formerly a Director Account Supervisor for J. Walter Thompson.
Robert A. Nowaczyk, Vice President	None.
Robert E. Patterson, Senior Vice President	Vice President and Portfolio Manager of Oppenheimer Main Street California Tax-Exempt Fund, Oppenheimer Insured Tax-Exempt Fund, Oppenheimer Intermediate Tax-Exempt Fund, Oppenheimer Florida Tax-Exempt Fund, Oppenheimer New Jersey Tax-Exempt Fund, Oppenheimer Pennsylvania Tax-Exempt Fund, Oppenheimer California Tax-Exempt Fund, Oppenheimer New York

TaxExempt Fund and Oppenheimer Tax-Free Bond Fund;
Vice President of the New York Tax-Exempt Income
Fund, Inc.; Vice President of Oppenheimer
Multi-Sector Income Trust.

Tilghman G. Pitts III,
Executive Vice President
and Director

Chairman and Director of the Distributor.

Jane Putnam,
Assistant Vice President

Associate Portfolio Manager of Oppenheimer
Growth Fund and Oppenheimer Target Fund. Vice
President and Portfolio Manager for Oppenheimer
Variable Account Funds. Formerly Fund; Senior
Investment Officer and Portfolio Manager with
Chemical Bank.

Russell Read,
Vice President

Formerly an International Finance Consultant
for Dow Chemical.

Thomas Reedy,
Vice President

Vice President of Oppenheimer Multi-Sector
Income Trust and Oppenheimer Multi-Government
Trust; an officer of other Oppenheimer Funds;
formerly a Securities Analyst for the Manager.

David Robertson,
Vice President

None.

Adam Rochlin,
Assistant Vice President

Formerly a Product Manager for Metropolitan
Life Insurance Company.

Michael S. Rosen,
Vice President

Vice President and Portfolio Manager of the
Rochester Fund Series - The Bond Fund For Growth

David Rosenberg,
Vice President

Vice President and Portfolio Manager of
Oppenheimer Limited-Term Government Fund and
Oppenheimer U.S. Government Trust. Formerly Vice
President and Senior Portfolio Manager for
Delaware Investment Advisors.

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Name & Current Position
with OppenheimerFunds, Inc.

Other Business and Connections
During the Past Two Years

Richard H. Rubinstein,
Vice President

Vice President and Portfolio Manager of
Oppenheimer Asset Allocation Fund, Oppenheimer
Fund and Oppenheimer Multiple Strategies Fund; an
officer of other Oppenheimer Funds; formerly Vice
President and Portfolio Manager/Security Analyst
for Oppenheimer Capital Corp., an investment
adviser.

Lawrence Rudnick,
Assistant Vice President

Formerly Vice President of Dollar Dry Dock
Bank.

James Ruff,
Executive Vice President

None.

Ellen Schoenfeld,
Assistant Vice President

None.

Diane Sobin,
Vice President

Vice President and Portfolio Manager of
Oppenheimer Total Return Fund, Inc. Oppenheimer
Main Street Funds, Inc. and Oppenheimer Variable
Account Funds; formerly a Vice President and
Senior Portfolio Manager for Dean Witter
InterCapital, Inc.

Nancy Sperte,
Senior Vice President

None.

Donald W. Spiro,
Chairman Emeritus
and Director

President and Trustee of the New York-based
Oppenheimer Funds; formerly Chairman of the
Manager and the Distributor.

Arthur Steinmetz,
Senior Vice President

Vice President and Portfolio Manager of
Oppenheimer Strategic Income Fund, Oppenheimer
Strategic Income & Growth Fund; an officer of
other Oppenheimer Funds.

Ralph Stellmacher, Senior Vice President	Vice President and Portfolio Manager of Oppenheimer Champion Income Fund and Oppenheimer High Yield Fund; an officer of other Oppenheimer Funds.
John Stoma, Vice President	Formerly Vice President of Pension Marketing with Manulife Financial.
James C. Swain, Vice Chairman of the Board of Directors and Director	Chairman, CEO and Trustee, Director or Managing Partner of the Denver-based Oppenheimer Funds; President and a Director of Centennial; formerly President and Director of OAMC, and Chairman of the Board of SSI.
James Tobin, Vice President	None.

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Name & Current Position with OppenheimerFunds, Inc. -----	Other Business and Connections During the Past Two Years -----
Jay Tracey, Vice President	Vice President of the Manager; Vice President and Portfolio Manager of Oppenheimer Discovery Fund. Formerly Managing Director of Buckingham Capital Management.
Gary Tyc, Vice President, Assistant Secretary and Assistant Treasurer	Assistant Treasurer of the Distributor and SFSI.
Jeffrey Van Giesen Vice President	Formerly employed by Kidder Peabody Asset Management.
Ashwin Vasani, Vice President	Vice President and Portfolio Manager of Oppenheimer Multi-Sector Income Trust, Oppenheimer Multi-Government Trust and Oppenheimer International Bond Fund; an officer of other Oppenheimer Funds.
Valerie Victorson, Vice President	None.
Dorothy Warmack, Vice President	Vice President and Portfolio Manager of Daily Cash Accumulation Fund, Inc., Oppenheimer Cash Reserves, Centennial America Fund, L.P., Centennial Government Trust and Centennial Money Market Trust; Vice President of Centennial.
Christine Wells, Vice President	None.
William L. Wilby, Senior Vice President	Vice President and Portfolio Manager of Oppenheimer Global Fund and Oppenheimer Global Growth & Income Fund; Vice President of HarbourView; an officer of other Oppenheimer Funds.
Susan Wilson-Perez, Vice President	None.
Carol Wolf, Vice President	Vice President and Portfolio Manager of Oppenheimer Money Market Fund, Inc., Centennial America Fund, L.P., Centennial Government Trust, Centennial Money Market Trust and Daily Cash Accumulation Fund, Inc.; Vice President of Oppenheimer Multi-Sector Income Trust; Vice President of Centennial.
Robert G. Zack, Senior Vice President and Assistant Secretary	Associate General Counsel of the Manager; Assistant Secretary of the Oppenheimer Funds; Assistant Secretary of SSI, SFSI; an officer of other Oppenheimer Funds.
Eva A. Zeff, Assistant Vice President	An officer of certain Oppenheimer Funds; Assistant Vice President formerly a Securities Analyst for the Manager.

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Name & Current Position with OppenheimerFunds, Inc.	Other Business and Connections During the Past Two Years
----- Arthur J. Zimmer, Vice President	----- Vice President and Portfolio Manager of Centennial America Fund, L.P., Oppenheimer Money Fund, Centennial Government Trust, Centennial Money Market Trust and Daily Cash Accumulation Fund, Inc.; Vice President of Oppenheimer Multi-Sector Income Trust; Vice President of Centennial; an officer of other Oppenheimer Funds.

The Oppenheimer Funds include the New York-based Oppenheimer Funds, and the Denver-based Oppenheimer Funds and the Rochester-based Oppenheimer Funds set forth below:

New York-based Oppenheimer Funds

 Oppenheimer Asset Allocation Fund
 Oppenheimer Bond Fund For Growth
 Oppenheimer California Tax-Exempt Fund
 Oppenheimer Discovery Fund
 Oppenheimer Global Emerging Growth Fund
 Oppenheimer Global Fund
 Oppenheimer Global Growth & Income Fund
 Oppenheimer Gold & Special Minerals Fund
 Oppenheimer Growth Fund
 Oppenheimer Money Market Fund, Inc.
 Oppenheimer Multi-Government Trust
 Oppenheimer Multi-Sector Income Trust
 Oppenheimer Multi-State Tax-Exempt Trust
 Oppenheimer New York Tax-Exempt Fund
 Oppenheimer Fund
 Oppenheimer Target Fund
 Oppenheimer Tax-Free Bond Fund
 Oppenheimer U.S. Government Trust

Denver-based Oppenheimer Funds

 Oppenheimer Cash Reserves
 Centennial America Fund, L.P.
 Centennial California Tax Exempt Trust
 Centennial Government Trust
 Centennial Money Market Trust
 Centennial New York Tax Exempt Trust
 Centennial Tax Exempt Trust
 Daily Cash Accumulation Fund, Inc.
 The New York Tax-Exempt Income Fund, Inc.
 Oppenheimer Champion Income Fund
 Oppenheimer Equity Income Fund
 Oppenheimer High Yield Fund
 Oppenheimer Integrity Funds
 Oppenheimer International Bond Fund
 Oppenheimer Limited-Term Government Fund
 Oppenheimer Main Street Funds, Inc.

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Oppenheimer Strategic Funds Trust
 Oppenheimer Strategic Income & Growth Fund
 Oppenheimer Tax-Exempt Fund
 Oppenheimer Total Return Fund, Inc.
 Oppenheimer Variable Account Funds

Rochester-based Oppenheimer Funds

 Rochester Fund Municipals
 Rochester Fund Series - The Bond Fund For Growth
 Rochester Portfolio Series - Limited Term New York
 Municipal Fund

(b) The address of OppenheimerFunds, Inc. the New York-based Oppenheimer Funds, Oppenheimer Funds Distributor, Inc., Harbourview Asset Management Corp., Oppenheimer Partnership Holdings, Inc., and Oppenheimer Acquisition Corp. is Two World Trade Center, New York, New York 10048-0203.

The address of the Denver-based Oppenheimer Funds, Shareholder Financial Services, Inc., Shareholder Services, Inc., Oppenheimer Shareholder Services, Centennial Asset Management Corporation, Centennial Capital Corp., and Main

Street Advisers, Inc. is 3410 South Galena Street, Denver, Colorado 80231.

The address of Rochester-based Oppenheimer Funds is 350 Linden Oaks, Rochester, New York 14625

ITEM 29. PRINCIPAL UNDERWRITERS

(a) OppenheimerFunds Distributor, Inc. is the Distributor of Registrant's shares. It is also the Distributor of each of the other registered open-end investment companies for which Oppenheimer Funds, Inc. is the investment adviser, as described in Part A and B of this Registration Statement and listed in Item 28(b) above.

(b) The directors and officers of the Registrant's principal underwriter are:

Name & Principal Business Address	Positions & Offices with Underwriter	Positions and Offices with Registrant
George Clarence Bowen+	Vice President & Treasurer	Treasurer
Christopher Blunt 6 Baker Avenue Westport, CT 06880	Vice President	None
Julie Bowers 21 Dreamwold Road Scituate, MA 02066	Vice President	None
Peter W. Brennan 1940 Cotswold Drive Orlando, FL 32825	Vice President	None
Mary Ann Bruce*	Senior Vice President - Financial Institution Div.	None
Robert Coli 12 Whitetail Lane Bedminster, NJ 07921	Vice President	None

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Name & Principal Business Address	Positions & Offices with Underwriter	Positions and Offices with Registrant
Ronald T. Collins 710-3 E. Ponce DeLeon Ave. Decatur, GA 30030	Vice President	None
Mary Crooks+	Vice President	None
Paul Delli Bovi 750 West Broadway Apt. 5M Long Beach, NY 11561	Vice President	None
Andrew John Donohue*	Executive Vice President & Director	Secretary
Wendy H. Ehrlich 4 Craig Street Jericho, NY 11753	Vice President	None
Kent Elwell 41 Craig Place Cranford, NJ 07016	Vice President	None
John Ewalt 2301 Overview Dr. NE Tacoma, WA 98422	Vice President	None
Katherine P. Feld*	Vice President & Secretary	None
Mark Ferro 43 Market Street Breezy Point, NY 11697	Vice President	None

Wendy Fishler*	Vice President - Financial Institution Div.	None
Wayne Flanagan 36 West Hill Road Brookline, NH 03033	Vice President - Financial Institution Div.	None
Ronald R. Foster 11339 Avant Lane Cincinnati, OH 45249	Senior Vice President - Eastern Division Manager	None
Patricia Gadecki 6026 First Ave. South, Apt. 10 St. Petersburg, FL 33707	Vice President	None
Luigginio Galletto 10239 Rougemont Lane Charlotte, NC 28277	Vice President	None

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Name & Principal Business Address -----	Positions & Offices with Underwriter -----	Positions and Offices with Registrant -----
Mark Giles 5506 Bryn Mawr Dallas, TX 75209	Vice President - Financial Institution Div.	None
Ralph Grant*	Vice President/National Sales Manager - Financial Institution Div.	None
Sharon Hamilton 720 N. Juanita Ave. - #1 Redondo Beach, CA 90277	Vice President	None
Carla Jiminez 609 Chimney Bluff Drive Mt. Pleasant, SC 29464	Vice President	None
Michael Keogh*	Vice President	None
Richard Klein 4011 Queen Avenue South Minneapolis, MN 55410	Vice President	None
Hans Klehmet II 26542 Love Lane Ramona, CA 92065	Vice President	None
Ilene Kutno*	Assistant Vice President	None
Wayne A. LeBlang 23 Fox Trail Lincolnshire, IL 60069	Senior Vice President - Director Eastern Div.	None
Dawn Lind 7 Maize Court Melville, NY 11747	Vice President - Financial Institution Div.	None
James Loehle 30 John Street Cranford, NJ 07016	Vice President	None
Laura Mulhall*	Senior Vice President - Director of Key Accounts	None
Charles Murray 50 Deerwood Drive Littleton, CO 80127	Vice President	None

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Positions

Name & Principal Business Address -----	Positions & Offices with Underwriter -----	and Offices with Registrant -----
Joseph Norton 1550 Bryant Street San Francisco, CA 94103	Vice President	None
Patrick Palmer 958 Blue Mountain Cr. West Lake Village, CA 91362	Vice President	None
Randall Payne 1307 Wandering Way Dr. Charlotte, NC 28226	Vice President - Financial Institution Div.	None
Gayle Pereira 2707 Via Arboleda San Clemente, CA 92672	Vice President	None
Charles K. Pettit 22 Fall Meadow Dr. Pittsford, NY 14534	Vice President	None
Bill Presutti 664 Circuit Road Portsmouth, NH 03801	Vice President	None
Tilghman G. Pitts, III*	Chairman & Director	None
Elaine Puleo*	Vice President - Financial Institution Div.	None
Minnie Ra 109 Peach Street Avenel, NJ 07001	Vice President - Financial Institution Div.	None
Ian Robertson 4204 Summit Wa Marietta, GA 30066	Vice President	None
Robert Romano 1512 Fallingbrook Drive Fishers, IN 46038	Vice President	None
James Ruff*	President	None
Timothy Schoeffler 3118 N. Military Road Arlington, VA 22207	Vice President	None
Mark Schon 10483 E. Corrine Dr. Scottsdale, AZ 85259	Vice President	None

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Name & Principal Business Address -----	Positions & Offices with Underwriter -----	Positions and Offices with Registrant -----
Michael Sciortino 785 Beau Chene Dr. Mandeville, LA 70448	Vice President	None
James A. Shaw 5155 West Fair Place Littleton, CO 80123	Vice President - Financial Institution Div.	None
Robert Shore 26 Baroness Lane Laguna Niguel, CA 92677	Vice President - Financial Institution Div.	None
Peggy Spilker 2017 N. Cleveland, #2 Chicago, IL 60614	Vice President - Financial Institution Div.	None
Michael Stenger C/O America Building	Vice President	None

30 East Central Pkwy
Suite 1008
Cincinnati, OH 45202

George Sweeney 1855 O'Hara Lane Middletown, PA 17057	Vice President	None
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Scott McGregor Tatum 7123 Cornelia Lane Dallas, TX 75214	Vice President	None
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Dave Thomas 111 South Joliet Circle #304 Aurora, CO 80112	Vice President - Financial Institution Div.	None
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Philip St. John Trimble 2213 West Homer Chicago, IL 60647	Vice President	None
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Gary Paul Tyc+	Assistant Treasurer	None
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Mark Stephen Vandehey+	Vice President	None
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Gregory K. Wilson 2 Side Hill Road Westport, CT 06880	Vice President	None
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Bernard J. Wolocko 33915 Grand River Farmington, MI 48335	Vice President	None
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William Harvey Young+	Vice President	None
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* Two World Trade Center, New York, NY 10048-0203
+ 3410 South Galena St., Denver, CO 80231

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(c) Not applicable.

ITEM 30. LOCATION OF ACCOUNTS AND RECORDS

All accounts, books or other documents required to be maintained by Section 31(a) of the Investment Company Act of 1940, as amended, and the General Rules and Regulations promulgated thereunder, are in possession of OppenheimerFunds, Inc. at its offices at 3410 South Galena Street, Denver, Colorado 80231, except that records with regard to items covered by Registrant's Custodian Agreement, are maintained by, or under agreement with, its Custodian, Investors Bank & Trust Company, 89 South Street, Boston, MA 02111.

ITEM 31. MANAGEMENT SERVICES

There are no management-related service contracts not discussed in Parts A and B of this Form under which services are provided to the Registrant and, therefore, this Item 31 is not applicable.

ITEM 32. UNDERTAKINGS

(a) Not applicable

(b) Not applicable

(c) The Registrant hereby undertakes to furnish each person to whom a Prospectus is delivered with a copy of the Registrant's latest annual report to shareholders, upon request and without charge.

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SIGNATURES

Pursuant to the requirements of the Securities Act of 1933 and/or the Investment Company Act of 1940, the Registrant has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of New York and State of New York on the 10th day of January, 1996

ROCHESTER PORTFOLIO SERIES

By: /s/ BRIDGET A. MACASKILL

Bridget A. Macaskill, Chairman
of the Board and President

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed below by the following persons in the capacities and on the dates indicated:

Signatures	Title	Date
/s/ BRIDGET A. MACASKILL ----- Bridget A. Macaskill	Chairman of the Board, President (Principal Executive Officer) and Trustee	January 10, 1996
/s/ GEORGE C. BOWEN ----- George C. Bowen	Treasurer (Principal Financial and Accounting Officer)	January 10, 1996
/s/ JOHN CANNON ----- John Cannon	Trustee	January 10, 1996
/s/ PAUL Y. CLINTON ----- Paul Y. Clinton	Trustee	January 10, 1996
/s/ THOMAS W. COURTNEY ----- Thomas W. Courtney	Trustee	January 10, 1996
/s/ LACY B. HERRMANN ----- Lacy B. Herrmann	Trustee	January 10, 1996
/s/ GEORGE LOFT ----- George Loft	Trustee	January 10, 1996

ROCHESTER PORTFOLIO SERIES

AMENDED AND RESTATED AGREEMENT AND DECLARATION OF TRUST

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AMENDED AND RESTATED AGREEMENT AND DECLARATION OF TRUST

OF

ROCHESTER PORTFOLIO SERIES

This AMENDED AND RESTATED AGREEMENT AND DECLARATION OF TRUST made this 26th day of January, 1995, by and among the individuals executing this Amended and Restated Declaration of Trust as the Trustees.

WHEREAS, the Trustees established Rochester Portfolio Series (the "Trust"), a business trust currently with one series, Limited Term New York Municipal Fund (the "Fund"), under the laws of the Commonwealth of Massachusetts, for the investment and reinvestment of funds contributed thereto, under an Agreement and Declaration of Trust (the "Declaration of Trust") dated June 13, 1991 and filed with the Commonwealth of Massachusetts on June 14, 1991, as amended pursuant to an Amendment dated February 6, 1992:

WHEREAS, The Trustees desire to make permitted changes to said Declaration of Trust; and

WHEREAS, such changes have been approved by the Trustees by a unanimous consent;

NOW, THEREFORE, the Trustees declare that all money and property contributed to the Trust hereunder shall henceforth be held and managed under this Amended and Restated Declaration of Trust IN TRUST as herein set forth below.

ARTICLE 1

NAME AND DEFINITIONS

Section 1.1 NAME. This Trust shall be known as Rochester Portfolio Series and the Trustees shall conduct the business of the Trust under that name or any other name or names as they may from time to time determine.

Section 1.2 DEFINITIONS. Whenever used herein, unless otherwise required by the context or specifically provided:

(a) The "Trust" refers to the Massachusetts business trust established by this Amended and Restated Agreement and Declaration of Trust, as amended from time to time, inclusive of each and every Series and Class established hereunder;

(b) "Trustees" refers to the Trustees of the Trust and of each Series hereunder named herein or elected in accordance with Article 3;

(c) "Shares" refers to the equal, proportionate, transferable units of interest into which the beneficial interest of the Trust and each Series or Class of the Trust (as the context may require) shall be divided from time to time and includes fractions of Shares as well as whole Shares consistent with the requirements of federal and/or state securities laws;

(d) "Series" refers to Series of Shares established and designated under or in accordance with the provisions of Article 4;

(e) "Class" means a class of a series of shares established and designated under or in accordance with the provisions of Article 4;

(f) "Shareholder" means a record owner of Shares;

(g) The "1940 Act" refers to the Investment Company Act of 1940 and the Rules and Regulations thereunder, all as amended from time to time;

(h) The term "Commission" shall have the meaning given it in the 1940 Act;

(i) "Declaration of Trust" shall mean this Amended and Restated Agreement and Declaration of Trust as amended or restated from time to time; and

(j) "By-Laws" shall mean the By-Laws of the Trust as amended from time to time.

Section 1.3 RESIDENT AGENT. The name and address of the Trust's Resident Agent is CT Corporation, 2 Oliver Street, Boston, Massachusetts 02109.

Section 1.4 PRINCIPAL PLACE OF BUSINESS. The Trust's principal place of business is 350 Linden Oaks, Rochester, New York 14625. The Trust is in compliance with and will continue to comply with Massachusetts law.

ARTICLE 2

PURPOSE OF TRUST

The purpose or purposes for which the Trust is formed and the business or objects to be transacted, carried on and prompted by it are as follows:

Section 2.1 To hold, invest, or reinvest its funds, and in connection therewith to hold part or all of its funds in cash, and to purchase or otherwise acquire, hold for investment or otherwise, sell, sell short, assign, negotiate, transfer, exchange or otherwise dispose of or turn to account or realize upon, securities (which term "securities" shall for the purpose of this Declaration of Trust, without limitation of the generality thereof, be deemed to include any stocks, shares, bonds, financial futures contracts, indexes, debentures, notes, mortgages or other obligations, and any certificates, receipts, warrants or other instruments representing rights to receive, purchase or subscribe for the same, or evidencing or representing any other rights or interests therein, or in any property or assets) created or issued by an issuer (which term "issuer" shall for the purpose of this Declaration of Trust, without limitation of the generality thereof be deemed to any include any persons, firms, associations, corporations, syndicates, business trusts, partnerships, investment companies, combinations, organizations, governments, or subdivisions thereof) and in financial instruments (whether they are considered as securities or

commodities); and to exercise, as owner or holder of any and all acts and things for the preservation, protection, improvement and enhancement in value of any or all such securities or financial instruments.

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Section 2.2 To borrow money and pledge assets in connection with any of the objects or purposes of the Trust, and to issue notes or other obligations evidencing such borrowings, to the extent permitted by the 1940 Act and by the Trust's fundamental investment policies under the 1940 Act.

Section 2.3 To issue and sell its Shares in such Series and Classes and amounts and on such terms and conditions, for such purposes and for such amount or kind of consideration (including without limitation thereto, securities) now or hereafter permitted by the laws of the Commonwealth of Massachusetts and by this Declaration of Trust, as the Trustees may determine.

Section 2.4 To purchase or otherwise acquire, hold, dispose of, resell, transfer, reissue or cancel its Shares, or to classify or reclassify any unissued Shares or any Shares previously issued and reacquired of any Series or Class into one or more Series or Classes that may have been established and designated from time to time, all without the vote or consent of the Shareholders of the Trust, in any manner and to the extent now or hereafter permitted by this Declaration of Trust.

Section 2.5 To conduct its business at one or more offices within the State of New York and elsewhere in any part of the world, without restriction or limit as to extent.

Section 2.6 To carry out all or any of the foregoing objects and purposes as principal or agent, and alone or with associates or to the extent now or hereafter permitted by the laws of Massachusetts, as a member of, or as the owner or holder of any stock of, or shares of interest in, any issuer, and in connection therewith or make or enter into such deeds or contracts with any issuers and to do such acts and things and to exercise such powers, as a natural person could lawfully make, enter into, do or exercise.

Section 2.7 To do any and all such further acts and things and to exercise any and all such further powers as may be necessary, incidental, relative, conducive, appropriate or desirable for the accomplishments, carrying out or attainment of all or any of the foregoing purposes or objects.

The foregoing objects and purposes shall, except as otherwise expressly provided, be in no way limited or restricted by reference to, or inference from, the terms of any other clause of this or any other Article of this Declaration of Trust, and shall each be regarded as independent and construed as powers as

well as objects and purposes, and the enumeration of specific purposes, objects and powers shall not be construed to limit or restrict in any manner the meaning of general terms or the general powers of the Trust now or hereafter conferred by the laws of the Commonwealth of Massachusetts nor shall the expression of one thing be deemed to exclude another, though it be of a similar or dissimilar nature, not expressed; provided, however, that the Trust shall not carry on any business, or exercise any powers, in any state, territory, district or country except to the extent that the same may lawfully be carried on or exercised under the laws thereof.

