

SECURITIES AND EXCHANGE COMMISSION

[Release No. IC-28007; 812-13426]

Van Eck Associates Corporation, et al.; Notice of Application

September 28, 2007

Agency: Securities and Exchange Commission (“Commission”)

Action: Notice of application to amend a prior order under section 6(c) of the Investment Company Act of 1940 (“Act”) for an exemption from sections 2(a)(32), 5(a)(1), 22(d), 22(e) and 24(d) of the Act and rule 22c-1 under the Act, under section 12(d)(1)(J) of the Act for an exemption from sections 12(d)(1)(A) and (B) of the Act, and under sections 6(c) and 17(b) of the Act for an exemption from sections 17(a)(1) and (a)(2) of the Act.

Summary of Application: Applicants request an order to amend a prior order that permits: (a) open-end management investment companies, whose series are based on equity securities indices (“Equity Funds”), to issue shares of limited redeemability (“Shares”); (b) secondary market transactions in the Shares of the Equity Funds to occur at negotiated prices; (c) dealers to sell Shares of Equity Funds to purchasers in the secondary market unaccompanied by a prospectus when prospectus delivery is not required by the Securities Act of 1933 (“Securities Act”); (d) certain affiliated persons of the Equity Funds to deposit securities into, and receive securities from, the Equity Funds in connection with the purchase and redemption of aggregations of Shares; (e) certain registered management investment companies and unit investment trusts outside of the same group of investment companies as the Equity Funds to acquire Shares; and (f) under certain circumstances, the Equity Funds that track certain foreign equity securities indices to pay redemption proceeds more than seven days after the tender of Shares (the “Prior

Order”).¹ Applicants seek to amend the Prior Order in order to offer additional series based on fixed income securities indices (the “New Funds” and together with the Equity Funds, the “Funds”).

Applicants: Van Eck Associates Corporation (“Adviser”), Market Vectors ETF Trust (“Trust”), and Van Eck Securities Corporation (“Distributor”).

Filing Dates: The application was filed on September 25, 2007, and amended on September 28, 2007.

Hearing or Notification of Hearing: An order granting the requested relief will be issued unless the Commission orders a hearing. Interested persons may request a hearing by writing to the Commission’s Secretary and serving applicants with a copy of the request, personally or by mail. Hearing requests should be received by the Commission by 5:30 p.m. on October 23, 2007, and should be accompanied by proof of service on applicants, in the form of an affidavit or, for lawyers, a certificate of service. Hearing requests should state the nature of the writer’s interest, the reason for the request, and the issues contested. Persons who wish to be notified of a hearing may request notification by writing to the Commission’s Secretary.

Addresses: Secretary, U.S. Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090. Applicants, 99 Park Avenue, 8th Floor, New York, NY 10016.

For Further Information Contact: Julia Kim Gilmer, Branch Chief, or Michael W. Mundt, Assistant Director, at (202) 551-6821 (Division of Investment Management, Office of Investment Company Regulation).

¹ Van Eck Associates Corporation, et al., Investment Company Act Release Nos. 27283 (Apr. 7, 2006) (notice) and 27311 (May 2, 2006) (order), subsequently amended by Van Eck Associates Corporation, et al., Investment Company Act Release Nos. 27694 (Jan. 31, 2007) (notice) and 27742 (Feb. 27, 2007) (order).

Supplementary Information: The following is a summary of the application. The complete application may be obtained for a fee at the Commission’s Public Reference Branch, 100 F Street, NE, Washington, DC 20549-0102 (tel. 202-551-5850).

Applicants’ Representations:

1. The Trust is an open-end management investment company registered under the Act and organized as a Delaware statutory trust. The Trust is organized as a series fund with multiple series. The Adviser, an investment adviser registered under the Investment Advisers Act of 1940 (“Advisers Act”), will serve as investment adviser to the New Funds. The Adviser may retain sub-advisers (“Sub-Advisers”) to manage the assets of a New Fund. Any Sub-Adviser will be registered under the Advisers Act. The Distributor, a broker-dealer registered under the Securities Exchange Act of 1934 (the “Exchange Act”), will serve as the principal underwriter and distributor of each New Fund’s Shares.

2. The Trust is currently permitted to offer Funds based on equity securities indices in reliance on the Prior Order. Applicants seek to amend the Prior Order to permit the Trust to offer the New Funds that, except as described in the application, would operate in a manner identical to the Equity Funds that are subject to the Prior Order.

