

**From:** Jim Smith <[REDACTED]>  
**Sent:** Monday, June 12, 2023 2:36 PM  
**To:** Secretarys-Office <[Secretarys-Office@SEC.GOV](mailto:Secretarys-Office@SEC.GOV)>  
**Subject:** RE: Request for Hearing in re VanEck Russia ETF et al., File No. 812-15420

To whom it may concern:

This note is a follow-up to my acknowledged request to the SEC for a public hearing regarding the planned liquidation of the VanEck Russia ETFs, as per above.

Given the flow of events since my January 2023 request, the aggregate benefits to all involved parties of a public hearing appear to be clearer than ever.

To wit:

- The Russian government and economy are stable. Its currency and financial markets are flourishing and getting stronger.
- The component equity holdings of the VanEck RSX and RSXJ ETF's are trending higher in price on global exchanges, while the companies themselves are reporting strong profits.
- According to the VanEck ETF holder liaison ([REDACTED]) with whom I spoke last Friday, he is taking a steady flow of calls from RSX/RSXJ holders who don't want the Russian ETF(s) liquidated, but would rather remain as ongoing ETF holders. In other words, many other RSX/RSXJ holders share my questions and concerns.
- Despite ***VanEck's fiduciary mandate and stated priority to protect ETF holders***, there remains a great deal of opacity why the ad hoc liquidation decision was made in the first place. And, given the subsequent 2023 news stream, the announced decision to liquidate RSX/RSXJ seems to make even ***less*** sense than originally.

For the above reasons and many more, I believe holding a public hearing to discuss the optimal path forward for the VanEck Russia ETFs continues to be in the best interests of all parties. I look forward to participating in such a hearing in the near future.

For your reference, below is my original public hearing request.

Kind regards.

Jim Smith

**From:** Jim Smith <[REDACTED]>  
**Sent:** Friday, January 20, 2023 8:56 PM  
**To:** 'Secretarys-Office' <[Secretarys-Office@SEC.GOV](mailto:Secretarys-Office@SEC.GOV)>  
**Cc:** [REDACTED] <[REDACTED]>; [REDACTED]  
**Subject:** Interested Party Request for Hearing RE: SEC Action pursuant to Investment Company Act Release No. 34793; File No. 812-15420

Dear Madams & Sirs:

**Interested Party Request for Hearing:**

In accordance with instructions provided in the above referenced SEC Response by which "the Commission [permitted] the temporary suspension of the right of redemption for the protection of the Fund's shareholders", I, James Smith an RSX and RSXJ fund holder, hereby request a hearing.

**Nature of My Interest:**

My interest in this matter is from the perspective of a long-time RSX and RSXJ shareholder. In that regard, both the Applicant, VanEck ("**VE**"), and the SEC state in their filings that their primary concern is the "protection" of fund holders, which presumably includes me.

**Facts Bearing on the Desirability of a Hearing:**

In its Application, VE stated: ***“Applicants submit that granting the requested relief would be for the protection of the shareholders of each Fund.”***

Likewise, the SEC responded similarly: ***“Based on the representations and conditions in the application, the Commission permits the temporary suspension of the right of redemption for the protection of each Fund’s shareholders.”***

Interestingly, both the Application and Approval of Redemptive Relief provide convincing evidence of the highly unusual circumstances which clearly support the redemptive relief decision, primarily as a protective measure for all RSX/RSXJ fund holders.

So far, so good.

However, VE included in its Application an Exhibit C: **“PLAN OF LIQUIDATION AND TERMINATION OF SERIES”**.

For some unknown reason, VE embedded inside its Redemptive Relief Application to the SEC a previously undisclosed VE fund Liquidation Plan. Why did VE mix in the disclosure of a precedent liquidation plan with a request for redemptive relief?

As partial explanation within the Application, VE stated:

***“Notwithstanding the present inability to dispose of Russian securities held by the Funds, Applicants have determined to seek the requested order at this time because Applicants believe that liquidation of each Fund is in the best interests of each Fund’s shareholders. Without the requested relief, the Funds will be required to satisfy redemption requests from authorized participants, while other investors would be unable to trade the Funds’ shares. Although the Funds have received no redemption orders since the invasion began, it is possible that redemption orders could be received at any time.”***

From an RSX/RSXJ holder’s perspective, this is extremely confusing language.

Is VE, via the Redemptive Relief Application, trying to “protect” all fund holders due to unprecedented illiquid market conditions?

Or is VE using the redemptive relief Application as improbable cover to stealthily disclose the forced liquidation of holders in the midst of chaotic circumstances without any communication or consent?

Or something else?

What is clear is that **(a)** the redemptive relief request and **(b)** the pre-emptive liquidation plan are two **totally different issues**.

So much so, that fund holder protection via redemptive relief is arguably the opposite of forced holder liquidation. Yet VE inexplicably conflated the two issues in its Redemptive Relief Application. Even stranger, the relief application is the only public document I’ve seen in which VE provided detailed disclosure of the Liquidation Plan. What’s the big secret?

If VE is committed to protecting fund holders, why didn’t it simply make a public liquidation proposal and seek input from the RSX/RSXJ holders it wants to serve?

**Reason for the Hearing Request:**

This general issue of the clearly necessary Redemptive Relief application vs. a previously schemed, pre-emptive, opaquely disclosed, **forced** Liquidation Plan is the primary reason for this Hearing Request. A public hearing would be an excellent way to overcome the risk that the holder-protective SEC redemptive relief approval process was used as a means to direct attention away from the much more controversial fund liquidation plan.

In its redemptive relief Application, VE stated:

***“Applicants submit that granting the requested relief would be for the protection of the shareholders of each Fund, as provided in Section 22(e)(3) of the 1940 Act. Applicants assert that, in requesting an order by the Commission, Applicants’ goal is to ensure that all of each Fund’s shareholders will be treated appropriately and fairly in view of the otherwise***

*detrimental effect on the Fund of the illiquidity of the Fund's investments and the ongoing uncertainty surrounding the Russian equity markets. The requested relief is intended to permit an orderly liquidation of each Fund's portfolio and ensure that all of the Fund's shareholders are protected in the process."*

Simultaneous disclosure of a previous VE in-house approved, forced Liquidation Plan to be imposed on unwitting RSX/RSXJ holders is wholly inconsistent with the Redemptive Relief Application and SEC Approval. I request a hearing in order to resolve this issue for the benefit of all interested parties including RSX/RSXJ fund holders, advisors to fund holders, VE, and others who may have valuable input.

One last point: Intentionally or not, VE used the SEC redemptive relief application as the sole means by which to disclose and publish its fund liquidation plan. I would hope the SEC grasps that RSX/RSXJ fund holders were left totally in the dark on the details of this process, as I described above. I believe a public hearing is the best way to remedy this oversight, and I pray that fully viable alternatives to forced liquidation of holders may be proposed and explored.

Sincerely yours,

James Smith