ARTICLE 3

THE TRUSTEES

Section 3.1 NUMBER, DESIGNATION, ELECTION, TERM, ETC.

(a) NUMBER. The Trustees serving as such, in accordance with the provisions of this Declaration of Trust, may increase or decrease the number of Trustees to a number other than the number theretofore determined. No decrease in the number of Trustees shall have the effect of removing any Trustee from office prior to the expiration of his or her term, but the number of Trustees may be decreased in conjunction with the removal of a Trustee pursuant to subsection (d) of this Section 3.1.

(b) ELECTION AND TERM. The Trustees shall be elected by Shareholders of the Trust. Each Trustee, whether named above or hereafter becoming a trustee, shall serve as a Trustee of the Trust and of each Series of the Trust hereunder during the lifetime of this Trust and until its termination as hereinafter provided except as such Trustee sooner dies, resigns or is removed. Subject to Section 16(a) of the 1940 Act, the Trustees may elect their own successors and may, pursuant to Section 3.1(e) hereof appoint Trustees to fill vacancies.

(c) RESIGNATION AND RETIREMENT. Any Trustee may resign his trust or retire as Trustee, by written instrument signed by him and delivered to the other Trustees or to any officer of the Trust, and such resignation or retirement shall take effect upon such a delivery or upon such later date as is specified in such instrument and shall be effective as to the Trust and each Series of the Trust hereunder.

(d) REMOVAL. Any Trustee may be removed with or without cause at any time: (i) by written instrument, signed by at least two-thirds of the number of Trustees prior to such removal, specifying the date upon which such removal shall become effective; or (ii) by vote of Shareholders holding not less than two-thirds of the Shares then outstanding, cast in person or by proxy at any meeting called for the purpose; or (iii) by a written declaration signed by Shareholders holding not less than two-thirds of the Shares then outstanding and filed with the Trust's Custodian. Any such removal shall be effective as to the Trust and each Series or Class hereunder.

(e) VACANCIES. Any vacancy or anticipated vacancy resulting from any reason, including without limitation the death, resignation, retirement, removal, or incapacity of any of the Trustees, or resulting from an increase in the number of Trustees by the other Trustees may (but need not unless required by the 1940 Act) be filled either by a majority of the remaining Trustees, subject to the provisions of Section 16(a) of the 1940 Act, through the appointment in writing of such other person as such remaining Trustees in their discretion shall determine and such appointment shall be effective upon the written acceptance of the person named therein to serve as a Trustee and agreement by such person to be bound by the provisions of this Declaration of Trust, except that any such appointment in anticipation of a vacancy to occur by reason of retirement, resignation, or increase in number of Trustees to be effective at a later date shall become effective only at or after the effective date of said retirement, resignation, or increase in number of Trustees. As soon as any Trustee so appointed shall have accepted such appointment and shall have agreed in writing to be bound by this Declaration of Trust and the appointment is effective, the Trust estate shall vest in the new Trustee, together with the continuing Trustees, without any further act or conveyance.

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(f) Effect of Death, Resignation, etc. The death, resignation, retirement, removal, or incapacity of the Trustees, or any one of them, shall not operate to annul or terminate the Trust or any Series hereunder or to revoke or terminate any existing agency or contract created or entered into pursuant to the terms of this Declaration of Trust.

(g) No Accounting. Except to the extent required by the 1940 Act or under circumstances which would justify his removal for cause, no person ceasing to be a Trustee as a result of his death, resignation, retirement, removal or incapacity (nor the estate of any such person) shall be required to make an accounting to the Shareholders or remaining Trustees upon such cessation.

Section 3.2 Power of Trustees. Subject to the provisions of this Declaration of Trust, the business of the Trust shall be managed by Trustees,

and they shall have all powers necessary or convenient to carry out that responsibility and the purpose of the Trust.

Without limiting the foregoing and to the extent not inconsistent with the 1940 Act or other applicable law, the Trustees shall have power and authority for and on behalf of the Trust and each separate Series or Class established hereunder, and the Trustees may:

(a) adopt By-Laws not inconsistent with this Declaration of Trust providing for the conduct of the business and affairs of the Trust and may amend and repeal them to the extent that such By-Laws do not reserve that right to the Shareholders;

(b) from time to time in accordance with the provisions of Section 4.3 hereof establish Series, each Series to operate as a separate and distinct investment medium and with separately defined investment objectives and policies and distinct investment purposes and to allocate assets, liabilities and expenses of the Trust to a particular Series of Shares or to apportion the same among two or more Series, provided that any liability or expense incurred by a particular Series of Shares shall be payable solely out of the assets of that Series;

(c) as they consider appropriate elect and remove officers and appoint and terminate agents and consultants and hire and terminate employees, and one or more the foregoing of whom may be a Trustee, and may provide for the compensation of all of the foregoing;

(d) appoint from their own number, and terminate, any one or more committees consisting of two or more Trustees, including without implied limitation an executive committee, which may, when the Trustees are not in session and subject to the 1940 Act, exercise some or all of the power and authority of the Trustees as the Trustees may determine;

(e) in accordance with Section 3.3, employ one or more advisers, administrators, depositories and custodians and may authorize any depository or custodian to employ subcustodians or agents and to deposit all or any part of such assets in a system or systems for the central handling of securities and debt instruments;

(f) retain transfer, dividend, accounting or shareholder servicing agents or any of the foregoing, provide for the distribution of Shares by the Trust through one or more distributors, principal underwriters or otherwise;

(g) set record dates or times for the determination of Shareholders or

various of them with respect to various matters;

(h) compensate or provide for the compensation of the Trustees, officers, advisers, administrators, custodians, other agents, consultants and employees of the Trust or the Trustees on such terms as they deem appropriate;

(i) in general, delegate to any officer of the Trust, to any committee of the Trustees and to any employee, adviser, administrator, distributor, depository, custodian, transfer and dividend disbursing agent, or any other agent or consultant of the Trust such authority, powers, functions and duties as they consider desirable or appropriate for the conduct of the business and affairs of the Trust, including without implied limitation, the power and authority to act in the name of the Trust and of the Trustees, to sign documents and to act as an attorney-in-fact for the Trustees.

(j) invest and reinvest cash or other property, and to hold cash or other property uninvested without in any event being bound or limited by any present or future law or custom in regard to investments by Trustees;

(k) sell, exchange, lend, pledge, mortgage, hypothecate, write options on and lease any or all of the assets of the Trust;

(l) vote or give assent, or exercise any rights of ownership, with respect to stock or other securities, debt instruments or property; and to execute and deliver proxies or powers of attorney to such person or persons as Trustees shall deem proper, granting to such person or persons such power and discretion with relation to securities, debt instruments or property as the Trustees shall deem proper;

(m) exercise powers and rights of subscription or otherwise which in any manner arise out of ownership of securities or debt instruments;

(n) hold any security, debt instrument or property in a form not indicating any trust, whether in bearer, unregistered or other negotiable form, or in the name of the Trustees or of the Trust or of any Series or Class or in the name of a custodian, subcustodian or other depository or a nominee or nominees or otherwise;

(o) consent to or participate in any plan for the reorganization, consolidation or merger of any corporation or issuer, any security or debt instrument of which is or was held in the Trust; to consent to any contract, lease, mortgage, purchase or sale of property by such corporation or issuer, and to pay calls or subscriptions with respect to any security or debt instrument held in the Trust;

(p) join with other holders of any securities or debt instruments in acting through a committee, depository, voting trustee or otherwise, and in that connection to deposit any security or debt instrument with, or transfer any security or debt instrument to, any such committee, depository or trustee, and to delegate to them such power and authority with relation to any security or debt instrument (whether or not so deposited or transferred) as the Trustees

shall deem proper, and to agree to pay, and to pay, such portion of the expenses and compensation of such committee, depository or trustee as the Trustees shall deem proper;

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(q) compromise, arbitrate or otherwise adjust claims in favor of or against the Trust or any Series or Class or any matter in controversy, including, but not limited to, claims for taxes;

(r) enter into joint ventures, general or limited partnerships and any other combinations or associations;

(s) borrow funds and to mortgage and pledge the assets of the Trust or any part thereof to secure obligations arising in connection with such borrowing;

(t) endorse or guarantee the payment of any notes or other obligations of any person; to make contracts of guaranty or suretyship, or otherwise assume liability for payment thereof; and to mortgage and pledge the Trust property or any part thereof to secure any or all of such obligations;

(u) purchase and pay for entirely out of Trust property such insurance as they may deem necessary or appropriate for the conduct of the business of the Trust, including, without limitation, insurance policies insuring the assets of the Trust and payment of distributions and principal on its portfolio investments, and insurance policies insuring the Shareholders, Trustees, officers, employees, agents, consultants, investment advisers, managers, administrators, distributors, principal underwriter, or independent contractors, or any thereof (or any person connected therewith), of the Trust individually against all claims and liabilities of every nature arising by reason of holding, being or having held any such office or position, or by reason of any action alleged to have been taken or omitted by any such person in any such capacity, including any action taken or omitted that may be determined to constitute negligence, whether or not the Trust would have the power to indemnify such person against such liability; and

Except as otherwise provided by the 1940 Act or other applicable law, this Declaration of Trust or the By-Laws, any action to be taken by the Trustees on behalf of the Trust or any Series or Class may be taken by a majority of the Trustees present at a meeting of Trustees (a quorum, consisting of at least a majority of the Trustees then in office, being present), within and without Massachusetts, including any meeting held by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear such other at the same time and participation by such means shall constitute presence in person at a meeting, or by the unanimous written consent of the Trustees then in office.

Section 3.3 Certain Contracts. Subject to compliance with the provisions of the 1940 Act, but notwithstanding any limitations of present and future law or custom in regard to delegation of powers by trustees generally, the Trustees may, at any time and from time to time and without limiting the generality of their powers and authority otherwise set forth herein, enter into one or more contracts with any one or more corporations, trusts, associations, partnerships, limited partnerships, other type of organizations, or individuals ("Contracting Party"), to provide for the performance and assumption of some or all of the following services, duties and responsibilities to, for or on behalf of the Trust and/or any Sub-Trust, and/or the Trustees, and to provide for the performance and assumption of such other services, duties and responsibilities in addition to those set forth below as the Trustees may determine appropriate:

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(a) Advisory. Subject to the general supervision of the Trustees and in conformity with the stated policy of the Trustees with respect to the investments of the Trust or of the assets belonging to any Series of the Trust (as that phrase is defined in subsection (a) of Section 4.3), to manage such investments and assets, make investment decisions with respect thereto, and to place purchase and sale orders for portfolio transactions relating to such investments and assets;

(b) Administration. Subject to the general supervision of the Trustees and in conformity with any policies of the Trustees with respect to the operations of the Trust and each Series or Class, to supervise all or any part of the operations of the Trust and each Series or Class, and to provide all or any part of the administrative and clerical personnel, office space and office equipment and service appropriate for the efficient administration and operations of the Trust and each Series or Class;

(c) Distribution. To distribute the Shares of the Trust and each Series or Class, to the principal underwriter of such Shares, and/or to act as agent of the Trust and each Series or Class in the sale of Shares and the acceptance or rejection of orders for the purchase of Shares;

(d) Custodian and Depository. To act as depository for and to maintain custody of the property of the Trust and each Series or Class and accounting records in connection therewith;

(e) Transfer and Dividend Disbursing Agency. To maintain records of the ownership of outstanding Shares, the issuance and redemption and the transfer thereof, and to disburse any dividends declared by the Trustees and in

accordance with the policies of the Trustees and/or the instructions of any particular Shareholder to reinvest any such dividends;

(f) Shareholder Servicing. To provide service with respect to the relationship of the Trust and its Shareholders, records with respect to Shareholders and their Shares, and similar matters; and

(g) Accounting. To handle all or any part of the accounting responsibilities, whether with respect to the Trust's properties, Shareholders or otherwise.

The same person may be the Contracting Party for some or all of the services, duties and responsibilities to, for and of the Trust and/or the Trustees, and the contracts with respect thereto may contain such terms interpretive of or in addition to the delineation of the services, duties and responsibilities provided for, including provisions that are not inconsistent with the 1940 Act relating to the standard of duty of and the rights to indemnification of the Contracting Party and others, as the Trustees may determine. Nothing herein shall preclude, prevent or limit the Trust or a Contracting Party from entering into sub-contractual arrangements relative to any of the matters referred to in Sections 3.3(a) through (g) hereof.

The fact that:

(i) any of the Shareholders, Trustees or officers of the Trust is a shareholder, director, officer, partner, trustee, employee, manager, advisor, principal underwriter or distributor or agent of or for any Contracting Party, or of or for any parent or affiliate of any Contracting Party or that the Contracting Party or any parent or affiliate thereof is a Shareholder or has an interest in the Trust or any Sub-Trust, or that

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(ii) any Contracting Party may have a contract providing for the rendering of any similar services to one or more other corporations, trusts, associations, partnerships, limited partnerships or other organizations, or have other business or interests, shall not affect the validity of any contract for the performance and assumption of services, duties and responsibilities to, for or of the Trust or any Series and/or the Trustees or disqualify any Shareholder, Trustee or officer of the Trust from voting upon or executing the same or create any liability or accountability to the Trust, any Series or its Shareholders, provided that in the case of any relationship or interest referred to in the preceding clause (i) on the part of any Trustee or officer of the Trust either (A) the material facts as known to such relationship or interest have been disclosed to or are known by the Trustees not having any such relationship or interest and the contract involved is approved in good faith by a majority of

such Trustees not having any such relationship or interest (even though such unrelated or disinterested Trustees are less than a quorum of all of the Trustees, or (B) the material facts as to such relationship or interest and as to the contract have been disclosed to or are known by the Shareholders, and (C) the specific contract involved is fair to the Trust as of the time it is authorized, approved or ratified by the Trustees or by the Shareholders.

Section 3.4 Payment of Trust Expenses and Compensation of Trustees. The Trustees are authorized to pay or to cause to be paid out of the principal or income of the Trust or any Series or Class, or partly out of principal and partly out of income, and to charge or allocate the same to, between or among such one or more of the Series or Class that may be established and designated pursuant to Article 4, as the Trustees deem fair, all expenses, fees, charges, taxes and liabilities incurred or arising in connection with the Trust or any Series or Class, or in connection with the management thereof, including, but not limited to, the Trustees' compensation and such expenses and charges for the services of the Trust's officers, employees, investment adviser, administrator, distributor, principal underwriter, auditor, counsel, depository, custodian, transfer agent, dividend disbursing agent, accounting agent, Shareholder servicing agent, and such other agents, consultants, and independent contractors and such other expenses and charges as the Trustees may deem necessary or proper to incur. Without limiting the generality of any other provision hereof, the Trustees shall be entitled to reasonable compensation from the Trust for their services as Trustees and may fix the amount of such compensation.

Section 3.5 Assets and Liabilities of the Trust. The assets of the Trust shall be held separate and apart from any assets now or hereafter held in any capacity other than as Trustee hereunder by the Trustees or any successor Trustees. All of the assets of the Trust shall at all times be considered as vested in the Trustees. No Shareholder shall be deemed to have a severable ownership in any individual asset of the Trust or any right of partition or possession thereof, but each Shareholder of a Series or Class of Shares of the Trust shall have a proportionate undivided beneficial interest in the assets belonging to the Series of Class of Shares of the Trust held by the Shareholders of such Series or Class of Shares in the Trust.

All consideration received by the Trust for the issue or sale of Shares of a particular Series or Class, together with all assets in which such consideration is invested or reinvested, all income, earnings, profits, and proceeds thereof, including any proceeds derived from the sale, exchange or liquidation of such assets, and any funds or payments derived from any reinvestment of such proceeds in whatever form the same may be, shall be referred to as "assets belonging to" that Series or Class and shall be held by the Trustees in Trust for the benefit of the Shareholders of that Series or Class. The assets belonging to each particular Series or Class shall be charged with the liabilities of that Series or Class and all expenses, costs, charges and reserves attributable to that Series or Class. In addition, any assets, income,

earnings, profits, and proceeds thereof, funds, or payments or any general liabilities, expenses, costs, charges or reserves of the Trust which are not readily identifiable as belonging to or chargeable to any particular Series shall be allocated by the Trustees between and among one or more of the Series in such a manner as they, in their sole discretion, deem fair and equitable. Each such allocation shall be conclusive and binding upon the Shareholders of all Series for all purposes, and shall be referred to as assets belonging to that Series. Any creditor of any Series may look only to the assets of that Series to satisfy such creditor's debt. Certain expenses also may be allocated to a particular Class of Shares. All such Class expenses will be charged directly to the net assets of the particular Class and thus will be borne on a pro rata basis by the outstanding Shares of the Class.

ARTICLE 4

SHARES

Section 4.1 Description of Shares. The Shares of the Trust shall be issued in one or more separate and distinct Series and/or classes as the Trustees may, without shareholder approval, authorize. Each Series shall be preferred over all other Series in respect of the assets allocated to that Portfolio. The beneficial interest of each Series shall at all times be divided into an unlimited number of transferable Shares, each of which shall represent an equal proportionate interest in the Series with each other Shares of the same Series, none having priority or preference over another. Each such share shall be fully paid and nonassessable. Each Series shall be represented by one or more classes of Shares, with each class possessing such rights (including, notwithstanding any contrary provision herein, voting rights) as the Trustees, without shareholder approval, authorize. The number of shares authorized shall be unlimited, and the Shares so authorized may be represented in part by fractional shares. The Trustees may from time to time and without shareholder approval divide or combine the Shares of any Series or class into a greater or lesser number without thereby changing the proportionate beneficial interest in the Series.

(a) The number of authorized Shares and the number of Shares of each Series and each Class of a Series that may be issued is unlimited, and the Trustees may issue Shares of any Series or Class of any Series for such consideration and on such terms as they may determine (or for no consideration if pursuant to a Share dividend or split-up), all without action or approval of the Shareholders. All Shares when so issued on the terms determined by the Trustees shall be fully paid and non-assessable (but may be subject to mandatory redemption by the Trust as provided in subsection (g) of Section 4.3). The Trustees may classify or reclassify any unissued Shares or any Shares previously issued and reacquired of any Series or into one or more Series or Classes of Series that may be established and designated from time to time. The Trustees may hold as treasury Shares, reissue for such consideration and on such terms as they many determine,

or cancel, at their discretion from time to time, any Shares of any Series reacquired by the Trust.

The Trustees may from time to time close the transfer books or establish record dates and times for the purposes of determining the holders of Shares entitled to be treated as such, to the extent provided or referred to in Section 5.3.

(b) The establishment and designation of any Series or any Class of any Series in addition to those established and designated in Section 4.2 and 4.3 shall be effective upon the execution by a majority of

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the Trustees of an instrument setting forth such establishment and designation and the relative rights and preferences of the Shares of such Series or such Class of such Series, or as otherwise proved in such instrument. At any time that there are no Shares outstanding of any particular Series previously established and designated the Trustees may by an instrument executed by a majority of their number abolish that Series and the establishment and designation thereof. Each instrument referred to in this paragraph shall have the status of an amendment to this Declaration of Trust.

(c) Any Trustee, officer of other agent of the Trust, and any organization in which any such person is interested may acquire, own, hold and dispose of Shares of any Series of the Trust to the same extent as if such person were not a Trustee, officer or other agent of the Trust; and the Trust may issue and sell or cause to be issued and sold and may purchase Shares of any Series from any such person or any such organization subject only to the general limitations, restrictions or other provisions applicable to the sale or purchase of Shares of such Series generally.

Section 4.2 Establishment and Designation of Classes of Shares. The Trustees shall have the authority without shareholder approval from time to time to divide the Shares of any Series into two or more Classes as they deem necessary or desirable, and to establish and designate such Classes. In such event, each Class of a Series shall represent interests in the designated Series of the Trust and have such voting, dividend, liquidation and other rights as may be established and designated by the Trustees. Expenses related directly or indirectly to the Shares of a Class of a Series may be borne solely by such Class (as shall be determined by the Trustees) and, as provided in Section 4.3, a Class of a Series may have exclusive voting rights with respect to matters relating solely to such Class. The bearing of expenses solely by a Class of Shares or a Series shall be appropriately reflected (in the manner determined by the Trustees) in the net asset value, dividend, and liquidation rights of the Shares of such Class of a Series. The division of the Shares of a Series into Classes and the terms and conditions pursuant to which the Shares of the Classes

of a Series will be issued must be made in compliance with 1940 Act and other federal securities laws.

Section 4.3 Establishment and Designation of Series. Without limiting the authority of the Trustees set forth in Section 4.1 to establish and designate any further Series, the Trustees hereby establish and designate one Series: Limited Term New York Municipal Fund and any Shares of any further Series that may from time to time be established and designated by the Trustees shall (unless the Trustees otherwise determine with respect to some further Series at the time of establishing and designating the same) have the following relative rights and preferences:

(a) Assets Belonging to Series. All consideration received by the Trust for the issue or sale of Shares of a particular Series, together with all assets in which such consideration is invested or reinvested, all income, earnings, profits, and proceeds thereof, including any proceeds derived from the sale, exchange or liquidation of such assets, and any funds or payments derived from any reinvestment of such proceeds in whatever form the same may be, shall be held by the Trustees in trust for the benefit of the holders of Shares of the Series and shall irrevocably belong to that Series for all purposes, and shall be so recorded upon the books of account of the Trust. Such consideration, assets, income, earnings, profits, and proceeds thereof, including any proceeds derived from the sale, exchange or liquidation of such assets, and any funds or payments derived from any reinvestment of such proceeds, in whatever

form the same may be, together with any General Items allocated to that Series as provided in the following sentence, are herein referred to as "assets belonging to" that Series. In the event that there are any assets, income, earnings, profits, and proceeds thereof, funds, or payments which are not readily identifiable as belonging to any particular Series (collectively "General Items"), the Trustee shall allocate such General Items to and among any one or more of the Series established and designated from time to time in such manner and on such basis as they, in their sole discretion, deem fair and equitable; and any General Items so allocated to a particular Series. Each such allocation by the Trustees shall be conclusive and binding upon the Shareholders of all Series for all purposes.

(b) (1) Liabilities Belonging to Series. The assets belonging to each particular Series shall be charged with the liabilities in respect of that Series and all expenses, costs, charges and reserves attributable to that Series, and any general liabilities, expenses, costs, charges or reserves of the Trust which are not readily identifiable as belonging to any particular Series shall be allocated and charged by the Trustees to and among any one or more of

the Series established and designated from time to time in such manner and on such basis as the Trustees in their sole discretion deem fair and equitable. The liabilities, expenses, costs, charges and reserves allocated and so charged to a Series are herein referred to as "liabilities belonging to" that Series. Each allocation of liabilities, expenses, costs, charges and reserves by the Trustees shall be conclusive and binding upon the Shareholders of all Series for all purposes. Any creditor of any Series may look only to the assets of that Series to satisfy such creditor's debt.

(2) Liabilities Belonging to a Class. If a Series is divided into more than one Class, the liabilities, expenses, costs, charges and reserves attributable to a Class may be charged and allocated to the Class to which such liabilities, expenses, costs, charges or reserves are attributable. Any general liabilities, expenses, costs, charges or reserves belonging to the Series which are not identifiable as belonging to any particular Class shall be allocated and charged by the Trustees to and among any one or more of the Classes established and designated from time to time in such manner and on such a basis as the Trustees in their sole discretion deem fair and equitable. The liabilities, expenses, costs, charges and reserves allocated and so charged to each Class are herein referred to as "Liabilities belonging to" that Class. Each allocation of liabilities, expenses, costs, charges and reserves by the Trustees shall be conclusive and binding upon the holders of all Classes for all purposes.

(3) Income and Capital Items. The Trustees shall have full discretion, to the extent not inconsistent with the 1940 Act, to determine which items shall be treated as income and which items as capital; and each such determination and allocation shall be conclusive and binding upon the Shareholders.

(c) Dividends. Dividends and distributions on Shares of a particular Series or Class may be paid with such frequency as the Trustees may determine, which may be daily or otherwise pursuant to a standing resolution or resolutions adopted only once or with such frequency as the Trustees may determine, to the holders of Shares of that Series or Class, from such of the income and capital gains, accrued or realized, from the assets belonging to that Series, as the Trustees may determine, after providing for actual and accrued liabilities belonging to such Series or Class. All dividends and distributions on Shares of a particular Series or Class shall be distributed pro rata to the holders of Shares of such Series or Class in proportion to the number of Shares of such Series or Class held by such holders at the date and time of record established for the payment of such dividends or distributions, except that in connection with any dividend or distribution program or procedure the Trustees may determine that no dividend or distribution shall be payable on Shares as to which the Shareholder's

established by the Trustees under such program or procedure. Such dividends and distributions may be made in cash or Shares of that Series or Class or a combination thereof as determined by the Trustees or pursuant to any program that the Trustees may have in effect at the time for the election by each Shareholder of the mode of the making of such dividend or distribution to that Shareholder. Any such dividend or distribution paid in Shares will be paid at the net asset value thereof as determined in accordance with subsection (h) of Section 4.3.