3. Each New Fund will invest in fixed-income securities (“Portfolio Securities”) selected to correspond generally to the price and yield performance of a fixed income securities index (“Underlying Index”).² No entity that creates, compiles, sponsors, or maintains an Underlying Index is or will be an affiliated person, as defined in section 2(a)(3) of the Act, or an

² The New Funds identified in the application would have as their Underlying Indexes: the Lehman Brothers Short Managed Money Municipal Index, Lehman Brothers Intermediate Managed Money Municipal Index, Lehman Brothers Long Managed Money Municipal Index, Lehman Brothers Non-Investment Grade Municipal Index, Lehman Brothers Managed Money Municipal California Index, and the Lehman Brothers Managed Money Municipal New York Index.

affiliated person of an affiliated person, of the Trust, the Adviser, any Sub-Adviser, the Distributor, or a promoter of a New Fund.

4. The investment objective of each New Fund will be to provide investment results that correspond, before expenses, generally to the price and yield performance of the relevant Underlying Index. The Adviser may fully replicate a New Fund's relevant Underlying Index or use a representative sampling strategy where the New Fund will seek to hold a representative sample of the component securities of the Underlying Index.

5. Under the Prior Order, applicants stated that each Equity Fund would invest at least 95% of its total assets in the component securities of its underlying index and may invest up to 5% of its assets in money market instruments, money market funds, futures contracts, options, options on futures contracts, swap contracts, cash and cash equivalents as well as in stocks not included in its underlying index but which the Adviser believes will help the Equity Fund track its underlying index. Applicants seek to amend the Prior Order to provide that each Fund generally will invest at least 80% or 90% of its total assets, as disclosed in the relevant prospectus, in the securities that comprise the relevant Underlying Index, and at times may invest up to 20% of its total assets in certain futures, options, and swap contracts, cash and cash equivalents, as well as securities not included in its Underlying Index which the Adviser believes will help the Fund track its Underlying Index. At all times, a New Fund will hold, in the aggregate, at least 80% of its total assets in component securities and investments that have economic characteristics that are substantially identical to the economic characteristics of the component securities of its Underlying Index. Applicants expect that each New Fund will have a tracking error relative to the performance of its respective Underlying Index of less than 5 percent.

6. Applicants state that the New Funds will comply with the federal securities laws in accepting a deposit of a portfolio of securities designated by the Adviser to correspond generally to the price and yield of the New Fund's Underlying Index ("Deposit Securities")³ and satisfying redemptions with portfolio securities of the New Fund ("Fund Securities"), including that the Deposit Securities and Fund Securities are sold in transactions that would be exempt from registration under the Securities Act.⁴ The specified Deposit Securities and Fund Securities generally will correspond pro rata, to the extent practicable, to the Portfolio Securities of a New Fund.

7. Applicants state that the New Funds will operate in a manner identical to the operation of the existing Funds in the Prior Order, except as specifically noted by applicants (and summarized in this notice). The New Funds will comply with the terms and provisions of the Prior Order except as modified by this application. Applicants agree that any amended order

³ Applicants state that a cash-in-lieu amount will replace any "to-be-announced" ("TBA") transaction that is listed as a Deposit Security or Fund Security of any New Fund. A TBA transaction is a method of trading mortgage-backed securities where the buyer and seller agree upon general trade parameters such as agency, settlement date, par amount and price. The actual pools delivered generally are determined two days prior to the settlement date. The amount of substituted cash in the case of TBA transactions will be equivalent to the value of the TBA transaction listed as a Deposit Security or Fund Security.

⁴ In accepting Deposit Securities and satisfying redemptions with Fund Securities that are restricted securities eligible for resale pursuant to rule 144A under the Securities Act, the New Funds will comply with the conditions of rule 144A, including in satisfying redemptions with such rule 144A eligible restricted Fund Securities. The prospectus for a New Fund will also state that an authorized participant that is not a "Qualified Institutional Buyer" as defined in rule 144A under the Securities Act, will not be able to receive, as part of a redemption, restricted securities eligible for resale under rule 144A.

granting the requested relief will be subject to the same conditions as those imposed by the Prior Order. Applicants believe that the requested relief continues to meet the necessary exemptive standards.

For the Commission, by the Division of Investment Management, pursuant to delegated authority.

Florence E. Harmon
Deputy Secretary