(d) Liquidation. In the event of the liquidation or dissolution of the Trust, the Shareholders of all Classes of each Series that has been established and designated shall be entitled to receive, as a Series or Class, when and as declared by the Trustees, the excess of the assets belonging to such Series or Class over the liabilities belonging to that Series or Class. The assets so distributable to the Shareholders of any particular Series or Class shall be distributed among such Shareholders in proportion to the number of Shares of such Class of that Series held by them and recorded on the books of the Trust. The liquidation of any particular Series or Class may be authorized by vote of a majority of the Trustees then in office subject to the approval of a majority of the outstanding voting Shares of that Series or Class, as defined in the 1940 Act.

(e) Voting. On each matter submitted to a vote of the Shareholders, each holder of a Share of each Series shall be entitled to one vote for each whole Share and for a proportionate fractional vote for each fractional Share standing in his name on the books of the Trust and all shares of each Series shall vote as a separate class, except as to voting for Trustees and as otherwise required by the 1940 Act. As to any matter which does not affect the interest of a particular Series, only the holders of Shares of one or more of the affected Series shall be entitled to vote. If the shares of a Series shall be divided into Classes as provided in Section 4.2, the shares of each Class shall have identical voting rights except that the Trustees, in their discretion, may provide a Class of a Series with exclusive voting rights with respect to matters which relate solely to such Class. If the Shares of any Series shall be divided into Classes with a Class having exclusive voting rights with respect to certain matters, the quorum and voting requirements described below with respect to action to be taken by the shareholders of the Class of such Series on such matters shall be applicable only to the Shares of such Class. Any fractional Share shall carry proportionately all the rights of a whole Share, including the right to vote and the right to receive dividends.

(f) Redemption by Shareholders. In case any Shareholder of record of a particular Series desires to dispose of Shares, that shareholder may deposit at the office of the transfer agent or other authorized agent of the Trust a written request or such other form of request as the Trustees may from time to time authorize, requesting that the Trust purchase said Shares in accordance with this Section 4.3; and the Shareholder so requesting shall be entitled to require the Trust to purchase, and the Trust or the principal underwriter of the Trust shall purchase said Series, but only at the Net Asset Value thereof (as described in Section 4.3(h) hereof). The Series shall make payment for any such Shares to be redeemed, as aforesaid, in cash to the extent required by Federal

law, and securities from such Series' assets, and payment for such Shares shall be made by the Series or the principal underwriter to the Shareholder of record within seven (7) days after the date upon which the request is effective, provided, however, that if Shares being redeemed have been purchased by check, the Series may postpone payment until the Trust has assurance that good payment has been collected for the purchase of the Shares. The Trust may require Shareholders to pay a sales charge to the Trust, the underwriter or any other person designated

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by the Trustees upon redemption or repurchase of Shares of any Portfolio in such amount as shall be determined from time to time by the Trustees. The amount of such sales charge may but need not vary depending on various factors, including without limitation the holding period of the redeemed or repurchased Shares. The Trustees may also charge a redemption or repurchase fee in such amount as may be determined from time to time by the Trustees.

(g) Redemption by Trust. Each Share of each Series or Class that has been established and designated is subject to redemption by the Trust at the redemption price which would be applicable if such Share was then being redeemed by the Shareholder pursuant to subsection (f) of this Section 4.3: (a) at any time, if the Trustees determine in their sole discretion that failure to so redeem may have materially adverse consequences to the holders of the Shares of the Trust or any Series or Class thereof, or (b) upon such other conditions as may from time to time be determined by the Trustees and set forth in the then current Prospectus of the Trust with respect to maintenance of Shareholder accounts of a minimum amount. Upon such redemption of the holders of the Shares so redeemed shall have no further right with respect thereto other than to receive payment of such redemption price.

(h) Net Asset Value. The net asset value per Share of any Series or Class shall be the quotient obtained by dividing the value of the net assets of that Series or Class (being the value of the assets belonging to that Series or Class less the liabilities belonging to that Series or Class) by the total number of Shares of that Series or Class outstanding, all determined in accordance with the methods and procedures, including without limitation those with respect to rounding, established by the Trustees from time to time.

The Trustees may determine to maintain the net asset value per Share of any Series or Class at a designated constant dollar amount and in connection therewith may adopt procedures not inconsistent with the 1940 Act for the continuing declarations of income attributable to that Series or Class as dividends payable in additional Shares of that Series or Class at the designated constant dollar amount and for the handling of any losses attributable to that Series or Class. Such procedures may provide that in the event of any loss each Shareholder shall be deemed to have contributed to the capital of the Trust

attributable to that Series or Class his pro rata portion of the total number of Shares required to be cancelled in order to permit the net asset value per Share of that Series or Class to be maintained, after reflecting such loss, at the designated constant dollar amount. Each shareholder of the Trust shall be deemed to have agreed, by his investment in any Series or Class with respect to which the Trustees shall have adopted any such procedure, to make the contribution referred to in the preceding sentence in the event of any such loss.

(i) Transfer. All Shares of each particular Series shall be transferable, but transfers of Shares of a particular Series and Class will be recorded on the Share transfer records of the Trust applicable to such Class of that Series only at such times as Shareholders shall have the right to require the Trust to redeem Shares of such Class of that Series and at such other times as may be permitted by the Trustees.

(j) Equality. All Shares of all Series shall represent an equal proportionate interest in the assets belonging to that Series (subject to the liabilities belonging to such Class of that Series), and each Share of any particular Series shall be equal to each other Share of that Series; but the provisions of this sentence shall not restrict any distinctions permissible under subsection (c) of this Section 4.3 that may exist with respect to dividends and distributions on Shares of the different Classes of a Series. The Trustees may from time to time without shareholder approval divide or combine the Shares of that Class

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or Series into a greater or lesser number of Shares of that Class or Series without thereby changing the proportionate beneficial interest in the assets belonging to that Class or Series or in any way affecting the rights of Shares of any other Class or Series.

(k) Fractions. Any fractional Share of any Class and Series, if any such fractional Share is outstanding, shall carry proportionately all the rights and obligations of a whole Share of that Class and Series, including rights and obligations with respect to voting, receipt of dividends and distributions, redemption of Shares, and liquidation of the Trust.

(l) Conversion Rights. Subject to compliance with the requirements of the 1940 Act, the Trustees shall have the authority to provide that (i) holders of Shares of any Series shall have the right to exchange said Shares into Shares of one or more other Series of Shares, (ii) holders of shares of any Class shall have the right to exchange said Shares into Shares of one or more other Classes of the same or a different Series, and/or (iii) the Trust shall have the right to carry out the aforesaid exchanges, in each case in accordance with such requirements and procedures as may be established by the Trustees.

Section 4.4 Ownership of Shares. The ownership of Shares shall be recorded on the books of the Trust or of a transfer or similar agent for the Trust, which books shall be maintained separately for the shares of each Class and Series that has been established and designated. No certificate certifying the ownership of Shares need be issued except as the Trustees may otherwise determine from time to time. The Trustees may make such rules as they consider appropriate for the issuance of Share certificates, the use of facsimile signatures, the transfer of Shares and similar matters. The record books of the Trust as kept by the Trust or any transfer or similar agent, as the case may be, shall be conclusive as to who are the Shareholders and as to the number of Shares of each Class and Series held from time to time by each such Shareholder.

Section 4.5 Investments in the Trust. The Trustees may accept investments in the Trust from such persons and on such terms and for such consideration, not inconsistent with the provisions of the 1940 Act, as they from time to time authorize. The Trustees may authorize any distributor, principal underwriter, custodian, transfer agent or other person to accept orders for the purchase of Shares that conform to such authorized terms and to reject any purchase orders for Shares whether or not conforming to such authorized terms.

Section 4.6 No Preemptive Rights. Shareholders shall have no preemptive or other right to subscribe to any additional Shares or other securities issued by the Trust.

Section 4.7 Status of Shares and Limitation of Personal Liability. Shares shall be deemed to be personal property giving only the rights provided in this instrument. Every Shareholder by virtue of having become a Shareholder shall be held to have expressly assented and agreed to the terms hereof and to have become a party hereto. The death of a Shareholder during the continuance of the Trust shall not operate to terminate the Trust or any Series or Class thereof nor entitle the representative of any deceased Shareholder to an accounting or to take any action in court or elsewhere against the Trust or the Trustees, but only to the rights of said decedent under this Trust. Ownership of Shares shall not entitle the Shareholder to any title in or to the whole or any part of the Trust property or right to call for a partition or division of the same or for an accounting, nor shall the ownership of Shares constitute the Shareholders partners. Neither the Trust nor the Trustees, nor any officer, employee or agent of the

Trust shall have any power to bind personally any Shareholder, nor except as specifically provided herein to call upon any Shareholder for the payment of any sum of money or assessment whatsoever other than such as the Shareholder may at any time personally agree to pay.

SHAREHOLDERS' VOTING POWERS AND MEETINGS

Section 5.1 Voting Powers. The Shareholders shall have power to vote only (i) for the election or removal of Trustees as provided in Section 3.1, (ii) with respect to any contract with a Contracting Party as provided in Section 3.3 as to which Shareholder approval is required by the 1940 Act, (iii) with respect to any termination or reorganization of the Trust or any Series to the extent and as provided in Sections 7.1 and 7.2, (iv) with respect to any amendment of this Declaration of Trust, to the extent and as provided in Section 7.3, (v) to the same extent as the stockholders of a Massachusetts business corporation as to whether or not a court action, proceeding or claim would or should not be brought or maintained derivatively as a class action on behalf of the Trust or any Series or Class thereof or the Shareholders (provided, however, that a shareholder of a particular Series or Class shall not be entitled to initiate a derivative or class action on behalf of any other Series or Class (or shareholder of any other Series or Class) of the Trust) and (vi) with respect to such additional matters relating to the Trust as may be required by the 1940 Act, this Declaration of Trust, the By-Laws or any registration of the Trust with the Commission (or successor agency) or any state, or as the Trustees may consider necessary or desirable. There shall be no cumulative voting on the election of Trustees. Shares may be voted in person or by proxy. A proxy with respect to shares held in the name of two or more persons shall be valued if executed by any one of them unless at or prior to exercise of the proxy the Trust receives specific written notice to the contrary from any one of them. A proxy purporting to be executed by or on behalf of a Shareholder shall be deemed valid unless challenged at or prior to its exercise and the burden of proving invalidity shall rest on the challenger. Until shares are issued, the Trustees may exercise all rights of Shareholders and may take any action required by law, this Declaration of Trust or the By-Laws to be taken by the Shareholders.

Section 5.2 Meetings. No annual or regular meeting of Shareholders is required. Special meetings of Shareholders may be called by the Trustees from time to time for the purpose of taking action upon any matter requiring the vote or authority of the Shareholders as herein provided or upon any other matter deemed by the Trustees to be necessary or desirable. Written notice of any meeting of Shareholders shall be given or caused to be given by the Trustees by mailing such notice at least seven days before such meeting, postage prepaid, stating the time, place and purpose of the meeting, to each Shareholder at the Shareholder's address as it appears on the records of the Trust. The Trustees shall promptly call and give notice of a meeting of Shareholders for the purpose of voting upon removal of any Trustee of the Trust when requested to do so in writing by Shareholders holding not less than 10% of the Shares then outstanding. If the Trustees shall fail to call or give notice of any meeting of Shareholders for a period of 30 days after written application by Shareholders holding at least 10% of the Shares then outstanding requesting a meeting be called for a purpose requiring action by the Shareholders as provided herein or in the By-Laws, then Shareholders holding at least 10% of the Shares then outstanding may call and give notice of such meeting and thereupon the meeting shall be held in the manner provided for herein in case of call thereof by the

Section 5.3 Record Dates. For the purpose of determining the Shareholders who are entitled to vote or act at any meeting or any adjournment thereof, or who are entitled to participate in any dividend or distribution, or for the purpose of any other action, the Trustees may from time to time close the transfer books for such period, not exceeding 30 days (except at or in connection with the termination of the Trust), as the Trustees may determine; or without closing the transfer books the Trustees may fix a date and time not more than 60 days prior to the date of any meeting of Shareholders or other action as the date and time of record for the determination of Shareholders entitled to vote at such meeting or any adjournment thereof or to be treated as Shareholders of record for purposes of such other action, and any Shareholder who was a Shareholder at the date and time so fixed shall be entitled to vote at such meeting or any adjournment thereof or to be treated as a Shareholder of record for purposes of such other action, even though he has since that date and time disposed of his Shares, and no Shareholder becoming such after that date and time shall be so entitled to vote at such meeting or any adjournment thereof or to be treated as a Shareholder of record for purposes of such other action.

Section 5.4 Quorum and Required Vote. A majority of the Shares, or of the Shares of any Series or Class of any Series with respect to matters as to which only shareholders of said Series or Class of Series, respectively, entitled to vote shall be a quorum for the transaction of business at a Shareholders' meeting, but any lesser number shall be sufficient for adjournments. Any adjourned session or sessions may be held, within a reasonable time after the date set for the original meeting without the necessity of further notice. A majority of the Shares voted, at a meeting of which a quorum is present shall decide any questions and a plurality shall elect a Trustee, except when a different vote is required or permitted by any provision of the 1940 Act or other applicable law or by this Declaration of Trust or the By-Laws.

Section 5.5 Action by Written Consent. Subject to the provisions of the 1940 Act and other applicable law, any action taken by Shareholders may be taken without a meeting if the holders of all outstanding shares entitled to vote on the matter consent to the action in writing and such written consents are filed with the records of the meetings of Shareholders. Such consent shall be treated for all purposes as a vote taken at a meeting of Shareholders.

Section 5.6 Inspection of Record. The records of the Trust shall be open to inspection by Shareholders to the same extent as is permitted stockholders of a Massachusetts business corporation under the Massachusetts Business Corporation Law.

Section 5.7 Additional Provisions. The By-Laws may include further provisions for Shareholders' votes and meetings and related matters not inconsistent with the provisions hereof.

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Section 5.8 Shareholder Communications. Whenever ten or more Shareholders of record have been such for at least six months preceding the date of application, and who hold in the aggregate either Shares having a net asset value of at least \$25,000 or at least 1% of the outstanding Shares, whichever is less, shall apply to the Trustees in writing, stating that they wish to communicate with other Shareholders with a view to obtaining signatures to a request for a Shareholder meeting and accompanied by a form of communication and request which they wish to transmit, the Trustees shall within five business days after receipt of such application either (1) afford to such applicants access to a list of the names and addresses of all Shareholders as recorded on the books of the Trust or Series, as applicable; or (2) inform such applicants as to the approximate number of Shareholders of record, and the approximate cost of mailing to them the proposed communication and form of request.

If the Trustees elect to follow the course specified in paragraph (2) above the Trustees, upon the written request of such applicants, accompanied by a tender of the material to be mailed and of the reasonable expenses of mailing, shall, with reasonable promptness, mail such material to all Shareholders of record of their addresses as recorded on the books, unless within five business days after such tender the Trustees shall mail to such applicants and file with the Commission, together with a copy of the material to be mailed, a written statement signed by at least a majority of the Trustees to the effect that in their opinion either such material contains untrue statements of fact or omits to state facts necessary to make the statements contained therein not misleading, or would be in violation of applicable law, and specifying the basis of such opinion. The Trustees shall thereafter comply with the requirements of the 1940 Act.

ARTICLE 6

LIMITATION OF LIABILITY, INDEMNIFICATION

Section 6.1 Trustees, Shareholders, etc. Not Personally Liable; Notice. All persons extending credit to, contracting with or having any claim against the Trust shall look only to the assets of the Series or Class with which such person dealt for payment under such credit, contract or claim; and neither the Shareholders of any Series or Class nor the Trustees, nor any of the Trust's officers, employees or agents, whether past, present or future, nor any other Series shall be personally liable therefor. Every note, bond, contract, instrument, certificate or undertaking and every other act or thing whatsoever executed or done by or on behalf of the Trust, and Series or Class or the Trustees or any of them in connection with the Trust shall be conclusively deemed to have been executed or done only by or for the Trust (or the Series or Class) or the Trustees and not personally. Nothing in this Declaration of Trust shall protect any Trustee or officer against any liability to the Trust or the Shareholders to which such Trustee or officer would otherwise be subject by reason of wilful misfeasance, bad faith, gross negligence, or reckless disregard of the duties involved in the conduct of the office of Trustee or of such officer.

Every note, bond, contract, instrument, certificate or undertaking made or issued by the Trustees or by any officers or officer shall give notice that this Declaration of Trust is on file with the Secretary of the Commonwealth of Massachusetts and shall recite that the same was executed or made by or on behalf of the Trust or by them as Trustees or Trustee or as officers or officer and not individually and that the obligations of such instrument are not binding upon any of them or the Shareholders individually but are binding only upon the assets and property of the Trust, or the particular Series or Class in question, as

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the case may be, but the omission thereof shall not operate to bind any Trustees or Trustee or officers or officer of Shareholders or Shareholder individually.

Section 6.2 Trustee's Good Faith Action; Expert Advice; No Bond or Surety. The exercise by the Trustees of their powers and discretion hereunder shall be binding upon everyone interested. A Trustee shall be liable for his own wilful misfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of the office of Trustee, and for nothing else, and shall not be liable for errors in judgment or mistakes of fact or law. Subject to the foregoing, (a) the Trustees shall not be responsible or liable in any event for any neglect or wrongdoing of any officer, agent, employee, consultant, adviser, administrator, distributor or principal underwriter, custodian or transfer, dividend disbursing, Shareholder servicing or accounting agent of the Trust, nor shall any Trustee be responsible for the act or omission of any other Trustee; (b) the Trustees may take advice of counsel or other experts with respect to the meaning and operation of this Declaration of Trust and their

duties as Trustees, and shall be under no liability for any act or omission in accordance with such advice or for failing to follow such advice; and (c) in discharging their duties, the Trustees, when acting in good faith, shall be entitled to rely upon the books of account of the Trust and upon written reports made to the Trustees by any officer appointed by them, any independent public accountant, and (with respect to the subject matter of the contract involved) any officer, partner or responsible employee of a Contracting Party appointed by the Trustees pursuant to Section 3.3. The Trustees as such shall not be required to give any bond or surety or any other security for the performance of their duties.

Section 6.3 Indemnification of Shareholders. In case any Shareholder (or former Shareholder) shall be charged or held to be personally liable for any obligation or liability of the Trust solely by reason of being or having been a Shareholder and not because of such Shareholder's acts or omissions or for some other reason, said Trust (upon proper and timely request by the Shareholder) shall assume the defense against such charge and satisfy any judgment thereon, and the Shareholder or former Shareholder (or his heirs, executors, administrators or other legal representatives or in the case of a corporation or other entity, its corporate or other general successor) shall be entitled out of the assets of said Trust estate to be held harmless from and indemnified against all loss and expense arising from such liability.

Section 6.4 Indemnification of Trustees, Officers, etc. The Trust shall indemnify (from the assets of the Series or Class or Series or Classes in question) each of its Trustees and officers (including persons who serve at the Trust's request as directors, officers or trustees of another organization in which the Trust has any interest as a Shareholder, creditor or otherwise (hereinafter referred to as "Covered Person") against all liabilities, including but not limited to amounts paid in satisfaction of judgments, in compromise or as fines and penalties, and expenses, including reasonable accountants' and counsel fees, incurred by any Covered Person in connection with the defense or disposition of any action, suit or other proceeding, whether civil or criminal, before any court or administrative or legislative body, in which such Covered Person may be or may have been involved as a party or otherwise or with which such person may be or may have been threatened, while in office or thereafter, by reason of being or having been such a Trustee or officer, director or trustee, except with respect to any matter as to which it has been determined in one of the manners described below, that such Covered Person (i) did not act in good faith in the reasonable belief that such Covered Person's action was in or not opposed to the best interests of the Trust or (ii) had acted with wilful misfeasance, bad faith, gross negligence, or reckless disregard of the duties involved in the conduct described in (i) and (ii) being referred to hereafter as "Disabling Conduct." A determination that the Covered Person is not entitled to indemnification due to

Disabling Conduct may be made by (i) a final decision on the merits by a court or other body before whom the proceeding was brought that the person to be indemnified was not liable by reason of Disabling Conduct, (ii) dismissal of a court action or an administrative proceeding against a Covered Person for insufficiency of evidence of Disabling Conduct, or (iii) a reasonable determination, based upon a review of the facts, that the indemnitee was not liable by reason of the facts, that the indemnitee was not liable by reason of Disabling Conduct by (a) a vote of a majority of a quorum of Trustees who are neither "interested persons" of the Trust as defined in section 2(a)(19) of the 1940 Act nor parties to the proceeding, or (b) an independent legal counsel in a written opinion. Expenses, including accountants' and counsel fees so incurred by any such Covered Person (but excluding amounts paid in satisfaction of judgments, in compromise or as fines or penalties), may be paid from time to time in advance of the final disposition of any such action, suit or proceeding, provided that the Covered Person shall have undertaken to repay the amounts so paid to the Series or Class in question if it is ultimately determined that indemnification of such expenses is not authorized under this Article 6 and (i) the Covered Person shall have provided security for such undertaking, (ii) the Trust shall be insured against losses arising by reason of any lawful advances, or (iii) a majority of a quorum of the disinterested Trustees who are not a party to the proceeding, or an independent legal counsel in a written opinion, shall have determined, based on a review of readily available facts (as opposed to a full trial-type inquiry), that there is reason to believe that the Covered Party ultimately will be found entitled to indemnification.

Section 6.5 Compromise Payment. As to any matter disposed of by a compromise payment by any such Covered Person referred to in Section 6.4, pursuant to a consent decree or otherwise, no such indemnification either for said payment or for any other expenses shall be provided unless such indemnification shall be approved (a) by a majority of the disinterested Trustees who are not a party to the proceeding or (b) by an independent legal counsel in a written opinion. Approval by the Trustees pursuant to clause (a) or by independent legal counsel pursuant to clause (b) shall not prevent the recovery from any Covered Person of any amount paid to such Covered Person in accordance with any of such clauses as indemnification if such Covered Person is subsequently adjudicated by a court of competent jurisdiction not to have acted in good faith in the reasonable belief that such Covered Person's action was in or not opposed to the best interests of the Trust or to have been liable to the Trust or its Shareholders by reason of wilful misfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of such Covered Person's office.

Section 6.6 Indemnification Not Exclusive, etc. The right of indemnification provided by this Article 6 shall not be exclusive of or affect any other rights to which any such Covered Person may be entitled. As used in this Article 6, "Covered Person" shall include such person's heirs, executors and administrators, an "interested Covered Person" is one against whom the action, suit or other proceeding in question or another action, suit or other proceeding on the same or similar grounds is then or has been pending or threatened, and a "disinterested" person is a person against whom none of such

actions, suits or other proceedings or another action, suit or other proceeding on the same or similar grounds is then or has been pending or threatened. Nothing contained in this article shall affect any rights to indemnification to which personnel of the Trust, other than Trustees and officers, and other persons may be entitled by contract or otherwise under law, nor the power of the Trust to purchase and maintain liability insurance on behalf of any such person.

Section 6.7 Liability of Third Persons Dealing with Trustees. No person dealing with the Trustees shall be bound to make any inquiry concerning the validity of any transaction made or to be made by the Trustees or to see to the application of any payments made or property transferred to the Trust or upon its order.

ARTICLE 7

MISCELLANEOUS

Section 7.1 Duration and Termination of Trust. Unless terminated as provided herein, the Trust shall continue without limitation of time and, without limiting the generality of the foregoing, no change, alteration or modification with respect to any Series or Class shall operate to terminate the Trust. The Trust may be terminated at any time by a majority of the Trustees then in office subject to a favorable vote of a majority of the outstanding voting securities, as defined in the 1940 Act, Shares of each Series or Class voting separately by Series or Class.

Upon termination, after paying or otherwise providing for all charges, taxes, expenses and liabilities, whether due or accrued or anticipated as may be determined by the Trustees, the Trust shall in accordance with such procedures as the Trustees consider appropriate reduce the remaining assets to distributable form in cash, securities or other property, or any combination thereof, and distribute the proceeds to the Shareholders, in conformity with the provisions of subsection (d) of Section 4.3.

Section 7.2 Reorganization. The Trustees may sell, convey, merge and transfer the assets of the Trust, or the assets belonging to any one or more Series or Classes, to another trust, partnership, association or corporation organized under the laws of any state of the United States, or to the Trust to be held as assets belonging to another Series or Class of the Trust, in exchange for cash, shares or other securities (including, in the case of a transfer to another Series or Class of the Trust, Shares of such other Series or Class) with

such transfer either (1) being made subject to, or with the assumption by the transferee of, the liabilities belonging to each Series or Class the assets of which are so transferred, or (2) not being made subject to, or not with the assumption of, such liabilities; provided, however, that no assets belonging to any particular Series or Class shall be so transferred unless the terms of such transfer shall have first been approved at a meeting called for the purpose by the affirmative vote of the holders of a majority of the outstanding voting Shares, as defined in the 1940 Act, of that Series or Class. Following such transfer, the Trustees shall distribute such cash, shares or other securities (giving due effect to the assets and liabilities belonging to and any other differences among the various Series or Classes the assets belonging to which have been so transferred) among the Shareholders of the Series or Class the assets belonging to which have been so transferred; and if all of the assets of the Trust have been so transferred, the Trust shall be terminated.

The Trust, or any one or more Series or Classes, may either as the successor, survivor, or non-survivor, (1) consolidate with one or more other trusts, partnerships, associations or corporations organized under the laws of the Commonwealth of Massachusetts or any other state of the United States, to form a new consolidated trust, partnership, association or corporation under the laws of which any one of the constituent entities is organized, or (2) merge into one or more other trusts, partnerships, associations or corporations organized under the laws of the Commonwealth of Massachusetts or any other state of the United States, or have one or more such trusts, partnerships, associations or

corporations merge into it, any such consolidation or merger to be upon such terms and conditions as are specified in an agreement and plan of reorganization entered into by the Trust, or one or more Series or Classes as the case may be, in connection therewith. The terms "merge" or "merger" as used herein shall also include the purchase or acquisition of any assets of any other trust, partnership, association or corporation which is an investment company organized under the laws of the Commonwealth of Massachusetts or any other state of the United States. Any such consolidation or merger shall require the affirmative vote of the holders of a majority of the outstanding voting Shares, as defined in the 1940 Act, of each Sub-Trust affected thereby.

Section 7.3 Amendments. All rights granted to the Shareholders under this Declaration of Trust are granted subject to the reservation of the right to amend this Declaration of Trust as herein provided, except that no amendment shall repeal the limitations on personal liability of any Shareholder or Trustee or repeal the prohibition of assessment upon the Shareholders without the express consent of each Shareholder or Trustee involved. Subject to the foregoing, the provisions of this Declaration of Trust (whether or not related to the rights of Shareholders) may be amended at any time, so long as such

amendment does not adversely affect the rights of any Shareholder with respect to which such amendment is or purports to be applicable and so long as such amendment is not in contravention of applicable law, including the 1940 Act, by an instrument in writing signed by a majority of the then Trustees (or by an officer of the Trust pursuant to the vote of a majority of such Trustees). Any amendment to this Declaration of Trust that adversely affects the rights of Shareholders may be adopted at any time by an instrument in writing signed by a majority of the then Trustees (or by an officer of the Trust pursuant to the vote of a majority of such Trustees) when authorized to do so by the vote in accordance with subsection (e) of Section 4.3 of Shareholders holding a majority of the Shares entitled to vote. Subject to the foregoing, any such amendment shall be effective as provided in the instrument containing the terms of such amendment or, if there is no provision therein with respect to effectiveness upon the execution of such instrument and of a certificate (which may be a part of such instrument) executed by a Trustee or officer of the Trust to the effect that such amendment has been duly adopted.

Section 7.4 Filing of Copies; References; Headings. The original or a copy of this instrument and of each restated declaration of trust or amendment hereto shall be kept at the office of the Trust where it may be inspected by any Shareholder. A copy of this instrument and of each restated declaration of trust or amendment or hereto shall be filed with the Secretary of the Commonwealth of Massachusetts and with any other governmental office where such filing may from time to time be required, but the failure to make any such filing shall not impair the effectiveness of this instrument or any such restatement or amendment. Anyone dealing with the Trust may rely on a certificate by an officer of the Trust as to whether or not any such restatements or amendments have been made, as to the identities of the Trustees and officers, and as to any matters in connection with the Trust hereunder; and, with the same effect as if it were the original, may rely on a copy certified by an officer of the Trust to be a copy of this instrument or of any such restatements or amendments. In this instrument and in any such restatement or amendment, references to this instrument, and all expressions like "herein," "hereof" and "hereunder" shall be deemed to refer to this instrument as a whole as the same may be amended or affected by any such restatements or amendments. The masculine gender shall include the feminine and neuter genders. Headings are placed herein for convenience of reference only and shall not be taken as a part hereof or control of affect the meaning, construction or effect of this instrument. This instrument may be executed in any number of counterparts each of which shall be deemed an original.

Section 7.5 Applicable Law. This Agreement and Declaration of Trust is created under and is to be governed by and construed and administered according to the laws of the Commonwealth of Massachusetts, including the Massachusetts

Business Corporation Law as the same may be amended from time to time, to which reference is made with the intention that matters not specifically covered herein or as to which an ambiguity may exist shall be resolved as if the Trust were a business corporation organized in Massachusetts, but the reference to said Business Corporation Law is not intended to give the Trust, the Trustee, the Shareholders or any other person any right, power, authority or responsibility available only to or in connection with an entity organized in corporate form. The Trust shall be of the type referred to in Section 1 of Chapter 182 of the Massachusetts General Laws and of a type commonly called a Massachusetts business trust, and without limiting the provisions hereof, the Trust may exercise all powers which are ordinarily exercised by such a Trust.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands and seals for themselves and their assigns, as of the day and year first above written.

/s/ ROBERT E. BROWN

/s/ RONALD H. FIELDING

Robert E. Brown

Ronald H. Fielding

/s/ ELTON J. BURGETT

/s/ MARVIN J. HOFFMAN

Elton J. Burgett

Marvin J. Hoffman, M.D.

/s/ JOSEPH A. BURNETT

/s/ MICHAEL S. ROSEN

Joseph A. Burnett

Michael S. Rosen

/s/ JOHN CANNON

/s/ ERIC W. ZAENGLEIN

John Cannon

Eric W. Zaenglein

/s/ ANGELO COSTANZA

Angelo Costanza

ROCHESTER PORTFOLIO SERIES

Amendment to the Agreement and Declaration of Trust

This amendment to the Amended and Restated Agreement and Declaration of Trust of Rochester Portfolio Series (the "Restated Declaration of Trust") executed this

1st day of November, 1995.

WHEREAS, the Trustees established Rochester Portfolio Series (the "Trust"), a business trust currently with one series, Limited Term New York Municipal Fund, under the laws of the Commonwealth of Massachusetts, for the investment and reinvestment of funds contributed thereto, under an Agreement and Declaration of Trust dated June 13, 1991 and filed with the Commonwealth of Massachusetts on June 14, 1991, as amended on February 6, 1992; and

WHEREAS, the Restated Declaration of Trust dated January 26, 1995 was filed by the Trust with the Commonwealth of Massachusetts on February 8, 1995; and

WHEREAS, Section 7.3 of the Restated Declaration of Trust requires that amendments thereto be by an instrument in writing signed by an officer of the Trust pursuant to a majority vote of the Trustees and filed with the Commonwealth of Massachusetts; and

WHEREAS, the Trustees now desire to amend the Restated Declaration of Trust and such amendments and filing thereof have been approved by the unanimous written consent of the Trustees.

NOW, THEREFORE,

1. The Restated Declaration of Trust is hereby amended to revise Section 5.1 entitled "Voting Powers"

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and Section 5.3 entitled "Record Date."

2. Section 5.1 shall read in its entirety as follows:

Section 5.1 Voting Powers. The Shareholders shall have power to vote only (i) for the election or removal of Trustees as provided in Section 3.1, (ii) with respect to any contract with a Contracting Party as provided in Section 3.3 as to which Shareholder approval is required by the 1940 Act, (iii) with respect to any termination or reorganization of the Trust or any Series to the extent and as provided in Sections 7.1 and 7.2, (iv) with respect to any amendment of this Declaration of Trust, to the extent and as provided in Section 7.3, (v) to the same extent as the stockholders of a Massachusetts business corporation as to whether or not a court action, proceeding or claim would or should not be brought or maintained derivatively as a class action on behalf of the Trust or any Series or Class thereof or the Shareholders (provided, however, that a shareholder of a particular Series or Class shall not be entitled to initiate a derivative or class action on behalf of any other Series or Class (or shareholder of any other Series or Class) of the Trust) and (vi) with respect to such

additional matters relating to the Trust as may be required by the 1940 Act, this Declaration of Trust, the By-Laws or any registration of the Trust with the Commission (or successor agency) or any state, or as the Trustees may consider necessary or desirable. There shall be no cumulative voting on the election of Trustees. Shares may be voted in person or by proxy. Proxy votes may be recorded by telephone in accordance with such procedures as may be established by the Trustees from time to time. A shareholder may designate by telephone a person as his or her attorney-in-fact to vote his or her proxy in written form. A proxy with respect to shares held in the name of two or more persons shall be valid if executed by any one of them unless at or prior to exercise of the proxy the Trust receives specific written notice to the contrary from any one of them. A proxy purporting to be executed by or on behalf of a Shareholder shall be deemed valid unless challenged at or prior to its exercise and the burden of proving invalidity shall rest on the challenger. Until shares are issued, the Trustees may exercise all rights of Shareholders and may take any action required by law, this Declaration of Trust or the By-Laws to be taken by the Shareholders.

3. Section 5.3 shall read in its entirety as follows:

Section 5.3 Record Dates. For the purpose of determining the Shareholders who are entitled to vote or act at any meeting or any adjournment thereof, or who are entitled to participate in any dividend or distribution, or for the purpose of any other action, the Trustees may from time to time close the transfer books for such period, not exceeding 30 days (except at or in connection with the termination of the Trust), as the Trustees may determine; or without closing the transfer books the Trustees may fix a date and time not more than 60 days prior to the date of any meeting of Shareholders or other action as the date and time of record for the determination of Shareholders entitled to vote at such meeting or any adjournment thereof, whether or not the date to which a meeting is adjourned is a date in excess of 60 days of the Record Date, or to be treated

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as Shareholders of record for purposes of such other action, and any Shareholder who was a Shareholder at the date and time so fixed shall be entitled to vote at such meeting or any adjournment thereof or to be treated as a Shareholder of record for purposes of such other action, even though he has since that date and time disposed of his Shares, and no Shareholder becoming such after that date and time shall be so entitled to vote at such meeting or any adjournment thereof or to be treated as a Shareholder of record for purposes of such other action.

4. These revisions to the Restated Declaration of Trust shall be effective upon filing of this amendment with the Secretary of State of the Commonwealth of

Massachusetts.

5 All other terms and conditions of the Restated Declaration of Trust shall remain the same.

IN WITNESS WHEREOF, the undersigned has caused this Amendment to be executed on the day and year first set forth above.

Rochester Portfolio Series

/s/ RONALD H. FIELDING

Ronald H. Fielding, President

EXHIBIT 5

INVESTMENT ADVISORY AGREEMENT

AGREEMENT, made the 4th day of January, 1996, by and between ROCHESTER PORTFOLIO SERIES, a Massachusetts business trust (hereinafter referred to as the "Trust"), and OPPENHEIMER MANAGEMENT CORPORATION (hereinafter referred to as "OMC").

WHEREAS, the Trust is an open-end, non-diversified management investment company registered as such with the Securities and Exchange Commission (the "Commission") pursuant to the Investment Company Act of 1940 (the "Investment Company Act"), and OMC is an investment adviser registered as such with the Commission under the Investment Advisers Act of 1940;

WHEREAS, LIMITED TERM NEW YORK MUNICIPAL FUND (the "Fund") is the one portfolio of the Trust;

WHEREAS, the Fund has Shares of beneficial interest to be issued by the Fund ("Shares") pursuant to the Fund's registration statement;

WHEREAS, the Fund desires that OMC shall act as its investment adviser pursuant to this Agreement;

NOW, THEREFORE, in consideration of the mutual promises and covenants hereinafter set forth, it is agreed by and between the parties, as follows:

1. GENERAL PROVISIONS:

The Trust hereby employs OMC and OMC hereby undertakes to act as the investment adviser of the Fund in connection with, and for the benefit of, the Fund and to perform for the Fund such other duties and functions in connection with the Fund for the period and on such

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terms as set forth in this Agreement. OMC shall, in all matters, give to the Trust and its Board of Trustees (the "Trustees") the benefit of its best judgment, effort, advice and recommendations and shall, at all times conform to, and use its best efforts to enable the Fund to conform to (i) the provisions of the Investment Fund Act and any rules or regulations thereunder; (ii) any other applicable provisions of state or Federal law; (iii) the provisions of the Declaration of Trust and By-Laws of the Trust as amended from time to time; (iv)

policies and determinations of the Trustees; (v) the fundamental policies and investment restrictions of the Fund as reflected in the registration statement of the Trust under the Investment Company Act or as such policies may, from time to time, be amended and (vi) the Prospectus and Statement of Additional Information of the Fund in effect from time to time. The appropriate officers and employees of OMC shall be available upon reasonable notice for consultation with any of the Trustees and officers of the Trust with respect to any matters dealing with the business and affairs of the Trust including the valuation of portfolio securities of the Fund which are either not registered for public sale or not traded on any securities market.

2. INVESTMENT MANAGEMENT:

(a) OMC shall, subject to the direction and control by the Trustees, (i) regularly provide investment advice and recommendations to the Fund with respect to the investments, investment policies and the purchase and sale of securities and other investments for the Fund; (ii) supervise continuously the investment program of the Fund and the composition of its portfolio and determine what securities shall be purchased or sold by the Fund; and (iii) arrange, subject to the provisions of paragraph 7 hereof, for the purchase of securities and other investments for the Fund and the sale of securities and other investments held in the portfolio of the Fund.

(b) Provided that the Trust shall not be required to pay any compensation for

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services under this Agreement other than as provided by the terms of the Agreement and subject to the provisions of paragraph 7 hereof, OMC may obtain investment information, research or assistance from any other person, firm or corporation to supplement, update or otherwise improve its investment management services including entering into sub-advisory agreements with other affiliated or unaffiliated registered investment advisors to obtain specialized services.

(c) Provided that nothing herein shall be deemed to protect OMC from willful misfeasance, bad faith or gross negligence in the performance of its duties, or reckless disregard of its obligations and duties under this Agreement, OMC shall not be liable for any loss sustained by reason of good faith errors or omissions in connection with any matters to which this Agreement relates.

(d) Nothing in this Agreement shall prevent OMC or any entity controlling, controlled by or under common control with OMC or any officer thereof from acting as investment adviser for any other person, firm or corporation or in any way limit or restrict OMC or any of its directors, officers, stockholders or employees from buying, selling or trading any securities or other investments for its or their own account or for the account of others for whom it or they

may be acting, provided that such activities will not adversely affect or otherwise impair the performance by OMC of its duties and obligations under this Agreement.

3. OTHER DUTIES OF OMC:

OMC shall, at its own expense, provide and supervise the activities of all administrative and clerical personnel as shall be required to provide effective corporate administration for the Fund, including the compilation and maintenance of such records with respect to its operations as may reasonably be required; the preparation and filing of such reports with respect thereto as shall be required by the Commission; composition of periodic reports with

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respect to operations of the Fund for its shareholders; composition of proxy materials for meetings of the Fund's shareholders; and the composition of such registration statements as may be required by Federal and state securities laws for continuous public sale of Shares of the Fund. OMC shall, at its own cost and expense, also provide the Trust with adequate office space, facilities and equipment. OMC shall, at its own expenses, provide such officers for the Trust as the Board of Trustees may request.

4. ALLOCATION OF EXPENSES:

All other costs and expenses of the Fund not expressly assumed by OMC under this Agreement, or to be paid by the Distributor of the Shares of the Fund, shall be paid by the Fund, including, but not limited to: (i) interest, taxes and governmental fees; (ii) brokerage commissions and other expenses incurred in acquiring or disposing of the portfolio securities and other investments of the Fund; (iii) insurance premiums for fidelity and other coverage requisite to its operations; (iv) compensation and expenses of its Trustees other than those affiliated with OMC; (v) legal and audit expenses; (vi) custodian and transfer agent fees and expenses; (vii) expenses incident to the redemption of its Shares; (viii) expenses incident to the issuance of its Shares against payment therefor by or on behalf of the subscribers thereto; (ix) fees and expenses, other than as hereinabove provided, incident to the registration under Federal and state securities laws of Shares of the Fund for public sale; (x) expenses of printing and mailing reports, notices and proxy materials to shareholders of the Fund; (xi) except as noted above, all other expenses incidental to holding meetings of the Fund's shareholders; and (xii) such extraordinary nonrecurring expenses as may arise, including litigation, affecting the Fund and any legal obligation which the Trust may have to indemnify its officers and Trustees with respect thereto. Any officers or employees of OMC (or any entity controlling, controlled by, or under common control with OMC)

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who also serve as officers, Trustees or employees of the Fund shall not receive any compensation from the Fund thereof for their services.

5. COMPENSATION OF OMC:

The Trust agrees to pay OMC and OMC agrees to accept as full compensation for the performance of all functions and duties on its part to be performed pursuant to the provisions hereof, a fee computed on the total net asset value of the Fund as of the close of each business day and payable monthly at the annual rate for each Series set forth on Schedule A hereto.

6. USE OF NAME "OPPENHEIMER" OR "ROCHESTER":

OMC hereby grants to the Trust a royalty-free, non-exclusive license to use the name "Oppenheimer" or "Rochester" in the name of the Trust or Fund for the duration of this Agreement and any extensions or renewals thereof. To the extent necessary to protect OMC's rights to the name "Oppenheimer" or "Rochester" under applicable law, such license shall allow OMC to inspect and, subject to control by the Trust's Board, control the nature and quality of services offered by the Fund under such name and may, upon termination of this Agreement, be terminated by OMC, in which event the Trust shall promptly take whatever action may be necessary to change its name and discontinue any further use of the name "Oppenheimer" or "Rochester" in the name of the Trust or otherwise. The name "Oppenheimer" and "Rochester" may be used or licensed by OMC in connection with any of its activities, or licensed by OMC to any other party.

7. PORTFOLIO TRANSACTIONS AND BROKERAGE:

(a) OMC (and any Sub Advisor) is authorized, in arranging the purchase and sale of the portfolio securities and other investments of the Fund to employ or deal with such members of securities or commodities exchanges, brokers or dealers (hereinafter "broker-dealers"), including

"affiliated" broker-dealers (as that term is defined in the Investment Company Act), as may, in its best judgment, implement the policy of the Fund to obtain, at reasonable expense, the "best execution" (prompt and reliable execution at the most favorable security price obtainable) of the portfolio transactions of the Fund as well as to obtain, consistent with the provisions of subparagraph

(c) of this paragraph 7, the benefit of such investment information or research as will be of significant assistance to the performance by OMC (and any Sub Advisor) of its (their) investment management functions.

(b) OMC (and any Sub Advisor) shall select broker-dealers to effect the portfolio transactions of the Fund on the basis of its estimate of their ability to obtain best execution of particular and related portfolio transactions. The abilities of a broker-dealer to obtain best execution of particular portfolio transaction(s) will be judged by OMC (or any Sub Advisor) on the basis of all relevant factors and considerations including, insofar as feasible, the execution capabilities required by the transaction or transactions; the ability and willingness of the broker-dealer to facilitate the portfolio transactions of the Fund by participating therein for its own account; the importance to the Fund of speed, efficiency or confidentiality; the broker-dealer's apparent familiarity with sources from or to whom particular securities or other investments might be purchased or sold; as well as any other matters relevant to the selection of a broker-dealer for particular and related transactions of the Fund.

(c) OMC (and any Sub Advisor) shall have discretion, in the interests of the Fund, to allocate brokerage on the portfolio transactions of the Fund to broker-dealers, other than an affiliated broker-dealer, qualified to obtain best execution of such transactions who provide brokerage and/or research services (as such services are defined in Section 28(e)(3) of the Securities Exchange Act of 1934) for the Fund and/or other accounts for which OMC or its affiliates

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(or any Sub Advisor) exercise "investment discretion" (as that term is defined in Section 3(a)(35) of the Securities Exchange Act of 1934) and to cause the Fund to pay such broker-dealers a commission for effecting a portfolio transaction for the Fund that is in excess of the amount of commission another broker-dealer adequately qualified to effect such transaction would have charged for effecting that transaction, if OMC (or any Sub Advisor) determines, in good faith, that such commission is reasonable in relation to the value of the brokerage and/or research services provided by such broker-dealer viewed in terms of either that particular transaction or the overall responsibilities of OMC or its affiliates (or any Sub Advisor) with respect to accounts as to which they exercise investment discretion. In reaching such determination, OMC (or any Sub Advisor) will not be required to place or attempt to place a specific dollar value on the brokerage and/or research services provided or being provided by such broker-dealer. In demonstrating that such determinations were made in good faith, OMC (and any Sub Advisor) shall be prepared to show that all commissions were allocated for purposes contemplated by this Agreement and that the total commissions paid by the Fund over a representative period selected by the Fund's Trustees were reasonable in relation to the benefits to the Fund.

(d) OMC (or any Sub Advisor) shall have no duty or obligation to seek

advance competitive bidding for the most favorable commission rate applicable to any particular portfolio transactions or to select any broker-dealer on the basis of its purported or "posted" commission rate but will, to the best of its ability, endeavor to be aware of the current level of the charges of eligible broker-dealers and to minimize the expense incurred by the Fund for effecting its portfolio transactions to the extent consistent with the interests and policies of the Fund as established by the determinations of the Board of Trustees of the Trust and the provisions of this paragraph 7.

(e) The Fund recognizes that an affiliated broker-dealer: (i) may act as one of the

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Fund's regular brokers for the Fund so long as it is lawful for it so to act; (ii) may be a major recipient of brokerage commissions paid by the Fund; and (iii) may effect portfolio transactions for the Fund only if the commissions, fees or other remuneration received or to be received by it are determined in accordance with procedures contemplated by any rule, regulation or order adopted under the Investment Company Act to be within the permissible level of such commissions.

(f) Subject to the foregoing provisions of this paragraph 7, OMC (and any Sub Advisor) may also consider sales of Shares of the Fund and the other funds advised by OMC and its affiliates as a factor in the selection of broker-dealers for its portfolio transactions.

8. DURATION:

This Agreement will take effect on the date first set forth above. Unless earlier terminated pursuant to paragraph 10 hereof, this Agreement shall remain in effect for a period of two (2) years and thereafter from year to year, so long as such continuance shall be approved at least annually by the Trust's Board of Trustees, including the vote of the majority of the Trustees of the Fund who are not parties to this Agreement or "interested persons" (as defined in the Investment Fund Act) of any such party, cast in person at a meeting called for the purpose of voting on such approval, or by the holders of a "majority" (as defined in the Investment Fund Act) of the outstanding voting securities of the Fund and by such a vote of the Fund's Board of Trustees.

9. DISCLAIMER OF SHAREHOLDER OR TRUSTEE LIABILITY:

OMC understands and agrees that the obligations of the Fund under this Agreement are not binding upon any shareholder or Trustee of the Fund personally, but bind only the Trust and the Trust's property; OMC represents that it has notice of the provisions of the Declaration of Trust of the Trust disclaiming shareholder or Trustee liability for acts or obligations of the

10. TERMINATION.

This Agreement may be terminated (i) by OMC at any time without penalty upon sixty days' written notice to the Trust (which notice may be waived by the Trust); or (ii) by the Trust at any time without penalty upon sixty days' written notice to OMC (which notice may be waived by OMC) provided that such termination by the Trust shall be directed or approved by the vote of a majority of all of the Trustees of the Trust then in office or by the vote of the holders of a "majority" of the outstanding voting securities of the Fund (as defined in the Investment Company Act).

11. ASSIGNMENT OR AMENDMENT:

This Agreement may not be amended, or the rights of OMC hereunder sold, transferred, pledged or otherwise in any manner encumbered without the affirmative vote or written consent of the holders of the "majority" of the outstanding voting securities of the Fund. This Agreement shall automatically and immediately terminate in the event of its "assignment," as defined in the Investment Company Act.

12. DEFINITIONS:

The terms and provisions of the Agreement shall be interpreted and defined in a manner consistent with the provisions and definitions contained in the Investment Company Act.

13. ACCOUNTING, ADMINISTRATION AND RECORDKEEPING AGREEMENT:

Notwithstanding any provision of this Agreement to the contrary, OMC is not required under this Agreement to perform for the Fund any duties or functions set forth in the Accounting, Administration and Recordkeeping Agreement between the Fund and OMC.

ROCHESTER PORTFOLIO SERIES, on behalf of
LIMITED TERM NEW YORK MUNICIPAL FUND

By: /s/ RONALD H. FIELDING

Ronald H. Fielding

Title: Vice President

OPPENHEIMER MANAGEMENT
CORPORATION

By: /s/ ANDREW J. DONOHUE

Andrew J. Donohue
Executive Vice President

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SCHEDULE A

TO

INVESTMENT ADVISORY AGREEMENT

BETWEEN

LIMITED TERM NEW YORK MUNICIPAL FUND

AND

OPPENHEIMER MANAGEMENT CORPORATION

ANNUAL FEE AS A PERCENTAGE OF DAILY TOTAL NET ASSETS
=====

0.50% of the first \$100 million of average daily net assets

0.45% of the next \$150 million of average daily net assets

0.40% of the next \$1,750 million of average daily net assets

0.39% of average daily net assets over \$2 billion

EXHIBIT 6(a)

GENERAL DISTRIBUTOR'S AGREEMENT

BETWEEN

ROCHESTER PORTFOLIO SERIES
LIMITED TERM NEW YORK MUNICIPAL FUND

AND

OPPENHEIMER FUNDS DISTRIBUTOR, INC.

Date: January 4, 1996

OPPENHEIMER FUNDS DISTRIBUTOR, INC.
Two World Trade Center, Suite 3400
New York, NY 10048-0203

Dear Sirs:

ROCHESTER PORTFOLIO SERIES, a Massachusetts business trust (the "Fund"), is registered as an investment company under the Investment Company Act of 1940 (the "1940 Act"), consisting of one portfolio, Limited Term New York Municipal Fund, and an indefinite number of one or more classes of its shares of beneficial interest and ("Shares") have been registered under the Securities Act of 1933 (the "1933 Act") to be offered for sale to the public in a continuous public offering in accordance with the terms and conditions set forth in the Prospectus and Statement of Additional Information ("SAI") included in the Fund's Registration Statement as it may be amended from time to time (the "current Prospectus and/or SAI").

In this connection, the Fund desires that your firm (the "General Distributor") act in a principal capacity as General Distributor for the sale and distribution of Shares which have been registered as described above and of any additional Shares which may become registered during the term of this Agreement. You have advised the Fund that you are willing to act as such General Distributor, and it is accordingly agreed by and between us as follows:

1. APPOINTMENT OF THE DISTRIBUTOR. The Fund hereby appoints you as the sole General Distributor, pursuant to the aforesaid continuous public offering of its Shares, and the Fund further agrees from and after the date of this Agreement, that it will not, without your consent, sell or agree to sell any Shares otherwise than through you, except (a) the Fund may itself sell Shares without sales charge as an investment to the officers, trustees or directors and bona fide present and former full-time employees of the Fund, the Fund's Investment Adviser and affiliates thereof, and to other investors who are identified in the

current Prospectus and/or SAI as having the privilege to buy Shares at net asset value; (b) the Fund may issue Shares in connection with a merger,

consolidation or acquisition of assets on such basis as may be authorized or permitted under the 1940 Act; (c) the Fund may issue Shares for the reinvestment of dividends and other distributions of the Fund or of any other Fund if permitted by the current Prospectus and/or SAI; and (d) the Fund may issue Shares as underlying securities of a unit investment trust if such unit investment trust has elected to use Shares as an underlying investment; provided that in no event as to any of the foregoing exceptions shall Shares be issued and sold at less than the then-existing net asset value.

2. SALE OF SHARES. You hereby accept such appointment and agree to use your best efforts to sell Shares, provided, however, that when requested by the Fund at any time because of market or other economic considerations or abnormal circumstances of any kind, or when agreed to by mutual consent of the Fund and the General Distributor, you will suspend such efforts. The Fund may also withdraw the offering of Shares at any time when required by the provisions of any statute, order, rule or regulation of any governmental body having jurisdiction. It is understood that you do not undertake to sell all or any specific number of Shares.

3. SALES CHARGE. Shares shall be sold by you at net asset value plus a front-end sales charge not in excess of 8.5% of the offering price, but which front-end sales charge shall be proportionately reduced or eliminated for larger sales and under other circumstances, in each case on the basis set forth in the Fund's current Prospectus and/or SAI. The redemption proceeds of shares offered and sold at net asset value with or without a front-end sales charge may be subject to a contingent deferred sales charge ("CDSC") under the circumstances described in the current Prospectus and/or SAI. You may reallow such portion of the front-end sales charge to dealers or cause payment (which may exceed the front-end sales charge, if any) of commissions to brokers through which sales are made, as you may determine, and you may pay such amounts to dealers and brokers on sales of shares from your own resources (such dealers and brokers shall collectively include all domestic or foreign institutions eligible to offer and sell the Shares), and in the event the Fund has more than one series or class of Shares outstanding, then you may impose a front-end sales charge and/or a CDSC on Shares of one series or one class that is different from the charges imposed on Shares of the Fund's other series or class(es), in each case as set forth in the current Prospectus and/or SAI, provided the front-end sales charge and CDSC to the ultimate purchaser do not exceed the respective levels set forth for such category of purchaser in the Fund's current Prospectus and/or SAI.

4. PURCHASE OF SHARES.

(a) As General Distributor, you shall have the right to accept or

reject orders for the purchase of Shares at your discretion. Any consideration which you may receive in connection with a rejected purchase order will be returned promptly.

- (b) You agree promptly to issue or to cause the duly appointed transfer or shareholder servicing agent of the Fund to issue as your agent confirmations of all accepted purchase orders and to transmit a copy of such confirmations to the Fund. The net asset value of all Shares which are the

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subject of such confirmations, computed in accordance with the applicable rules under the 1940 Act, shall be a liability of the General Distributor to the Fund to be paid promptly after receipt of payment from the originating dealer or broker (or investor, in the case of direct purchases) and not later than eleven business days after such confirmation even if you have not actually received payment from the originating dealer or broker or investor. In no event shall the General Distributor make payment to the Fund later than permitted by applicable rules of the National Association of Securities Dealers, Inc.

- (c) If the originating dealer or broker shall fail to make timely settlement of its purchase order in accordance with applicable rules of the National Association of Securities Dealers, Inc., or if a direct purchaser shall fail to make good payment for shares in a timely manner, you shall have the right to cancel such purchase order and, at your account and risk, to hold responsible the originating dealer or broker, or investor. You agree promptly to reimburse the Fund for losses suffered by it that are attributable to any such cancellation, or to errors on your part in relation to the effective date of accepted purchase orders, limited to the amount that such losses exceed contemporaneous gains realized by the Fund for either of such reasons with respect to other purchase orders.
- (d) In the case of a canceled purchase for the account of a directly purchasing shareholder, the Fund agrees that if such investor fails to make you whole for any loss you pay to the Fund on such canceled purchase order, the Fund will reimburse you for such loss to the extent of the aggregate redemption proceeds of any other shares of the Fund owned by such investor, on your demand that the Fund exercise its right to claim such redemption proceeds. The Fund shall register or cause to be registered all Shares sold to you pursuant to the provisions hereof in such names and amounts as you may request from time to time and the

Fund shall issue or cause to be issued certificates evidencing such Shares for delivery to you or pursuant to your direction if and to the extent that the shareholder account in question contemplates the issuance of such certificates. All Shares when so issued and paid for, shall be fully paid and non-assessable by the Fund (which shall not prevent the imposition of any CDSC that may apply) to the extent set forth in the current Prospectus and/or SAI.

5. REPURCHASE OF SHARES.

- (a) In connection with the repurchase of Shares, you are appointed and shall act as Agent of the Fund. You are authorized, for so long as you act as General Distributor of the Fund, to repurchase, from authorized dealers, certificated or uncertificated shares of the Fund ("Shares") on the basis of orders received from each dealer ("authorized dealer") with which you have

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a dealer agreement for the sale of Shares and permitting resales of Shares to you, provided that such authorized dealer, at the time of placing such resale order, shall represent (i) if such Shares are represented by certificate(s), that certificate(s) for the Shares to be repurchased have been delivered to it by the registered owner with a request for the redemption of such Shares executed in the manner and with the signature guarantee required by the then-currently effective Prospectus of the Fund, or (ii) if such Shares are uncertificated, that the registered owner(s) has delivered to the dealer a request for the redemption of such Shares executed in the manner and with the signature guarantee required by the then-currently effective Prospectus of the Fund.

- b) You shall (a) have the right in your discretion to accept or reject orders for the repurchase of Shares; (b) promptly transmit confirmations of all accepted repurchase orders; and (c) transmit a copy of such confirmation to the Fund, or, if so directed, to any duly appointed transfer or shareholder servicing agent of the Fund. In your discretion, you may accept repurchase requests made by a financially responsible dealer which provides you with indemnification in form satisfactory to you in consideration of your acceptance of such dealer's request in lieu of the written redemption request of the owner of the account; you agree that the Fund shall be a third party beneficiary of such indemnification.

- (c) Upon receipt by the Fund or its duly appointed transfer or shareholder servicing agent of any certificate(s) (if any has been issued) for repurchased Shares and a written redemption request of the registered owner(s) of such Shares executed in the manner and bearing the signature guarantee required by the then-currently effective Prospectus or SAI of the Fund, the Fund will pay or cause its duly appointed transfer or shareholder servicing agent promptly to pay to the originating authorized dealer the redemption price of the repurchased Shares (other than repurchased Shares subject to the provisions of part (d) of Section 5 of this Agreement) next determined after your receipt of the dealer's repurchase order.
- (d) Notwithstanding the provisions of part (c) of Section 5 of this Agreement, repurchase orders received from an authorized dealer after the determination of the Fund's redemption price on a regular business day will receive that day's redemption price if the request to the dealer by its customer to arrange such repurchase prior to the determination of the Fund's redemption price that day complies with the requirements governing such requests as stated in the current Prospectus and/or SAI of the Fund.
- (e) You will make every reasonable effort and take all reasonably available measures to assure the accurate performance of all services to be performed by you hereunder within the requirements of any statute, rule or

regulation pertaining to the redemption of shares of a regulated investment company and any requirements set forth in the then-current Prospectus and/or SAI of the Fund. You shall correct any error or omission made by you in the performance of your duties hereunder of which you shall have received notice in writing and any necessary substantiating data; and you shall hold the Fund harmless from the effect of any errors or omissions which might cause an over- or under-redemption of the Fund's Shares and/or an excess or non-payment of dividends, capital gains distributions, or other distributions.

- (f) In the event an authorized dealer initiating a repurchase order shall fail to make delivery or otherwise settle such order in accordance with the rules of the National Association of Securities Dealers, Inc., you shall have the right to cancel such repurchase order and, at your account and risk, to hold responsible the originating dealer. In the event that any cancellation of a Share repurchase order or any error in the

timing of the acceptance of a Share repurchase order shall result in a gain or loss to the Fund, you agree promptly to reimburse the Fund for any amount by which any loss shall exceed then-existing gains so arising.

6. 1933 ACT REGISTRATION. The Fund has delivered to you a copy of its current Prospectus and SAI. The Fund agrees that it will use its best efforts to continue the effectiveness of the Registration Statement under the 1933 Act. The Fund further agrees to prepare and file any amendments to its Registration Statement as may be necessary and any supplemental data in order to comply with the 1933 Act. The Fund will furnish you at your expense with a reasonable number of copies of the Prospectus and SAI and any amendments thereto for use in connection with the sale of Shares.

7. 1940 ACT REGISTRATION. The Fund has already registered under the 1940 Act as an investment company, and it will use its best efforts to maintain such registration and to comply with the requirements of the 1940 Act.

8. STATE BLUE SKY QUALIFICATION. At your request, the Fund will take such steps and pay such fees and expenses as may be necessary and feasible to qualify Shares for sale in states, territories or dependencies of the United States, the District of Columbia, the Commonwealth of Puerto Rico and in foreign countries, in accordance with the laws thereof, and to renew or extend any such qualification; provided, however, that the Fund shall not be required to qualify Shares or to maintain the qualification of Shares in any jurisdiction where it shall deem such qualification disadvantageous to the Fund.

9. DUTIES OF DISTRIBUTOR. You agree that:

(a) Neither you nor any of your officers will take any long or short position in the Shares, but this provision shall not prevent you or your officers from acquiring Shares for investment purposes only; and

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(b) You shall furnish to the Fund any pertinent information required to be inserted with respect to you as General Distributor within the purview of the Securities Act of 1933 in any reports or registrations required to be filed with any governmental authority; and

(c) You will not make any representations inconsistent with the information contained in the current Prospectus and/or SAI; and

(d) You shall maintain such records as may be reasonably required for the Fund or its transfer or shareholder servicing agent to

respond to shareholder requests or complaints, and to permit the Fund to maintain proper accounting records, and you shall make such records available to the Fund and its transfer agent or shareholder servicing agent upon request; and

- (e) In performing under this Agreement, you shall comply with all requirements of the Fund's current Prospectus and/or SAI and all applicable laws, rules and regulations with respect to the purchase, sale and distribution of Shares.

10. ALLOCATION OF COSTS. The Fund shall pay the cost of composition and printing of sufficient copies of its Prospectus and SAI as shall be required for periodic distribution to its shareholders and the expense of registering Shares for sale under federal securities laws. You shall pay the expenses normally attributable to the sale of Shares, other than as paid under the Fund's distribution plans under Rule 12b-1 of the 1940 Act, including the cost of printing and mailing of the Prospectus (other than those furnished to existing shareholders) and any sales literature used by you in the public sale of the Shares.

11. DURATION. This Agreement shall take effect on the date first written above, and shall supersede any and all prior General Distributor's Agreements by and among the Fund and you. Unless earlier terminated pursuant to paragraph 12 hereof, this Agreement shall remain in effect until September 30, 1997. This Agreement shall continue in effect from year to year thereafter, provided that such continuance shall be specifically approved at least annually: (a) by the Fund's Board of Trustees or by vote of a majority of the voting securities of the Fund; and (b) by the vote of a majority of the Trustees, who are not parties to this Agreement or "interested persons" (as defined in the 1940 Act) of any such person, cast in person at a meeting called for the purpose of voting on such approval.

12. TERMINATION. This Agreement may be terminated (a) by the General Distributor at any time without penalty by giving sixty days' written notice (which notice may be waived by the Fund); (b) by the Fund at any time without penalty upon sixty days' written notice to the General Distributor (which notice may be waived by the General Distributor); or (c) by mutual consent of the Fund and the General Distributor, provided that such termination by the Fund pursuant to part (b) of this Section 12 shall be directed or approved by the Board of Trustees of the Fund or by the vote of the holders of a "majority" of the outstanding voting securities of the Fund. In the event this Agreement is terminated, the General Distributor shall be entitled to be paid the CDSC under

paragraph 3 hereof on the redemption proceeds of Shares sold prior to the effective date of such termination.

13. ASSIGNMENT. This Agreement may not be amended or changed except in writing and shall be binding upon and shall enure to the benefit of the parties hereto and their respective successors; however, this Agreement shall not be assigned by either party and shall automatically terminate upon assignment.

14. DISCLAIMER OF SHAREHOLDER LIABILITY. The General Distributor understands and agrees that the obligations of the Fund under this Agreement are not binding upon any Trustee or shareholder of the Fund personally, but bind only the Fund and the Fund's property; the General Distributor represents that it has notice of the provisions of the Declaration of Trust of the Fund disclaiming Trustee and shareholder liability for acts or obligations of the Fund.

15. SECTION HEADINGS. The heading of each section is for descriptive purposes only, and such headings are not to be construed or interpreted as part of this Agreement.

If the foregoing is in accordance with your understanding, so indicate by signing in the space provided below.

ROCHESTER PORTFOLIO SERIES, on behalf of
LIMITED TERM NEW YORK MUNICIPAL FUND

By: /s/ RONALD H. FIELDING

Ronald H. Fielding, Vice President

Accepted:

OPPENHEIMER FUNDS DISTRIBUTOR, INC.

By /s/ ANDREW J. DONOHUE

Andrew J. Donohue
Executive Vice President

EXHIBIT 9(a)

ROCHESTER PORTFOLIO SERIES
350 Linden Oaks
Rochester, N.Y. 14625

Rochester Fund Services, Inc.
350 Linden Oaks
Rochester, NY 14625
Attn: Mr. Michael S. Rosen, Vice President

Oppenheimer Management Corporation
2 World Trade Center
New York, NY 10048-0203
Attn: Andrew Donohue

Re: ACCOUNTING, ADMINISTRATION & RECORDKEEPING AGREEMENT

Pursuant to Section 20 of the Accounting, Administration and Recordkeeping Agreement between Rochester Fund Municipals and Rochester Fund Services, Inc., this will serve as the funds written consent to the assignment of that agreement from Rochester Fund Services, Inc. to Oppenheimer Management Corporation.

ROCHESTER PORTFOLIO SERIES

By: /s/ RONALD H. FIELDING

Ronald H. Fielding, President

ACCOUNTING, ADMINISTRATION AND RECORDKEEPING AGREEMENT
BETWEEN
ROCHESTER PORTFOLIO SERIES
AND
ROCHESTER FUND SERVICES, INC.

THIS AGREEMENT is made as of the 15th day of April, 1994, by and between ROCHESTER PORTFOLIO SERIES ("Fund"), a Massachusetts business trust, on behalf of its Limited Term New York Municipal Fund and such other series of the Fund as the Fund may add from time to time, and ROCHESTER FUND SERVICES, INC. ("Agent"), a New York corporation. Each reference herein to the Fund shall, where appropriate, relate to the series thereof.

WHEREAS, the Fund is registered as an open-end management investment company under the Investment Company Act of 1940, as amended ("1940 Act"), and

as a transfer agent under the Securities Exchange Act of 1934, as amended ("1934 Act"); and

WHEREAS, the Fund wishes to retain the Agent to provide certain Fund accounting, administration and shareholder recordkeeping services other than those services specified in Section 3(a)(25) of the 1934 Act, and the Agent is willing to furnish such services;

NOW, THEREFORE, in consideration of the promises and mutual covenants herein contained, it is agreed between the parties hereto as follows:

1. APPOINTMENT. The Fund hereby appoints the Agent to provide certain accounting services for the Fund and to provide certain administration and recordkeeping services for the holders of common stock ("Shares") of the Fund ("Shareholders") for the period and on the terms set forth in this Agreement. The Agent accepts such appointment and agrees to furnish the services herein set forth in return for the compensation as provided in Paragraph 12 of this Agreement. The Fund and the Agent agree that nothing contained in this Agreement is intended to require the Agent to perform any activity specified in Section 3(a)(25) of the 1934 Act.

2. DELIVERY OF DOCUMENTS. The Fund has made available to the Agent (or has furnished the Agent with) properly certified or authenticated copies, with all amendments or supplements thereto, of the following documents:

(a) Agreement and Declaration of Trust of the Fund;

(b) By-Laws of the Fund;

(c) Resolutions of the Fund's Board of Trustees appointing the Agent and approving the form of this Agreement; and

(d) Resolutions of the Fund's Board of Trustees designating certain of its officers to give instructions on behalf of the Fund to the Agent and authorizing the Agent to rely upon Proper Instructions (as hereinafter defined).

3. AUTHORIZED PERSONS. Concurrently with the execution of this Agreement, the Fund shall deliver to the Agent a certificate, or such other certificate as may be received by the Agent from time to time, setting forth the names, titles and signatures of such persons authorized to give Proper Instructions or any other notice, request, direction, instruction, certificate or instrument on behalf of the Fund ("Authorized Persons"). Such certificate may be accepted and reasonably relied upon by the Agent as conclusive evidence of the facts set forth therein and shall be considered to be in full force and effect until delivery to the Agent of a similar certificate to the contrary. Upon delivery of a certificate that deletes the name of a person previously authorized to give Proper Instructions, such person shall no longer be considered an Authorized Person.

4. PROPER INSTRUCTIONS.

(a) Unless otherwise provided in this Agreement, the Agent shall act only upon Proper Instructions. "Proper Instructions" shall mean: (i) a tested telex from the Fund; (ii) other communications effected directly between electro-mechanical or electronic devices or systems, provided that the Agent and the Fund agree to the use of such device or system; (iii) a written request, direction, instruction or certification signed or initialed on behalf of the Fund by one or more Authorized Persons; or (iv) telephonic or other oral instructions given by any Authorized Person that the Agent reasonably believes to have been given by a person authorized to give such instructions. Proper Instructions may be in the form of standing instructions.

(b) Oral instructions will be confirmed by tested telex or in writing in the manner set forth above by the close of business on the same day that oral instructions are given to the Agent, but the lack of such confirmation shall in no way affect any action taken by the Agent in reasonable reliance upon such oral instructions.

(c) The Agent may assume that any Proper Instructions received hereunder are not in any way inconsistent with any provisions of the Agreement and Declaration of Trust or By-Laws or any vote, resolution or proceeding of the Fund's

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Shareholders, or of the Board of Trustees or of any committees thereof. The Agent shall be entitled reasonably to rely upon any Proper Instructions actually received by it pursuant to this Agreement. The sole obligation of the Agent with respect to any follow-up or confirmatory instruction shall be to make reasonable efforts to detect any discrepancy between said instruction and the original Proper Instruction and to advise the Fund accordingly.

5. FUND ACCOUNTING SERVICES.

(a) Daily Activities. The Agent will perform the following accounting functions on a daily basis:

- (1) Journalize the Fund's investment, capital share and income and expense activities;
- (2) Verify investment buy/sell trade tickets received from the Fund's investment adviser and transmit trades to the Fund for transmittal for proper settlement;
- (3) Maintain individual ledgers for investment securities;
- (4) Maintain historical tax lots for each security;

- (5) Reconcile Share activity and outstanding Share balances with the transfer agent;
- (6) Update the cash availability throughout the day as required by the Fund's investment adviser;
- (7) Post to and prepare the Fund's Statement of Assets and Liabilities and the Statement of Operations;
- (8) Calculate various contractual expenses (e.g., advisory and custody fees);
- (9) Monitor the expense accruals and notify Fund management of any proposed adjustments;
- (10) Calculate capital gains and losses;
- (11) Determine the Fund's net income;
- (12) Obtain security market quotations from Quotron Financial Information Services or such other services approved by the Fund's investment adviser, or if such quotes are unavailable, then obtain such prices from the Fund's investment adviser, and in either case calculate the market value of the Fund's investments;

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- (13) Value the assets of the Fund and compute the net asset value per share of the Fund at such times and dates and in the manner specified in the Fund's current prospectus;
- (14) Provide a copy of the daily portfolio valuation to the Fund's investment adviser; and
- (15) Compute the Fund's yield, total return, expense ratio, portfolio turnover rate and daily dividend factor and disseminate as agreed upon by the parties hereto.

(b) Monthly Activities. On the first business day following the end of each month, the Fund shall cause the Fund's custodian to prepare and forward to the Agent, within three business days following the end of each such month, a monthly statement of cash and portfolio transactions, which the Agent will reconcile with the Agent's accounts and records maintained for the Fund. Within three business days following the Agent's receipt of the monthly statement provided by the Fund's custodian, the Agent will provide a written report of any discrepancies to the Fund's custodian, and will provide a written report of any unreconciled items to the Fund.

(c) Other Activities. In addition to the foregoing accounting services, the

Agent will:

- (1) Prepare monthly financial statements, which will include a (i) schedule of investments, (ii) statement of assets and liabilities, (iii) statement of operations, (iv) statement of changes in net assets, (v) cash statement, and (vi) schedule of capital gains and losses;
- (2) Prepare quarterly broker security transactions summaries;
- (3) Supply various Fund statistical data as reasonably requested by the Fund on an ongoing basis;
- (4) Assist in the preparation of support schedules necessary for completion of the Fund's federal, state and, if applicable, excise tax returns;
- (5) Assist in the preparation of the Fund's semi-annual reports with the Securities and Exchange Commission ("SEC") on Form N-SAR;
- (6) Assist in the preparation of the Fund's annual and semi-annual Shareholder reports and any proxy statements;

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- (7) Assist in the preparation of registration statements on Form N-1A and other filings relating to the registration of the Fund's Shares;
- (8) Act as liaison with the Fund's independent certified public accountants and provide account analyses, fiscal year summaries, and other audit related schedules, and take all reasonable action in the performance of its obligations under this Agreement to assure that the necessary information is made available to such accountants for the expression of their opinion, as such may be required by the Fund from time to time; and
- (9) Render such other similar services as may be reasonably requested by the Fund.

6. ADMINISTRATION AND SHAREHOLDER RECORDKEEPING SERVICES. The Agent shall perform the following administration and recordkeeping services:

- (a) General. The Agent will establish one or more accounts with the Fund's custodian for the prompt deposit of funds received in connection with the Agent's activities hereunder.
- (b) Purchases. The Agent shall act as agent for the Fund and/or the

Fund's principal underwriter for the purpose of receiving and accepting orders and payment for the purchase of Shares in accordance with the Fund's prospectus as amended from time to time. If such purchase orders comply with the procedures as may be described in the Fund's current prospectus or as set forth in Proper Instructions, the Agent shall promptly deliver payment and appropriate documentation therefor to the Fund. If any check or other order for the purchase of Shares is returned to the Agent unpaid for any reason, the Agent shall promptly deliver such check or order to the Fund for further action.

(c) Redemptions. The Agent shall act as agent for the Fund and/or the Fund's principal underwriter for purposes of receiving and accepting redemption requests and redemption directions in accordance with the Fund's prospectus as amended from time to time. If such redemption requests and directions comply with the procedures as may be described in the Fund's current prospectus or as set forth in Proper Instructions, the Agent shall deliver the appropriate instructions therefor to the Fund. If any such request for redemption does not comply with the procedures for redemption approved by the Fund, the Agent shall promptly notify the Shareholder and the Fund of such fact, together with the reason therefor.

(d) Exchanges and Transfers. The Agent shall act as agent for the Fund and/or the Fund's principal underwriter for

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purposes of receiving and accepting exchange and transfer requests and exchange and transfer directions in accordance with the Fund's prospectus, as amended from time to time. If such requests and directions comply with the procedures as may be described in the Fund's current prospectus or as set forth in Proper Instructions, the Agent shall deliver the appropriate instructions therefor to the Fund. If any such request for exchange or transfer does not comply with the procedures for exchange or transfer as approved by the Fund, the Agent shall promptly notify the Shareholder and the Fund of such fact, together with the reason therefor.

(e) Recordkeeping.

(1) The Agent shall record the issuance, transfer, redemption and exchange of Shares and the issuance and transfer of Share certificates, and shall maintain pursuant to applicable rules and regulations of the SEC a record of the total number of Shares of the Fund that are authorized, based upon data provided to it by the Fund as transfer agent, and issued and outstanding. The Agent shall also maintain an account entitled "Unissued Certificate Account" in which it will record the Shares issued and outstanding from time to time for which the issuance of Share

certificates by the Fund is deferred. The Agent shall provide the Fund on a regular basis or upon reasonable request the total number of Shares that are authorized and issued and outstanding, but shall have no obligation, when recording the issuance of Shares, except as otherwise set forth herein, to monitor the issuance of such Shares or to take cognizance of any laws relating to the issue or sale of such Shares, which functions shall be the sole responsibility of the Fund.

(2) The Agent shall establish and maintain records pursuant to applicable rules and regulations of the SEC relating to the services to be performed hereunder in the form and manner agreed to by the Fund, including a record for each Shareholder's account of the following:

- (i) Name, address and tax identifying number;
- (ii) Number of Shares and fractional Shares held;
- (iii) Historical information as to the account, including dividends paid and date and price for all transactions;
- (iv) Any stop or restraining order placed against the account;

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(v) Information with respect to withholdings in the case of a foreign account or an account for which withholding is required by the Internal Revenue Code;

(vi) Any dividend reinvestment order, plan application, dividend address and correspondence relating to the current maintenance of the account;

(vii) Certificate numbers and denominations for any Shareholder holding certificates; and

(viii) Any information required in order for the Agent to perform the calculations contemplated or required by this Agreement.

(f) Reports.

(1) The Agent shall furnish periodically to the Fund, as well as to the appropriate agent of the Fund designated by the Fund for the receipt of such information, the following information:

- (i) The total number of Shares issued and outstanding

(including a breakdown of the total number of Shares issued and outstanding in each state for Blue Sky purposes) as determined according to Proper Instructions delivered from time to time by the Fund to the Agent;

(ii) Shareholder lists and statistical information; and

(iii) Such other information as may be agreed upon from time to time.

(2) The Agent shall prepare and file with the Internal Revenue Service and appropriate state agencies, and, if required, mail to Shareholders, such forms or notices for reporting dividends and distributions paid as are required to be so filed and mailed.

(g) Other Duties. In addition to and not in lieu of the services set forth above, the Agent shall prepare Shareholder meeting lists, mail proxies and other material supplied to it by the Fund in connection with Shareholder meetings, receive and tabulate proxies, mail Shareholder reports and prospectuses to current Shareholders, prepare and mail confirmation forms and statements of account to Shareholders for all purchases and redemptions of Shares and other confirmable transactions in Shareholder accounts, prepare and mail activity statements for Shareholders, provide Shareholder

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account information, answer inquiries from Shareholders regarding their Share accounts or the Fund (or, if more properly responded to by the transfer agent or distributor, refer the inquiry to the appropriate person), and supervise the activities of the Fund's custodian and the Fund's activities as transfer agent.

7. RECORDS. The Agent shall create and maintain all necessary books and records in accordance with all applicable laws, rules and regulations, including, but not limited, to records required by Section 31(a) of the 1940 Act and the rules thereunder, as the same may be amended from time to time, pertaining to the services performed by it and not otherwise created and maintained by another party pursuant to contract with the Fund. Such books and records which are in the possession of the Agent shall be the property of the Fund. The Fund, or the Fund's authorized representatives, shall have access to such books and records at all times during the Agent's normal business hours. Upon the reasonable request of the Fund, copies of any such books and records shall be provided by the Agent to the Fund or the Fund's authorized representatives at the Fund's expense.

8. INFORMATION TO BE PROVIDED TO AGENT. The Fund shall provide, and shall require each of its agents (including, without limitation, its custodian and distributor) to provide, to the Agent, in a timely fashion all data and

information necessary for the Agent to maintain the Fund's accounts, books and records as required by this Agreement.

9. CONFIDENTIALITY. The Agent agrees on behalf of itself and its employees to treat confidentially and as proprietary information of the Fund all books, records and other information relative to the Fund and the Fund's prior, present or potential Shareholders, and not to use such books, records and other information for any purpose other than performance of the Agent's responsibilities and duties hereunder, except, after prior notification to and approval by the Fund, which approval shall not be unreasonably withheld and may not be withheld where the Agent may be exposed to civil or criminal contempt proceedings for failure to comply, when requested to divulge such information by duly constituted authorities, or when so requested by the Fund.

10. RIGHT TO RECEIVE ADVICE.

(a) Advice of the Fund. If the Agent shall be in doubt as to any action to be taken or omitted by it, it may request, and shall promptly receive, from the Fund directions or advice, including Proper Instructions where appropriate.

(b) Advice of Counsel. If the Agent shall be in doubt as to any question of law involved in any action to be taken or omitted by the Agent, it may request advice from qualified

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legal counsel of its own choosing, who is acceptable to the Fund.

(c) Protection of the Agent. The Agent shall be protected in any action that it takes or determines not to take in reasonable reliance on any directions, advice or Proper Instructions received pursuant to subsections (a) or (b) of this paragraph. However, nothing in this paragraph shall be construed as imposing upon the Agent any obligation to seek such directions, advice or Proper Instructions, or to act in accordance with such directions, advice or Proper Instructions when received, unless, under the terms of another provision of this Agreement, the same is a condition to the Agent's properly taking or omitting to take such action. Nothing in this subsection shall excuse the Agent when an action or omission on the part of the Agent constitutes willful misfeasance, willful misconduct, negligence or reckless disregard by the Agent of its duties under this Agreement.

11. COMPLIANCE WITH APPLICABLE REQUIREMENTS. In carrying out its obligations under this Agreement, the Agent shall at all times conform with all applicable provisions of the Securities Act of 1933, as amended, the 1934 Act and the 1940 Act; any other applicable provisions of state and federal laws, rules and regulations; and the provisions of the Fund's current prospectus, Agreement and Declaration of Trust and By-Laws, all as amended from time to time.

12. FEES AND EXPENSES.

(a) As compensation for the accounting services rendered by the Agent during the term of this Agreement, the Fund will pay to the Agent a minimum annual fee of \$16,500, an additional \$12,000 for accounting services performed with respect to the first \$30,000,000 in net assets and an additional \$9,000 for accounting services performed with respect to each \$30,000,000 in net assets thereafter. As compensation for administration and Shareholder recordkeeping services rendered by the Agent during the term of this Agreement, the Fund will pay to the Agent monthly account maintenance fees of \$2.01 per account.

(b) In addition to the fees paid pursuant to Paragraph 12(a), the Fund agrees to reimburse the Agent for its cash disbursements, expenses and charges in connection with the Agreement (excluding salaries and usual overhead expenses).

(c) The Agent will, on a timely basis, bill the Fund with respect to fees and all amounts for which the Agent is to be reimbursed. The Fund will promptly pay to the Agent the amount of such billing.

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(d) The Agent in its sole discretion may from time to time employ or associate with itself such person or persons as the Agent may believe to be particularly suited to assist it in performing services under this Agreement. Such person or persons may be officers and employees who are employed by both the Fund and the Agent. The compensation of such person or persons shall be paid by the Agent and no obligation shall be incurred on behalf of the Fund.

13. RESPONSIBILITY OF THE AGENT. The Agent shall be under no duty to take any action on behalf of the Fund except as specifically set forth herein or as may be specifically agreed to by the Agent in writing. The Agent shall not be liable for any error in judgment or mistake at law for any loss suffered by the Fund in connection with any matters to which this Agreement relates, but nothing herein contained shall be construed to protect the Agent against any liability by reason of willful misfeasance, willful misconduct, or negligence in the performance of its duties or by reason of its reckless disregard of its obligations and duties under this Agreement. Without limiting the generality of the foregoing or of any other provision of this Agreement, the Agent in connection with its duties under this Agreement shall not be under any duty or obligation to inquire into and shall not be liable for or in respect of:

(a) the validity or invalidity or authority or lack thereof of any Proper Instruction, notice or other instrument which conforms to the applicable requirements of this Agreement, and which the Agent reasonably believes to be genuine;

(b) delays or errors or loss of data occurring by reason of circumstances beyond the Agent's control, including, without limitation, acts of civil or military authority, national emergencies, labor difficulties, fire, mechanical breakdowns, flood or catastrophe, acts of God, insurrection, war, riots or failure of the mails, transportation, communication or power supply; or

(c) the accuracy of security market quotations provided to Agent by Quotron Financial Information Services or such other service or source designated by the Fund's investment adviser, except when the Fund or investment adviser has given or caused the Agent to be given instructions to utilize a different market value.

In addition, nothing herein shall require the Agent to perform any duties under this Agreement on any day on which the Agent or the New York Stock Exchange, Inc. is closed for business.

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14. STANDARD OF CARE; INDEMNIFICATION.

(a) Standard of Care. The Agent shall be held to a standard of reasonable care in carrying out the provisions of this Agreement; provided, however, that the Agent shall be held to any higher standard of care that would be imposed upon the Agent by any applicable law, rule or regulation even though such standard of care was not part of the Agreement.

(b) Indemnification by the Fund. The Fund agrees to indemnify and hold harmless the Agent and its nominees from all losses, damages, costs, charges, payments, expenses (including reasonable counsel fees), and liabilities arising directly or indirectly from any action or thing that the Agent takes or does or omits to take to do (i) at the request or on the direction of or in reasonable reliance on the written advice of the Fund or (ii) upon Proper Instructions, provided, that neither the Agent nor any of its nominees shall be indemnified against any liability to the Fund or to its Shareholders (or any expenses incident to such liability) arising out of the Agent's own willful misfeasance, willful misconduct, negligence or reckless disregard of its duties and obligations specifically described in this Agreement or its failure to meet the standard of care set forth in Paragraph 14(a).

(c) Indemnification by the Agent. The Agent agrees to indemnify and hold harmless the Fund and its nominees from all losses, damages, costs, charges, payments, expenses (including reasonable counsel fees), and liabilities arising out of or attributed to any action or failure or omission to act by the Agent as a result of the Agent's own willful misfeasance, willful misconduct, negligence or reckless disregard of its duties and obligations specifically described in this Agreement.

15. INSURANCE. The Agent will at all times maintain in effect insurance coverage, including, without limitation, Fidelity Bond and Electronic Data coverage, at levels of coverage consistent with those customarily maintained by other high quality investor servicing agents for registered investment companies and with such policies as the Board of Trustees of the Fund may from time to time adopt.

16. DURATION AND TERMINATION. This Agreement shall continue until termination by either the Agent or the Fund on sixty days' written notice. In the event that in connection with any such termination a successor to any of the Agent's duties or responsibilities hereunder is designated by the Fund by written notice to the Agent, the Agent will cooperate fully in the transfer of such duties and obligations, including provision for assistance by the Agent's personnel in the establishment of books, records and other data by

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such successor. The Fund will reimburse the Agent for all reasonable expenses incurred by the Agent in connection with such transfer.

17. NOTICES. All notices and other communications, including Proper Instructions (collectively referred to as "Notice" or "Notices" in this paragraph), hereunder shall be in writing or by confirming telegram, cable, telex or facsimile sending device. Notices to the Agent shall be addressed to the Agent at 70 Linden Oaks, Rochester, New York 14625-2804. Notices to the Fund shall also be addressed to the Fund at 70 Linden Oaks, Rochester, New York 14625-2804. All postage, cable, telex, or facsimile sending device charges arising from the sending of a Notice hereunder shall be paid by the sender.

18. FURTHER ACTIONS. Each party agrees to perform such further acts and execute such further documents as are necessary to effectuate the purposes hereof.

19. AMENDMENT; MODIFICATION;. WAIVER. This Agreement or any part hereof may be amended, modified or waived only by an instrument in writing signed by both parties hereto.

20. ASSIGNMENT. Neither this Agreement nor any rights or obligations hereunder may be assigned by either party without the written consent of the other party.

21. COUNTERPARTS. This Agreement may be executed in two counterparts, each of which shall be deemed an original. This Agreement shall become effective when one or two counterparts have been signed and delivered by each of the parties.

22. LIMITATION ON LIABILITY. A copy of the Agreement and Declaration of Trust (including any amendments thereto) of the Fund is on file with the Secretary of the Commonwealth of Massachusetts, and notice is hereby given that this instrument is executed on behalf of the Trustees of the Fund as trustees and not individually and that the parties agree that obligations of or arising out of this instrument are not binding upon any of the Trustees or officers or Shareholders individually, but binding only upon the assets and property of the

Fund.

23. MISCELLANEOUS. This Agreement embodies the entire agreement and understanding between the parties thereto, and supersedes all prior agreements and understandings, relating to the subject matter hereof, provided that the parties hereto may embody in one or more separate documents their agreement, if any, with respect to Proper Instructions. The captions in this Agreement are included for convenience of reference only and in no way define or delimit any of the provisions hereof or otherwise affect their construction or effect. This Agreement shall be deemed to be a contract made in New York and governed by New York law. If any provision of this

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Agreement shall be held or made invalid by a court decision, statute, rule, regulation or otherwise, the remainder of this Agreement shall not be affected thereby. This Agreement shall be binding and shall inure to the benefits of the parties hereto and their respective successors.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their officers designated below on the day and year first above written.

ROCHESTER PORTFOLIO SERIES

By: /s/ RONALD H. FIELDING

Ronald H. Fielding
President

ROCHESTER FUND SERVICES, INC.

By: /s/ MICHAEL S. ROSEN

Michael S. Rosen
Vice President

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EXHIBIT 9(b)

SERVICE CONTRACT

THIS AGREEMENT is signed this ___th day of January, 1996, between ROCHESTER PORTFOLIO SERIES - LIMITED TERM NEW YORK MUNICIPAL FUND (hereinafter referred to as the "Fund"), a Massachusetts business trust, having its principal place of business at 350 Linden Oaks, Rochester, New York 14625, and OPPENHEIMER SHAREHOLDER SERVICES, (hereinafter referred to as "OSS"), a division of Oppenheimer Management Corporation -- a Colorado corporation, having its principal place of business at 3410 South Galena Street, Denver, Colorado 80231.

WITNESSETH:

WHEREAS, Oppenheimer Management Corporation ("OMC") doing business as OSS, a division of OMC, is a registered transfer agent under Section 17A(c)(1) of the Securities Exchange Act of 1934 and provides registrar and transfer agent, dividend and distribution disbursing agent, redemption agent, clearing agent and exchange agent and service agent services to mutual funds, and

WHEREAS, the Fund desires that OSS perform certain registrar and transfer agency services for the Fund, as more specifically set forth in Schedule A to this Agreement.

THEREFORE, the parties hereto agree as follows:

1. SERVICES TO BE PERFORMED BY OSS

The services to be performed for the Fund by OSS are set forth in Schedule A to this Agreement, which Schedule is incorporated as part of this Agreement. OSS shall perform such services as registrar, transfer agent, dividend and distribution disbursing agent, redemption agent, clearing agent and exchange agent or as service agent for the Fund.

2. FEES AND EXPENSES

A. For performance by OSS pursuant to this Agreement, the Fund agrees on behalf of each of the Portfolios of the Fund to pay OSS the annual basic charge for each shareholder account and the out-of-pocket expenses incurred by OSS as set out in Schedule B attached hereto.

B. The Fund agrees on behalf of each of the Portfolios to pay all fees and reimbursable expenses within five days following the mailing of the respective billing notice.

C. After the third year anniversary of this Agreement, OSS may increase the fees and charges set forth on the attached fee schedule in the following circumstances:

(i) At any time but no more than once in a year, OSS may, upon at least ninety (90) days prior written notice, increase its fees or charges to the Fund or change the manner of payment;

(ii) Irrespective of (i) above, for new Fund features that are not consistent with OSS's current processing requirements; and

(iii) Irrespective of (i) above, if changes in existing laws, rules or regulations: (a) require substantial system modifications or (b) increase cost of performance hereunder.

In the event of (i) above, if the Fund does not agree to the revised fees and charges or manner of payment, the Fund shall notify OSS thereof in writing (the "Refusal Notice") within thirty (30) days of receipt of OSS's notice. If the parties are unable to agree to a rate or manner within the next thirty (30) days after OSS's receipt of the Refusal Notice, this Agreement shall terminate ninety (90) days from the date on which OSS received the Refusal Notice.

In the event of (ii) above, the parties shall confer, diligently and in good faith, and agree upon a new fee to cover such new fund feature.

In the event of (iii) above, fees shall increase by the amount necessary, but not more than such amount, to reimburse OSS for the cost of developing or acquiring the new software to comply with regulatory changes and for the increased cost of operating its shareholder system.

3. EFFECTIVE DATE AND TERM.

This Agreement shall become effective on the Conversion Date, shall supersede any prior agreements among the parties hereto relating to the subject matter hereof, and shall continue in full force and effect until terminated by any party upon six months' prior written notice of termination addressed to all other parties. The Conversion Date shall be March 8, 1996, or such other date as the parties may agree to for OSS to assume the functions of transfer agent for the Fund pursuant to the terms herein.

4. STANDARD OF CARE.

OSS will make every reasonable effort and take all reasonably available measures to assure the adequacy of its personnel and facilities as well as the accurate

performance of all services to be performed by it hereunder within, at a minimum, the time requirements of any statute, rule or regulation pertaining to investment companies and any time requirements set forth in the then-current prospectus of the Fund. OSS shall promptly correct any error or omission made by it in the performance of its duties hereunder provided that it shall have received notice in writing of such error or omission and any necessary substantiating data or has otherwise become aware of such error or omission. In effecting any such corrections, OSS shall take all reasonable steps necessary to trace and to correct any related errors or omissions, including, without limitation, those which might cause an over-issue of the Fund's shares and/or the excess payment of dividends or distributions. The allocable costs of corrections shall be charged to the Fund and the liability of OSS under this Section shall be subject to the limitations provided in Section 9 hereof.

5. RECORDS RETENTION AND CONFIDENTIALITY.

OSS shall keep and maintain on behalf of the Fund all records which the Fund or its transfer agent is, or may be required, to keep and maintain pursuant to any applicable statutes, rules and regulations relating to the maintenance of records in connection with the services to be performed hereunder. OSS also shall maintain, for a period of at least 6 years, all records and documents which may be needed or required to support or document the actions taken by OSS in its performance of services hereunder. OSS recognizes and agrees that all such records and documents (but not the computer data processing programs and any related documentation used or prepared by, or on behalf of, OSS for the performance of its services hereunder) are the property of the Fund; shall be open to audit or inspection by the Fund or its agents during OSS's normal business hours; shall be maintained in such fashion as to preserve the confidentiality thereof and to comply with applicable federal and/or state laws and regulations; and shall, in whole or any specified part, be surrendered and turned over to the Fund or its duly authorized agents at any time upon OSS's receipt of an appropriate written request.

6. CLEARING ACCOUNTS.

The Fund shall open and/or maintain such bank account or accounts as shall reasonably be required by OSS for controlling payments, the disbursement of dividends, capital gains distributions and share redemption payments pursuant to the provisions hereof, and any other accounts deemed necessary by OSS or the Fund to carry out the provisions of this Agreement, with a bank or banks selected by OSS with the prior approval of the Fund's Board. Such account may be an omnibus account used for all Funds for which OSS or one of its subsidiaries acts as transfer agent. The Fund shall authorize officers or employees of OSS to act as authorized signatories to disburse funds held in such accounts. OSS shall be accountable to the Fund for the management of such

7. REPORTS.

OSS will furnish to the Fund, at the Fund's cost, and to such other persons or parties as are designated herein or shall be designated in writing by an authorized officer of the Fund, such reports at such times as are required for the performance of the services referred to in Schedule A.

8. INDEMNIFICATION OF OSS AND OMC.

The Fund shall indemnify OSS and OMC and hold OSS and OMC and each of their officers, directors, employees and agents harmless from and against any and all claims, demands, actions and suits, whether groundless or otherwise, and from and against all judgments, liabilities, losses, damages, costs, charges, counsel fees and other expenses arising from or relating to any action taken or omitted to be taken by it in good faith or as a result of ordinary negligence in reliance upon:

- (a) The authenticity of any letter or any other instrument or communication reasonably believed by it to be genuine and to have been properly made or signed by an authorized officer or agent of the Fund or by a shareholder or the authorized agent of a shareholder, as the case may be and which complies with the terms of this Agreement which pertain thereto;
- (b) The accuracy of any records or information provided to it by the Fund except to the extent the same may contain patently obvious errors or omissions;
- (c) Any certificate by an authorized officer of the Fund or any other person authorized by the Fund's Board as conclusive proof of any fact or matter required to be ascertained by OSS hereunder;
- (d) Instructions at any time given by an authorized officer of the Fund with respect to OSS's duties and responsibilities hereunder, including, as to legal matters pertaining to the performance of its duties hereunder, such advice or instructions as may be given to OSS by the Fund's general counsel or any legal counsel appointed by such counsel or by any

authorized officer of the Fund;

- (e) Instructions regarding redemptions, exchanges or other treatment of the shares of the Fund, together with all dividends and capital gain distributions thereon and any reinvestment thereof, held or shown to the credit of any shareholder account, if such instructions satisfy the requirements of the Fund as contained in its then current prospectus, or the Fund's policies or as communicated in writing to OSS, its subcontractors or agents by the Fund; or

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- (f) The advice or opinion of legal counsel furnished to OSS pursuant to Section 10 hereof.

9. LIMITATIONS OF OSS'S AND OMC'S LIABILITY.

In addition to the limitations on OSS's and OMC's liability stated in Sections 8 and 10 hereof, neither OSS nor OMC assumes any liability hereunder and shall not be liable hereunder for any damage, loss of data, delay or other loss caused by circumstances or events beyond its control which it could not reasonably have anticipated. OSS shall not have any liability beyond the insurance coverage it has obtained for loss or damage arising from its own errors or omissions, except to the extent such errors or omissions are attributable to gross negligence or purposeful fault on the part of OSS, its officers, agents and/or employees; and in no event will OSS be liable to the Fund for punitive damages. The Fund shall indemnify and hold OSS and OMC harmless from and against any liabilities and defense expenses arising by reason of claims of third parties, based on errors or omissions of OSS, which are greater in amount than the limitations of liability described above, except to the extent such errors or omissions are attributable to gross negligence or purposeful fault on the part of OSS, its officers, directors, agents and/or employees.

10. LEGAL ADVICE AND INSTRUCTIONS.

OSS at any time may request instructions from any authorized officer of the Fund with respect to the performance of its duties and responsibilities hereunder and may consult with counsel for the Fund or counsel of its own choosing, who is acceptable to the Fund, relative to any such matter and shall not be liable hereunder for any action taken or omitted by it in good faith in accordance with such instructions or with an opinion of such counsel or

of counsel appointed by an authorized officer of the Fund to deal with inquiries or requests for instructions by OSS. Nothing in this section shall be construed as imposing upon OSS any obligation to seek such instructions or counseling or to act in accordance with such instructions or counsel.

11. DOCUMENTS AND INFORMATION.

As soon as feasible prior to the effective date of the Agreement, and if not heretofore provided, the Fund will supply to OSS a statement, certified by the treasurer of the Fund, stating the number of shares of the Fund authorized, issued, held in treasury, outstanding and reserved as of such date, together with copies of specimen signatures of the Fund's officers and such other documents and information, including without limitation the then-current prospectus of the Fund, which OSS may determine in its reasonable discretion to be necessary or appropriate to enable it to perform the services to be performed hereunder, and the Fund thereafter will supply all amendments or supplemental documents with respect thereto as soon as the same

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shall be effective or available for distribution. The Fund assumes full responsibility for the preparation, accuracy, content and clearance of its prospectus under federal and/or state securities laws and any rules or regulations thereunder. If the Fund shall make any change in its prospectus affecting the services and functions to be performed by OSS hereunder, such additional services and functions shall be deemed to be incorporated in Schedule A.

12. ADDITIONAL FUNDS.

In the event that the Fund established one or more series of shares in addition to the Oppenheimer/Rochester Limited Term New York Municipal Fund Portfolio with respect to which it desires to have OSS render services as transfer agent under the terms hereof, it shall so notify OSS in writing, and if OSS agrees in writing to provide such services, such series of shares shall become a Portfolio hereunder.

13. TERMINATION.

This Agreement may be terminated by any party only upon written notice as provided in Section 3 hereof, except that the Fund may terminate this Agreement without prior notice to preserve the integrity of its shareholder records from material and continuing errors and omissions on the part of OSS. In the event of any termination, OSS will provide full cooperation, assistance and documentation within its capabilities as shall be necessary or desirable, in the reasonable judgment of the Fund, to ensure that any transfer of the duties and responsibilities of OSS is accomplished with maximum

efficiency and with minimum cost and disruption to the Fund's activities. Such cooperation will include the delivery of all files, documents and records used, kept or maintained by OSS in the performance of its services hereunder (except records or documents destroyed when consistent with the provisions hereof or with the approval of the Fund or which relate solely to the documentation of the computer data processing programs of OSS) together with, in machine-readable form, such of the Fund's records as may be maintained by OSS in a form other than written form, as well as such summary and/or control data relating thereto used by or available to OSS as may be requested by the Fund. The cost of all such termination services on the part of OSS shall be paid by the Fund without prejudice, however, to the rights of the Fund to recover any amounts so paid in the event that OSS shall be liable to the Fund under Section 9 hereof. In the course of its performance of the services set forth in Schedule A hereto, as such services may from time to time be modified or amended, OSS will enter into leases for equipment. If this Agreement is terminated by the Fund, and if, as a result of such termination, such equipment specifically leased by OSS to perform such services can no longer be utilized economically by OSS in its performance of services for any other entities with which OSS has continuing transfer agency or other service contracts, OSS may in its discretion cancel such leases. However, the Fund shall not have any responsibility for termination penalties, if any, which may be payable under the terms of such equipment leases, unless otherwise agreed by the Fund prior to the time such lease is entered into.

14. NOTICES.

Any notice hereunder shall be sufficiently given when sent by registered or certified mail, return receipt requested, to any party hereto at the address of such party set forth above or at such other address as such party may from time to time specify in writing to the other parties.

15. CONSTRUCTION; GOVERNING LAW.

The headings used in this Agreement are for convenience only and shall not be deemed to constitute a part hereof. This Agreement, and the rights and obligations of the parties hereunder, shall be governed by and construed and interpreted under and in accordance with the laws of the State of New York applicable to contracts made and to be performed in that state.

16. ASSIGNMENT; DELEGATION.

This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their successors and assigns, including without limitation, any successor to any party resulting by reason of corporate merger or consolidation; provided, however, that this Agreement and the rights and

duties hereunder shall not be assigned by any of the parties hereto except upon the specific prior written consent of all parties hereto.

OSS may, without further consent on the part of the Fund, subcontract for the performance hereof with any entity which is duly registered as a transfer agent pursuant to Section 17A(c)(1) of the Securities Exchange Act of 1934, provided, however, that OSS shall be as fully responsible to the Fund for the acts and omissions of any subcontractors or agent as it is for its own acts and omissions.

17. INTERPRETIVE PROVISIONS.

OSS and the Fund may agree from time to time in writing on provisions interpretative of, or supplemental to, the provisions of this Agreement.

18. OTHER AGREEMENTS.

This Agreement shall not preclude the Fund from entering into transfer agency agreements or sub-transfer agency agreements with others.

19. DISCLAIMER OF LIABILITY.

OSS understands and agrees that the obligations of the Fund under this Agreement are not binding upon any shareholder of the Fund or member of its Board of Trustees personally, but only the Fund and the Fund's property; OSS represents that

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it has notice of the provisions of the Declaration of Trust of the Fund disclaiming liability for acts or obligations of the Fund.

20. SEVERABILITY.

If any clause or provision of this Agreement is determined to be illegal, invalid or unenforceable under present or future laws effective during the term of this Agreement, then such clause or provision shall be considered severed herefrom, and the remainder of this Agreement shall continue in full force and effect.

21. ENTIRE AGREEMENT.

Except as otherwise provided herein, this Agreement, including Schedule A and Schedule B annexed hereto, constitutes the entire and complete Agreement between the parties hereto relating to the subject matter hereof;

supersedes and merges all prior contracts and discussions between the parties hereto; and may not be modified or amended except by written document signed by all parties hereto against whom such modification or amendment is to be enforced.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first written above.

OPPENHEIMER SHAREHOLDER SERVICES
(a division of Oppenheimer Management Corporation)

ATTEST:

By: _____
Barbara Hennigar, President and Chief
Executive Officer

ROCHESTER PORTFOLIO SERIES - LIMITED TERM
NEW YORK MUNICIPAL FUND

ATTEST:

By: _____
Name: _____
Title: _____

EXHIBIT 11

CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the use in the Statement of Additional Information constituting part of this Post-Effective Amendment No. 6 to the registration statement on Form N-1A (the "Registration Statement") of our report dated January 20, 1995, relating to the financial statements and schedule of financial highlights of Limited Term New York Municipals Fund which appears in such Statement of Additional Information, and to the incorporation by reference of our report into the Prospectus which constitutes part of this Registration Statement. We also consent to the reference to us under the heading "Financial Highlights" in such Prospectus.

/s/ Price Waterhouse LLP
PRICE WATERHOUSE LLP

Rochester, New York
January 11, 1996

EXHIBIT 15(a)
AMENDED AND RESTATED
SERVICE PLAN AND AGREEMENT
BETWEEN
ROCHESTER PORTFOLIO SERIES
LIMITED TERM NEW YORK MUNICIPAL FUND AND
AND
OPPENHEIMER FUNDS DISTRIBUTOR, INC.
FOR CLASS A SHARES

AMENDED AND RESTATED SERVICE PLAN AND AGREEMENT dated the 4th day of January, 1996, by and between ROCHESTER PORTFOLIO SERIES (the "Trust"), on behalf of LIMITED TERM NEW YORK MUNICIPAL FUND (the "Fund") and OPPENHEIMER FUNDS DISTRIBUTOR, INC. (the "Distributor").

1. THE PLAN. This Plan is the Fund's written service plan for its Class A Shares described in the Fund's registration statement as of the date this Plan takes effect, contemplated by and to comply with Article III, Section 26 of the Rules of Fair Practice of the National Association of Securities Dealers, Inc., pursuant to which the Fund will reimburse the Distributor for a portion of its costs incurred in connection with the personal service and the maintenance of shareholder accounts ("Accounts") that hold Class A Shares (the "Shares") of such series and class of the Fund. The Fund may be deemed to be acting as distributor of securities of which it is the issuer, pursuant to Rule 12b-1 under the Investment Company Act of 1940 (the "1940 Act"), according to the terms of this Plan. The Distributor is authorized under the Plan to pay "Recipients," as hereinafter defined, for rendering services and for the maintenance of Accounts. Such Recipients are intended to have certain rights as third-party beneficiaries under this Plan.

2. DEFINITIONS. As used in this Plan, the following terms shall have the following meanings:

- (a) "Recipient" shall mean any broker, dealer, bank or other person or entity which: (i) has rendered services in connection with the personal service and maintenance of Accounts; (ii) shall furnish the Distributor (on behalf of the Fund) with such information as the Distributor shall reasonably request to answer such questions as may arise concerning such service; and (iii) has been selected by the Distributor to receive payments under the Plan. Notwithstanding the

foregoing, a majority of the Trust's Board of Trustees (the "Board") who are not "interested persons" (as defined in the 1940 Act) and who have no direct or indirect financial interest in the operation of this Plan or in any agreements relating to this Plan (the "Independent Trustees") may

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remove any broker, dealer, bank or other person or entity as a Recipient, whereupon such person's or entity's rights as a third party beneficiary hereof shall terminate.

- (b) "Qualified Holdings" shall mean, as to any Recipient, all Shares owned beneficially or of record by: (i) such Recipient, or (ii) such brokerage or other customers, or investment advisory or other clients of such Recipient and/or accounts as to which such Recipient is a fiduciary or custodian or co-fiduciary or co-custodian (collectively, the "Customers"), but in no event shall any such Shares be deemed owned by more than one Recipient for purposes of this Plan. In the event that one or more person or entity would otherwise qualify as Recipients as to the same Shares, the Recipient which is the dealer of record on the Fund's books shall be deemed the Recipient as to such Shares for purposes of this Plan.

3. PAYMENTS FOR DISTRIBUTION ASSISTANCE.

- (a) Under the Plan, the Fund will make payments to the Distributor, within forty-five (45) days of the end of each calendar quarter, in the amount of the lesser of: (i) .0625% (.25% on an annual basis) of the average during the calendar quarter of the aggregate net asset value of the Shares computed as of the close of each business day, or (ii) the Distributor's actual expenses under the Plan for that quarter of the type approved by the Board. The Distributor will use such fee received from the Fund in its entirety to reimburse itself for payments to Recipients and for its other expenditures and costs of the type approved by the Board incurred in connection with the personal service and maintenance of Accounts including, but not limited to, the services described in the following paragraph. The Distributor may make Plan payments to any "affiliated person" (as defined in the 1940 Act) of the Distributor if such affiliated person qualifies as a Recipient.

The services to be rendered by the Distributor and Recipients in connection with the personal service and the maintenance of Accounts may include, but shall not be limited to, the following: answering routine inquiries from the Recipient's customers concerning the

Fund, providing such customers with information on their investment in shares, assisting in the establishment and maintenance of accounts or sub-accounts in the Fund, making the Fund's investment plans and dividend payment options available, and providing such other information and customer liaison services and the maintenance of Accounts as the Distributor or the Fund may reasonably request. It may be presumed that a Recipient has provided services qualifying for compensation under the Plan if it has Qualified Holdings of Shares to entitle it to payments under the Plan. In the event that either the Distributor or the Board should have reason to believe that, notwithstanding the level of Qualified Holdings, a Recipient may not be rendering appropriate services, then the Distributor, at the request of the Board, shall require the Recipient to provide a written report or other information to verify that said Recipient is providing appropriate services in this regard. If the Distributor still is not satisfied, it may take appropriate steps to terminate the Recipient's status as such under the Plan, whereupon such Recipient's rights as a third-party beneficiary hereunder shall terminate.

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Payments received by the Distributor from the Fund under the Plan will not be used to pay any interest expense, carrying charge or other financial costs, or allocation of overhead of the Distributor, or for any other purpose other than for the payments described in this Section 3. The amount payable to the Distributor each quarter will be reduced to the extent that reimbursement payments otherwise permissible under the Plan have not been authorized by the Board of Trustees for that quarter. Any unreimbursed expenses incurred for any quarter by the Distributor may not be recovered in later periods.

- (b) The Distributor shall make payments to any Recipient quarterly, within forty-five (45) days of the end of each calendar quarter, at a rate not to exceed .0625% (.25% on an annual basis) of the average during the calendar quarter of the aggregate net asset value of the Shares computed as of the close of each business day of Qualified Holdings. However, no such payments shall be made to any Recipient for any such quarter in which its Qualified Holdings do not equal or exceed, at the end of such quarter, the minimum amount ("Minimum Qualified Holdings"), if any, to be set from time to time by a majority of the Independent Trustees. A majority of the Independent Trustees may at any time or from time to time increase or decrease and thereafter adjust the rate of fees to be paid to the Distributor or to any Recipient, but not to exceed the rate set forth above,

and/or increase or decrease the number of shares constituting Minimum Qualified Holdings. The Distributor shall notify all Recipients of the Minimum Qualified Holdings and the rate of payments hereunder applicable to Recipients, and shall provide each such Recipient with written notice within thirty (30) days after any change in these provisions. Inclusion of such provisions or a change in such provisions in a revised current prospectus shall be sufficient notice.

- (c) Under the Plan, payments may be made to Recipients: (i) by Oppenheimer Management Corporation ("OMC") from its own resources (which may include profits derived from the advisory fee it receives from the Fund), or (ii) by the Distributor (a subsidiary of OMC), from its own resources.

4. SELECTION AND NOMINATION OF TRUSTEES. While this Plan is in effect, the selection or replacement of Independent Trustees and the nomination of those persons to be Trustees of the Trust who are not "interested persons" of the Trust shall be committed to the discretion of the Independent Trustees. Nothing herein shall prevent the Independent Trustees from soliciting the views or the involvement of others in such selection or nomination if the final decision on any such selection and nomination is approved by a majority of the incumbent Independent Trustees.

5. REPORTS. While this Plan is in effect, the Treasurer of the Trust shall provide at least quarterly a written report to the Trust's Board for its review, detailing the amount of all payments made pursuant to this Plan, the identity of the Recipient of each such payment, and the purposes for which the payments were made. The report shall state whether all provisions of Section 3 of this Plan have been complied with. The Distributor shall annually certify to the Board the amount of its total expenses incurred that year with respect to the personal service and maintenance of Accounts in conjunction with the Board's annual review of the continuation of the Plan.

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6. RELATED AGREEMENTS. Any agreement related to this Plan shall be in writing and shall provide that: (i) such agreement may be terminated at any time, without payment of any penalty, by vote of a majority of the Independent Trustees or by a vote of the holders of a "majority" (as defined in the 1940 Act) of the Fund's outstanding Shares of the Class, on not more than sixty days written notice to any other party to the agreement; (ii) such agreement shall automatically terminate in the event of its "assignment" (as defined in the 1940 Act); (iii) it shall go into effect when approved by a vote of the Board and its Independent Trustees cast in person at a meeting called for the purpose of voting on such agreement; and (iv) it shall, unless terminated as herein provided, continue in effect from year to year only so long as such continuance

is specifically approved at least annually by the Board and its Independent Trustees cast in person at a meeting called for the purpose of voting on such continuance.

7. EFFECTIVENESS, CONTINUATION, TERMINATION AND AMENDMENT. This Plan has been approved by a vote of the Independent Trustees cast in person at a meeting called on October 16, 1995 for the purpose of voting on this Plan, and shall take effect after approved by Class A shareholders of the Fund, at which time it shall replace the Fund's Distribution Plan for Class A shares adopted September 18, 1991 and amended May 1, 1993, July 22, 1993 and January 26, 1995. Unless terminated as hereinafter provided, it shall continue in effect from year to year from the date first set forth above or as the Board may otherwise determine only so long as such continuance is specifically approved at least annually by the Board and its Independent Trustees cast in person at a meeting called for the purpose of voting on such continuance. This Plan may be terminated at any time by vote of a majority of the Independent Trustees or by the vote of the holders of a "majority" (as defined in the 1940 Act) of the Fund's outstanding voting securities of the Class. This Plan may not be amended to increase materially the amount of payments to be made without approval of the Class A Shareholders, in the manner described above, and all material amendments must be approved by a vote of the Board and of the Independent Trustees.

8. Shareholder and Trustee Liability Disclaimer. The Distributor understands and agrees that the obligations of the Fund under this Plan are not binding upon any shareholder of the Fund or Trustee of the Trust personally, but only the Fund and the Fund's property. The Distributor represents that it has notice of the provisions of the Declaration of Trust of the Trust disclaiming shareholder and Trustee liability for acts or obligations of the Fund.

ROCHESTER PORTFOLIO SERIES, on behalf of
LIMITED TERM NEW YORK MUNICIPAL FUND

By: /s/ RONALD H. FIELDING

Ronald H. Fielding, Vice President

OPPENHEIMER FUNDS DISTRIBUTOR, INC.

By: /s/ ANDREW J. DONOHUE

Andrew J. Donohue,
Executive Vice President

EXHIBIT 15 (b)

AMENDED AND RESTATED

DISTRIBUTION AND SERVICE PLAN AND AGREEMENT

WITH

OPPENHEIMER FUNDS DISTRIBUTOR, INC.

FOR CLASS B SHARES OF

ROCHESTER PORTFOLIO SERIES
LIMITED TERM NEW YORK MUNICIPAL FUND

AMENDED AND RESTATED DISTRIBUTION AND SERVICE PLAN AND AGREEMENT (the "Plan") dated the ___ day of January, 1996, by and between ROCHESTER PORTFOLIO SERIES (the "Trust"), on behalf of LIMITED TERM NEW YORK MUNICIPAL FUND (the "Fund"), and OPPENHEIMER FUNDS DISTRIBUTOR, INC. (the "Distributor").

1. THE PLAN. This Plan is the Fund's written distribution and service plan for Class B shares of the Fund (the "Shares"), contemplated by Rule 12b-1 (the "Rule") under the Investment Company Act of 1940 (the "1940 Act"), pursuant to which the Fund will compensate the Distributor for its services in connection with the distribution of Shares, and the personal service and maintenance of shareholder accounts that hold Shares ("Accounts"). The Fund may act as distributor of securities of which it is the issuer, pursuant to the Rule, according to the terms of this Plan. The Distributor is authorized under the Plan to pay "Recipients," as hereinafter defined, for rendering (1) distribution assistance in connection with the sale of Shares and/or (2) administrative support services with respect to Accounts. Such Recipients are intended to have certain rights as third-party beneficiaries under this Plan. The terms and provisions of this Plan shall be interpreted and defined in a manner consistent with the provisions and definitions contained in (i) the 1940 Act, (ii) the Rule, (iii) Article III, Section 26, of the Rules of Fair Practice of the National Association of Securities Dealers, Inc., or its successor (the "NASD Rules of Fair Practice") and (iv) any conditions pertaining either to distribution-related expenses or to a plan of distribution, to which the Fund is subject under any order on which the Fund relies, issued at any time by the Securities and Exchange Commission.

2. DEFINITIONS. As used in this Plan, the following terms shall have the following meanings:

- (a) "Recipient" shall mean any broker, dealer, bank or other person or entity which: (i) has rendered assistance (whether direct, administrative or both) in the distribution of Shares or has

provided administrative support services with respect to Shares held by Customers (defined below) of the Recipient; (ii) shall furnish the Distributor (on behalf of the Fund) with such information as the Distributor shall reasonably request to answer such questions as may

arise concerning the sale of Shares; and (iii) has been selected by the Distributor to receive payments under the Plan. Notwithstanding the foregoing, a majority of the Trust's Board of Trustees (the "Board") who are not "interested persons" (as defined in the 1940 Act) and who have no direct or indirect financial interest in the operation of this Plan or in any agreements relating to this Plan (the "Independent Trustees") may remove any broker, dealer, bank or other person or entity as a Recipient, whereupon such person's or entity's rights as a third-party beneficiary hereof shall terminate.

- (b) "Qualified Holdings" shall mean, as to any Recipient, all Shares owned beneficially or of record by: (i) such Recipient, or (ii) such brokerage or other customers, or investment advisory or other clients of such Recipient and/or accounts as to which such Recipient is a fiduciary or custodian or co-fiduciary or co-custodian (collectively, the "Customers"), but in no event shall any such Shares be deemed owned by more than one Recipient for purposes of this Plan. In the event that more than one person or entity would otherwise qualify as Recipients as to the same Shares, the Recipient which is the dealer of record on the Fund's books as determined by the Distributor shall be deemed the Recipient as to such Shares for purposes of this Plan.

3. PAYMENTS FOR DISTRIBUTION ASSISTANCE AND ADMINISTRATIVE SUPPORT SERVICES.

- (a) The Fund will make payments to the Distributor, (i) within forty-five (45) days of the end of each calendar quarter, in the aggregate amount of 0.0625% (0.25% on an annual basis) of the average during the calendar quarter of the aggregate net asset value of the Shares computed as of the close of each business day (the "Service Fee"), plus (ii) within ten (10) days of the end of each month, in the aggregate amount of 0.0625% (0.75% on an annual basis) of the average during the month of the aggregate net asset value of Shares computed as of the close of each business day (the "Asset-Based Sales Charge") outstanding for six years or less (the "Maximum Holding Period"). Such Service Fee payments received from the Fund will compensate the Distributor and Recipients for providing administrative support services with respect to Accounts. Such Asset-Based Sales Charge payments received from the Fund will compensate the Distributor and Recipients for providing distribution assistance in connection with the sale of Shares.

The administrative support services in connection with the Accounts to be rendered by Recipients may include, but shall not be limited to, the following: answering routine inquiries concerning the Fund, assisting in the establishment and maintenance of accounts or subaccounts in the Fund and processing Share redemption transactions, making the Fund's investment plans and dividend payment options available, and providing such other information and services in connection with the rendering of personal services and/or the maintenance of Accounts, as the Distributor or the Fund may reasonably request.

The distribution assistance in connection with the sale of Shares to be rendered by the Distributor and Recipients may include, but shall not be limited to, the following: distributing

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sales literature and prospectuses other than those furnished to current holders of the Fund's Shares ("Shareholders"), and providing such other information and services in connection with the distribution of Shares as the Distributor or the Fund may reasonably request.

It may be presumed that a Recipient has provided distribution assistance or administrative support services qualifying for payment under the Plan if it has Qualified Holdings of Shares to entitle it to payments under the Plan. In the event that either the Distributor or the Board should have reason to believe that, notwithstanding the level of Qualified Holdings, a Recipient may not be rendering appropriate distribution assistance in connection with the sale of Shares or administrative support services for Accounts, then the Distributor, at the request of the Board, shall require the Recipient to provide a written report or other information to verify that said Recipient is providing appropriate distribution assistance and/or services in this regard. If the Distributor or the Board of Trustees still is not satisfied, either may take appropriate steps to terminate the Recipient's status as such under the Plan, whereupon such Recipient's rights as a third-party beneficiary hereunder shall terminate.

(b) The Distributor shall make service fee payments to any Recipient quarterly, within forty-five (45) days of the end of each calendar quarter, at a rate not to exceed 0.0625% (0.25% on an annual basis) of the average during the calendar quarter of the aggregate net asset value of Shares computed as of the close

of each business day, constituting Qualified Holdings owned beneficially or of record by the Recipient or by its Customers for a period of more than the minimum period (the "Minimum Holding Period"), if any, to be set from time to time by a majority of the Independent Trustees.

Alternatively, the Distributor may, at its sole option, make service fee payments ("Advance Service Fee Payments") to any Recipient quarterly, within forty-five (45) days of the end of each calendar quarter, at a rate not to exceed (i) 0.25% of the average during the calendar quarter of the aggregate net asset value of Shares, computed as of the close of business on the day such Shares are sold, constituting Qualified Holdings sold by the Recipient during that quarter and owned beneficially or of record by the Recipient or by its Customers, plus (ii) 0.0625% (0.25% on an annual basis) of the average during the calendar quarter of the aggregate net asset value of Shares computed as of the close of each business day, constituting Qualified Holdings owned beneficially or of record by the Recipient or by its Customers for a period of more than one (1) year, subject to reduction or chargeback so that the Advance Service Fee Payments do not exceed the limits on payments to Recipients that are, or may be, imposed by Article III, Section 26, of the NASD Rules of Fair Practice. In the event Shares are redeemed less than one year after the date such Shares were sold, the Recipient is obligated and will repay to the Distributor on demand a pro rata portion of such Advance Service Fee Payments, based on the ratio of the time such shares were held to one (1) year.

The Advance Service Fee Payments described in part (i) of this paragraph (b) may, at the Distributor's sole option, be made more often than quarterly, and sooner than the end of

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the calendar quarter. However, no such payments shall be made to any Recipient for any such quarter in which its Qualified Holdings do not equal or exceed, at the end of such quarter, the minimum amount ("Minimum Qualified Holdings"), if any, to be set from time to time by a majority of the Independent Trustees.

A majority of the Independent Trustees may at any time or from time to time decrease and thereafter adjust the rate of fees to be paid to the Distributor or to any Recipient, but not to exceed the rate set forth above, and/or direct the Distributor to increase or decrease the Minimum Holding Period or the Minimum Qualified

Holdings. The Distributor shall notify all Recipients of the Minimum Qualified Holdings, Maximum Holding Period and Minimum Holding Period, if any, and the rate of payments hereunder applicable to Recipients, and shall provide each Recipient with written notice within thirty (30) days after any change in these provisions. Inclusion of such provisions or a change in such provisions in a revised current prospectus shall constitute sufficient notice. The Distributor may make Plan payments to any "affiliated person" (as defined in the 1940 Act) of the Distributor if such affiliated person qualifies as a Recipient.

(c) The Service Fee and the Asset-Based Sales Charge on Shares are subject to reduction or elimination of such amounts under the limits to which the Distributor is, or may become, subject under Article III, Section 26, of the NASD Rules of Fair Practice. The distribution assistance and administrative support services to be rendered by the Distributor in connection with the Shares may include, but shall not be limited to, the following: (i) paying sales commissions to any broker, dealer, bank or other person or entity that sells Shares, and/or paying such persons Advance Service Fee Payments in advance of, and/or greater than, the amount provided for in Section 3(b) of this Agreement; (ii) paying compensation to and expenses of personnel of the Distributor who support distribution of Shares by Recipients; (iii) obtaining financing or providing such financing from its own resources, or from an affiliate, for the interest and other borrowing costs of the Distributor's unreimbursed expenses incurred in rendering distribution assistance and administrative support services to the Fund; (iv) paying other direct distribution costs, including without limitation the costs of sales literature, advertising and prospectuses (other than those furnished to current Shareholders) and state "blue sky" registration expenses; and (v) any service rendered by the Distributor that a Recipient may render pursuant to part (a) of this Section 3. Such services include distribution assistance and administrative support services rendered in connection with Shares acquired (i) by purchase, (ii) in exchange for shares of another investment company for which the Distributor serves as distributor or sub-distributor, or (ii) pursuant to a plan of reorganization to which the Fund is a party. In the event that the Board should have reason to believe that the Distributor may not be rendering appropriate distribution assistance or administrative support services in connection with the sale of Shares, then the Distributor, at the request of the Board, shall provide the Board with a written report or other information to verify that the Distributor is providing appropriate services in this regard.

(d) Under the Plan, payments may be made to Recipients: (i) by Oppenheimer

Management Corporation ("OMC") from its own resources (which may include profits derived from the advisory fee it receives from the Fund), or (ii) by the Distributor (a subsidiary of OMC), from its own resources, from Asset-Based Sales Charge payments or from its borrowings.

(e) Notwithstanding any other provision of this Plan, this Plan does not obligate or in any way make the Fund liable to make any payment whatsoever to any person or entity other than directly to the Distributor. In no event shall the amounts to be paid to the Distributor exceed the rate of fees to be paid by the Fund to the Distributor set forth in paragraph (a) of this Section 3.

4. SELECTION AND NOMINATION OF TRUSTEES. While this Plan is in effect, the selection and nomination of those persons to be Trustees of the Trust who are not "interested persons" of the Trust ("Disinterested Trustees") shall be committed to the discretion of such Disinterested Trustees. Nothing herein shall prevent the Disinterested Trustees from soliciting the views or the involvement of others in such selection or nomination if the final decision on any such selection and nomination is approved by a majority of the incumbent Disinterested Trustees.

5. REPORTS. While this Plan is in effect, the Treasurer of the Trust shall provide written reports to the Trust's Board for its review, detailing services rendered in connection with the distribution of the Shares, the amount of all payments made and the purpose for which the payments were made. The reports shall be provided quarterly, and shall state whether all provisions of Section 3 of this Plan have been complied with.

6. RELATED AGREEMENTS. Any agreement related to this Plan shall be in writing and shall provide that: (i) such agreement may be terminated at any time, without payment of any penalty, by a vote of a majority of the Independent Trustees or by a vote of the holders of a "majority" (as defined in the 1940 Act) of the Fund's outstanding voting securities of the Class, on not more than sixty days written notice to any other party to the agreement; (ii) such agreement shall automatically terminate in the event of its assignment (as defined in the 1940 Act); (iii) it shall go into effect when approved by a vote of the Board and its Independent Trustees cast in person at a meeting called for the purpose of voting on such agreement; and (iv) it shall, unless terminated as herein provided, continue in effect from year to year only so long as such continuance is specifically approved at least annually by a vote of the Board and its Independent Trustees cast in person at a meeting called for the purpose of voting on such continuance.

7. EFFECTIVENESS, CONTINUATION, TERMINATION AND AMENDMENT. This Plan has been approved by a vote of the Board and its Independent Trustees cast in person at a

meeting called on October 16, 1995, for the purpose of voting on this Plan, and shall take effect after approved by Class B shareholders of the Fund, at which time it shall replace the Fund's Distribution and Service Plan and Agreement for the Shares adopted May 1, 1995. Unless terminated as hereinafter provided, it shall continue in effect from year to year from the date first set forth above or as the Board may otherwise determine only so long as such continuance is specifically approved at least annually by a vote of the Board and its

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Independent Trustees cast in person at a meeting called for the purpose of voting on such continuance. This Plan may not be amended to increase materially the amount of payments to be made without approval of the Class B Shareholders, in the manner described above, and all material amendments must be approved by a vote of the Board and of the Independent Trustees. This Plan may be terminated at any time by vote of a majority of the Independent Trustees or by the vote of the holders of a "majority" (as defined in the 1940 Act) of the Fund's outstanding voting securities of the Class. In the event of such termination, the Board and its Independent Trustees shall determine whether the Distributor shall be entitled to payment from the Fund of all or a portion of the Service Fee and/or the Asset-Based Sales Charge in respect of Shares sold prior to the effective date of such termination.

8. Disclaimer of Shareholder and Trustee Liability. The Distributor understands that the obligations of the Fund under this Plan are not binding upon any Trustee of the Trust or shareholder of the Fund personally, but bind only the Fund and the Fund's property. The Distributor represents that it has notice of the provisions of the Declaration of Trust of the Trust disclaiming shareholder and Trustee liability for acts or obligations of the Fund.

ROCHESTER PORTFOLIO SERIES, on behalf of
LIMITED TERM NEW YORK MUNICIPAL FUND

By: /s/ RONALD H. FIELDING

Ronald H. Fielding, Vice President

OPPENHEIMER FUNDS DISTRIBUTOR, INC.

By: /s/ ANDREW J. DONOHUE

Andrew J. Donohue, Executive
Vice President

EXHIBIT 18

OPPENHEIMER FUNDS MULTIPLE CLASS PLAN

JANUARY 5, 1996

1. THE PLAN. This Plan is the written multiple class plan for each of the open-end management investment companies (individually the "Fund" and collectively the "Funds") named on Exhibit A hereto, which exhibit may be revised from time to time, for OppenheimerFunds Distributor, Inc. (the "Distributor"), the general distributor of shares of the Funds and for OppenheimerFunds, Inc. (the "Advisor"), the investment advisor of the Funds. In instances where such investment companies issue shares representing interests in different portfolios ("Series"), the term "Fund" and "Funds" shall separately refer to each Series. It is the written plan contemplated by Rule 18f-3 (the "Rule") under the Investment Company Act of 1940 (the "1940 Act"), pursuant to which the Funds may issue multiple classes of shares. The terms and provisions of this Plan shall be interpreted and defined in a manner consistent with the provisions and definitions contained in the Rule.

2. SIMILARITIES AND DIFFERENCES AMONG CLASSES. Each Fund offering shares of more than one class agrees that each class of that Fund:

(1) (i) shall have a separate service plan or distribution and service plan ("12b-1 Plan"), and shall pay all of the expenses incurred pursuant to that arrangement; and (ii) may pay a different share of expenses ("Class Expenses") if such expenses are actually incurred in a different amount by that class, or if the class receives services of a different kind or to a different degree than that of other classes. Class Expenses are those expenses specifically attributable to the particular class of shares, namely (a) 12b-1 Plan fees, (b) transfer and shareholder servicing agent fees and administrative service fees, (c) shareholder meeting expenses, (d) blue sky and SEC registration fees and (e) any other incremental

expenses subsequently identified that should be allocated to one class which shall be approved by a vote of that Fund's Board of Directors, Trustees or Managing General Partners (the "Directors"). Expenses identified in Items (c) through (e) may involve issues relating either to a specific class or to the entire Fund; such expenses constitute Class Expenses only when they are attributable to a specific class. Because Class Expenses may be accrued at different rates for each class of a single Fund, dividends distributable to shareholders and net asset values per share may differ for shares of different classes of the same Fund.

(2) shall have exclusive voting rights on any matters that relate solely to that

class's arrangements, including without limitation voting with respect to a 12b-1 Plan for that class;

(3) shall have separate voting rights on any matter submitted to shareholders in which the interests of one class differ from the interests of any other class;

(4) may have a different arrangement for shareholder services, including different sales charges, sales charge waivers, purchase and redemption features, exchange privileges, loan privileges, the availability of certificated shares and/or conversion features; and

(5) shall have in all other respects the same rights and obligations as each other class.

3. ALLOCATIONS OF INCOME, CAPITAL GAINS AND LOSSES AND EXPENSES. The methodologies and procedures for allocating expenses, as set forth in "Methodology for Net Asset Value (NAV) and Dividend and Distribution Determinations for Oppenheimer Funds with Multiple Classes of Shares" are reapproved. Income, realized and unrealized capital gains and losses, and expenses of each Fund other than Class Expenses allocated to a particular class shall be allocated to each class on the basis of the net asset value of that class in relation to the net asset value of that Fund, except as follows: For Funds operating under 1940 Act Rule 2a-7, such allocations shall be made on the basis of relative net

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assets (settled shares) [net assets valued in accordance with generally accepted accounting principles but excluding the value of subscriptions receivable] in relation to the net assets of that Fund.

4. EXPENSE WAIVERS AND REIMBURSEMENTS. From time to time the Advisor may voluntarily undertake to (i) waive any portion of the management fee charged to a Fund, and/or (ii) reimburse any portion of the expenses of a Fund or of one or more of its classes, but is not required to do so or to continue to do so for any period of time. The quarterly report by the Advisor to the Directors of Fund expense reimbursements shall disclose any reimbursements that are not equal for all classes of the same Fund.

5. CONVERSIONS OF SHARES. Any Fund may offer a conversion feature whereby shares of one class ("Purchase Class Shares") will convert automatically to shares of another class ("Target Class Shares") of that Fund, after being held for a requisite period ("Matured Purchase Class Shares"), pursuant to the terms and conditions of that Fund's Prospectus and/or Statement of Additional Information. Upon conversion of Matured Purchase Class Shares, all Purchase Class Shares of that Fund acquired by reinvestment of dividends or distributions of such Matured Purchase Class Shares shall also be converted at that time. Purchase Class

Shares will convert into Target Class Shares of that Fund on the basis of the relative net asset values of the two classes, without the imposition of any sales load, fee or other charge. The conversion feature shall be offered for so long as (i) the expenses to which Target Class Shares of a Fund are subject, including payments authorized under that Fund's Target Class 12b-1 plan, are not higher than the expenses of Purchase Class Shares of that Fund, including payments authorized under that Fund's Purchase Class 12b-1 plan; (ii) there continues to be available a ruling from the Internal Revenue Service, or of an opinion of counsel or of an opinion of an auditing firm serving as tax adviser, to the effect that the conversion of Purchase Class Shares to Target Class

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Shares does not constitute a taxable event for the holder; and (iii) if the amount of expenses to which Target Class Shares of a Fund are subject, including payments authorized under that Fund's Target Class 12b-1 plan, is increased materially without approval of the shareholders of Purchase Class Shares of that Fund, that Fund will establish a new class of shares ("New Target Class Shares") and shall take such other action as is necessary to provide that existing Purchase Class Shares are exchanged or converted into New Target Class Shares, identical in all material respects to Target Class Shares as they existed prior to implementation of the proposal to increase expenses, no later than the date such shares previously were scheduled to convert into Target Class Shares.

6. DISCLOSURE. The classes of shares to be offered by each Fund, and the initial, asset-based or contingent deferred sales charges and other material distribution arrangements with respect to such classes, shall be disclosed in the prospectus and/or statement of additional information used to offer that class of shares. Such prospectus or statement of additional information shall be supplemented or amended to reflect any change(s) in classes of shares to be offered or in the material distribution arrangements with respect to such classes.

7. INDEPENDENT AUDIT. The methodology and procedures for calculating the net asset value, dividends and distributions of each class shall be reviewed by an independent auditing firm (the "Expert"). At least annually, the Expert, or an appropriate substitute expert, will render a report to the Funds on policies and procedures placed in operation and tests of operating effectiveness as defined and described in SAS 70 of the AICPA.

8. OFFERS AND SALES OF SHARES. The Distributor will maintain compliance standards as to when each class of shares may appropriately be sold to particular investors, and will require all persons selling shares of the Funds to agree to conform to such standards.

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9. RULE 12B-1 PAYMENTS. The Treasurer of each Fund shall provide to the Directors of that Fund, and the Directors shall review, at least quarterly, the written report required by that Fund's 12b-1 Plan, if any. The report shall include information on (i) the amounts expended pursuant to the 12b-1 Plan, (ii) the purposes for which such expenditures were made and (iii) the amount of the Distributor's unreimbursed distribution costs (if recovery of such costs in future periods is permitted by that 12b-1 Plan), taking into account 12b-1 Plan payments and contingent deferred sales charges paid to the Distributor.

10. CONFLICTS. On an ongoing basis, the Directors of the Funds, pursuant to their fiduciary responsibilities under the 1940 Act and otherwise, will monitor the Funds for the existence of any material conflicts among the interests of the classes. The Advisor and the Distributor will be responsible for reporting any potential or existing conflicts to the Directors. In the event a conflict arises, the Directors shall take such action as they deem appropriate.

11. EFFECTIVENESS AND AMENDMENT. This Plan takes effect for each Fund as of the date of adoption shown below for that Fund, whereupon the Funds are released from the terms and conditions contained in their respective exemptive applications pursuant to which orders were issued exempting the respective Funds from the provisions of Sections 2(a)(32), 2(a)(35), 18(f), 18(g), 18(i), 22(c) and 22(d) of the 1940 Act and Rule 22c-1 thereunder, or from their respective previous multiple class plan. (1) This Plan has been approved by a majority vote of the Board of each Fund and of each Fund's Board members who are not "interested persons" (as defined in the 1940 Act) and who have no direct or indirect financial interest in the operation of the Plan or any agreements

(1) Oppenheimer Management Corp. et al., Release IC-19821, 10/28/93 (notice) and Release IC-19894, 11/23/93 (order), and Quest for Value Fund, Inc. et al., Release IC-19605, 7/30/93 (notice) and Release IC-19656, 8/25/93 (order); Rochester Funds Multiple Class Plan.

relating to the Plan (the "Independent Trustees") of each Fund at meetings called for (i) the Denver Oppenheimer Funds listed on Exhibit A on October 24, 1995, (ii) the New York Oppenheimer Funds listed on Exhibit A on October 5, 1995, (iii) the Quest Oppenheimer Funds listed on Exhibit A on November 28, 1995, and (iv) the Rochester Oppenheimer Funds listed on Exhibit A on January 10, 1996, in each case for the purpose of voting on this Plan. Prior to that vote, (i) each Board was furnished by the methodology used for net asset value and dividend and distribution determinations for the Funds, and (ii) a majority

of each Board and its Independent Trustees determined that the Plan as proposed to be adopted, including the expense allocation, is in the best interests of each Fund as a whole and to each class of each Fund individually. Prior to any material amendment to the Plan, each Board shall request and evaluate, and OFDI shall furnish, such information as may be reasonably necessary to evaluate such amendment, and a majority of each Board and its Independent Trustees shall find that the Plan as proposed to be amended, including the expense allocation, is in the best interest of each class, each Fund as a whole and each class of each Fund individually.

12. DISCLAIMER OF SHAREHOLDER AND TRUSTEE LIABILITY. The Distributor understands that the obligations under this Plan of each Fund that is organized as a Massachusetts business trust are not binding upon any Trustee or shareholder of such Fund personally, but bind only that Fund and the Fund's property. The Distributor represents that it has notice of the provisions of the Declarations of

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Trust of such Funds disclaiming shareholder and Trustee liability for acts or obligations of the Funds.

Adopted by the Boards of the Denver Oppenheimer Funds on October 24, 1995.

/s/ ANDREW J. DONOHUE

Andrew J. Donohue, Vice President
Denver Oppenheimer Funds

Adopted by the Boards of the New York Oppenheimer Funds on October 5, 1995.

/s/ ANDREW J. DONOHUE

Andrew J. Donohue, Secretary
New York Oppenheimer Funds

Adopted by the Boards of the Quest Oppenheimer Funds on November 28, 1995.

/s/ ANDREW J. DONOHUE

Andrew J. Donohue, Secretary
Quest Oppenheimer Funds

Adopted by the Boards of the Rochester Oppenheimer Funds on January 10, 1996.

/s/ ANDREW J. DONOHUE

Andrew J. Donohue, Secretary
Rochester Oppenheimer Funds

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EXHIBIT A

1. DENVER OPPENHEIMER FUNDS

Oppenheimer Cash Reserves
Oppenheimer Champion Income Fund
Oppenheimer Equity Income Fund
Oppenheimer Limited-Term Government Fund
Oppenheimer Integrity Funds (consisting of the following 2 series):
 Oppenheimer Bond Fund
 Oppenheimer Value Stock Fund
Oppenheimer High Yield Fund
Oppenheimer Main Street Funds, Inc.
 (consisting of the following 2 series):
 Oppenheimer Main Street Income & Growth Fund
 Oppenheimer Main Street California Tax-Exempt Fund
Oppenheimer Strategic Funds Trust
 (consisting of the following series):
 Oppenheimer Strategic Income Fund
Oppenheimer Strategic Income & Growth Fund
Oppenheimer Tax-Exempt Fund
 (consisting of the following 2 series):
 Oppenheimer Insured Tax-Exempt Fund
 Oppenheimer Intermediate Tax-Exempt Fund
Oppenheimer Total Return Fund, Inc.

2. NEW YORK OPPENHEIMER FUNDS

Oppenheimer Asset Allocation Fund
Oppenheimer California Tax-Exempt Fund
Oppenheimer Discovery Fund
Oppenheimer Enterprise Fund
Oppenheimer Global Emerging Growth Fund
Oppenheimer Global Fund

Oppenheimer Global Growth & Income Fund
Oppenheimer Gold & Special Minerals Fund
Oppenheimer Growth Fund
Oppenheimer Fund
Oppenheimer International Equity Fund
Oppenheimer Multi-State Tax-Exempt Trust
 (constituting of the following 3 series):
 Oppenheimer Florida Tax-Exempt Fund
 Oppenheimer New Jersey Tax-Exempt Fund
 Oppenheimer Pennsylvania Tax-Exempt Fund
Oppenheimer New York Tax-Exempt Fund
Oppenheimer Target Fund
Oppenheimer Tax-Free Bond Fund

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Oppenheimer U.S. Government Trust

3. QUEST OPPENHEIMER FUNDS

Oppenheimer Quest Value Fund, Inc.
Oppenheimer Quest for Value Funds
 (constituting of the following 4 series:)
 Oppenheimer Quest Opportunity Value Fund
 Oppenheimer Quest Small Cap Value Fund
 Oppenheimer Quest Value Growth & Income Fund
 Oppenheimer Quest Officers Value Fund
Oppenheimer Quest Global Value Fund, Inc.

4. ROCHESTER OPPENHEIMER FUNDS

Rochester Fund Series - The Bond Fund for Growth
Rochester Fund Municipals
Rochester Portfolio Series - Limited Term New York Municipal Fund

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POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that the undersigned constitutes and appoints Andrew J. Donohue, Robert G. Zack or Merryl Hoffman, and each of them, her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for her and in her capacity as Chairman of the Board of Trustees, President (Principal Executive Officer) and Trustee of ROCHESTER PORTFOLIO SERIES - LIMITED TERM NEW YORK MUNICIPAL FUND, a Massachusetts business trust (the "Fund"), to sign on her behalf any and all Registration Statements (including any post-effective amendments to Registration Statements) under the Securities Act of 1933, the Investment Company Act of 1940 and any amendments and supplements thereto, and other documents in connection thereunder, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully as to all intents and purposes as she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, and each of them, may lawfully do or cause to be done by virtue hereof.

Dated this 10th day of January, 1996.

/s/ BRIDGET A. MACASKILL

Bridget A. Macaskill

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that the undersigned constitutes and appoints Andrew J. Donohue, Robert G. Zack or Merryl Hoffman, and each of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his capacity as Trustee of ROCHESTER PORTFOLIO SERIES - LIMITED TERM NEW YORK MUNICIPAL FUND, a Massachusetts business trust (the "Fund"), to sign on his behalf any and all Registration Statements (including any post-effective amendments to Registration Statements) under the Securities Act of 1933, the Investment Company Act of 1940 and any amendments and supplements thereto, and other documents in connection thereunder, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and

authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully as to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, and each of them, may lawfully do or cause to be done by virtue hereof.

Dated this 10th day of January, 1996.

/s/ PAUL Y. CLINTON

Paul Y. Clinton

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that the undersigned constitutes and appoints Andrew J. Donohue, Robert G. Zack or Merryl Hoffman, and each of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his capacity as Treasurer (Principal Financial and Accounting Officer) of ROCHESTER PORTFOLIO SERIES - LIMITED TERM NEW YORK MUNICIPAL FUND, a Massachusetts business trust (the "Fund"), to sign on his behalf any and all Registration Statements (including any post-effective amendments to Registration Statements) under the Securities Act of 1933, the Investment Company Act of 1940 and any amendments and supplements thereto, and other documents in connection thereunder, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully as to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, and each of them, may lawfully do or cause to be done by virtue hereof.

Dated this 10th day of January, 1996.

/s/ GEORGE C. BOWEN

George C. Bowen

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that the undersigned constitutes and appoints Andrew J. Donohue, Robert G. Zack or Merryl Hoffman, and each of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his capacity as Trustee of ROCHESTER PORTFOLIO SERIES - LIMITED TERM NEW YORK MUNICIPAL FUND, a Massachusetts business trust (the "Fund"), to sign on his behalf any and all Registration Statements (including any post-effective amendments to Registration Statements) under the Securities Act of 1933, the Investment Company Act of 1940 and any amendments and supplements thereto, and other documents in connection thereunder, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully as to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, and each of them, may lawfully do or cause to be done by virtue hereof.

Dated this 10th day of January, 1996.

/s/ THOMAS W. COURTNEY

Thomas W. Courtney

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that the undersigned constitutes and appoints Andrew J. Donohue, Robert G. Zack or Merryl Hoffman, and each of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his capacity as Trustee of ROCHESTER PORTFOLIO SERIES - LIMITED TERM NEW YORK MUNICIPAL FUND, a Massachusetts business trust (the "Fund"), to sign on his behalf any and all Registration Statements (including any post-effective amendments to Registration Statements) under the Securities Act of 1933, the Investment Company Act of 1940 and any amendments and supplements thereto, and other documents in connection thereunder, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully as to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, and each of them, may lawfully do or cause to be done by virtue hereof.

Dated this 10th day of January, 1996.

/s/ GEORGE LOFT

George Loft

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that the undersigned constitutes and appoints Andrew J. Donohue, Robert G. Zack or Merryl Hoffman, and each of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his capacity as Trustee of ROCHESTER PORTFOLIO SERIES - LIMITED TERM NEW YORK MUNICIPAL FUND, a Massachusetts business trust (the "Fund"), to sign on his behalf any and all Registration Statements (including any post-effective amendments to Registration Statements) under the Securities Act of 1933, the Investment Company Act of 1940 and any amendments and supplements thereto, and other documents in connection thereunder, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully as to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, and each of them, may lawfully do or cause to be done by virtue hereof.

Dated this 10th day of January, 1996.

/s/ LACY B. HERRMANN

Lacy B. Herrmann

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that the undersigned constitutes and appoints Andrew J. Donohue, Robert G. Zack or Merryl Hoffman, and each of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his capacity as Trustee of ROCHESTER PORTFOLIO SERIES - LIMITED TERM NEW YORK MUNICIPAL FUND, a

Massachusetts business trust (the "Fund"), to sign on his behalf any and all Registration Statements (including any post-effective amendments to Registration Statements) under the Securities Act of 1933, the Investment Company Act of 1940 and any amendments and supplements thereto, and other documents in connection thereunder, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully as to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, and each of them, may lawfully do or cause to be done by virtue hereof.

Dated this 10th day of January, 1996.

/s/ JOHN CANNON

John Cannon