

October 6, 2017

Mr. Daniele Marchesani
Division of Investment Management
Securities and Exchange Commission
100 F Street, NE
Washington, D.C. 20549

Re: *Innovator Capital Management, LLC, et al.*

Dear Mr. Marchesani:

The undersigned, on behalf of Innovator Capital Management, LLC (“Innovator Capital”), Innovator ETFs Trust (formerly, Academy Funds Trust) (the “Trust”), and Quasar Distributors, LLC (“Quasar”) requests that the Staff of the Division of Investment Management of the Securities and Exchange Commission (the “Commission”) advise us that it will not recommend that the Commission take any enforcement action under provisions of the Investment Company Act of 1940 (the “1940 Act”), and the rules thereunder covered by three existing exemptive orders issued by the Commission (“Existing Orders”), against any person relying on the Existing Orders as if the Existing Orders extended to Innovator Capital, under the circumstances described below.¹

Summary and Background

Innovator Management LLC (“Innovator”)² entered into an agreement with Innovator Capital pursuant to which Innovator transferred the assets of its investment advisory business and related intellectual property to Innovator Capital (the transfer of such business and property is referred to herein as the “Transaction”). Innovator served as the investment advisor to each series of the Trust (each, a “Fund,” and collectively, the “Funds”).³ The closing of the Transaction (the “Closing”) occurred on May 9, 2017, when the investment advisory agreements between the Trust, on behalf of each Fund, and Innovator Capital became effective. Innovator and the Funds engaged, or anticipated to engage, in certain activities in reliance on the Existing Orders.⁴ Together with the Trust and Quasar, as applicable, Innovator Capital, which is not covered by the Existing Orders, has filed three applications with the Commission requesting exemptive orders (“Requested Orders”) that would effectively provide the same relief granted in the Existing Orders. Because the Requested Orders have not yet been issued and in order to permit Innovator Capital to engage in activities similar to those which were the subject of the Existing Orders obtained by Innovator, the Trust, and Quasar, Innovator Capital, the Trust, and Quasar sought a no-action position as it pertains to the following Existing Orders:

¹ Our letter seeks to formalize oral no-action relief provided by Robert H. Shapiro of the Staff to Jonathan M. Kopcsik of Stradley Ronon Stevens & Young, LLP, counsel to the Trust, on May 5, 2017.

² Innovator and Innovator Capital are not affiliated persons of each other.

³ As noted below, each Fund is sub-advised by an unaffiliated sub-adviser; however, those services will remain unchanged following the Transaction.

⁴ Two series of the Trust, the Innovator IBD[®] Small/Mid-Cap Leaders Fund and Innovator IBD[®] Large/Mid-Cap Leaders Fund, are currently in the process of registration, and will operate as index-based exchange-traded funds (“ETFs”).

Investment Company Act Release No. 31248

The Trust and Innovator filed an application on May 13, 2014 requesting an order under Section 6(c) of the 1940 Act for an exemption from Sections 2(a)(32), 5(a)(1), 22(d) and 22(e) of the 1940 Act and Rule 22c-1 under the 1940 Act, under Section 12(d)(1)(J) of the 1940 Act for an exemption from Sections 12(d)(1)(A) and 12(d)(1)(B) of the 1940 Act, and under Sections 6(c) and 17(b) of the 1940 Act for an exemption from Sections 17(a)(1) and 17(a)(2) of the 1940 Act. The Commission granted the requested exemptions by order dated September 9, 2014, subject to the terms and conditions contained therein.⁵ The Active ETF Order permits: (a) actively-managed series of the Trust to issue shares redeemable in large aggregations only (“Creation Units”); (b) secondary market transactions in shares to occur at negotiated market prices; (c) certain series to pay redemption proceeds, under certain circumstances, more than seven days from the tender of shares for redemption; (d) certain affiliated persons of the series to deposit securities into, and receive securities from, the series in connection with the purchase and redemption of Creation Units; and (e) certain registered management investment companies and unit investment trusts outside of the same group of investment companies as the series to acquire shares.

Investment Company Act Release No. 31711

The Trust and Innovator filed an application on September 12, 2014 and amendments to the application on January 28, 2015, May 12, 2015 and June 3, 2015 requesting an order under Section 6(c) of the 1940 Act for exemptions from Section 15(a) of the 1940 Act and Rule 18f-2 under the 1940 Act. The Commission granted the requested exemptions by order dated July 9, 2015, subject to the terms and conditions contained therein.⁶ The MOM Order permits the Funds to enter into and materially amend subadvisory agreements without shareholder approval.

Investment Company Act Release No. 32026

The Trust, Innovator and Quasar Distributors, LLC filed an application on August 12, 2015 and an amendment to the application on December 3, 2015 requesting an order under Section 6(c) of the 1940 Act for an exemption from Sections 2(a)(32), 5(a)(1), 22(d) and 22(e) of the 1940 Act and Rule 22c-1 under the 1940 Act, under Sections 6(c) and 17(b) of the 1940 Act for an exemption from Sections 17(a)(1) and 17(a)(2) of the 1940 Act, and under Section 12(d)(1)(J) of the 1940 Act for an exemption from Sections 12(d)(1)(A) and (B) of the 1940 Act. The Commission granted the requested exemptions by order dated March 9, 2016, subject to the terms and conditions contained therein.⁷ The Index ETF Order permits: (a) series of the Trust to issue shares redeemable in Creation Units; (b) secondary market transactions in shares to be effected at negotiated market prices rather than at net asset value; (c) certain series to pay redemption proceeds, under certain circumstances, more than seven days after the tender of shares for redemption; (d) certain affiliated persons of the open-end investment company to deposit securities into, and receive securities from, such investment company in connection with the purchase and redemption of Creation Units; and (e) certain registered management investment companies and unit investment trusts outside of the same group of investment companies as the series to acquire shares.

Statement of Facts

On May 9, 2017, Innovator entered into the Transaction with Innovator Capital. The consummation of the Transaction constituted an assignment of each Fund’s investment advisory agreement, causing such agreements to terminate. The termination of each Fund’s investment advisory agreement with Innovator also triggered the termination of each Fund’s investment sub-advisory agreement. Prior to the Closing, at an in-person meeting held on March 23, 2017, the Board of Trustees (the “Board”) of the Trust approved interim investment advisory agreements and interim investment sub-advisory agreements in reliance on Rule 15a-4 of the 1940 Act. In addition, pursuant to a proxy statement filed with the Commission on May 23, 2017 and subsequently provided to shareholders, the Board of the Trust recommended that the shareholders of

⁵ Innovator Management LLC and Academy Funds Trust, Investment Company Act Release Nos. 31209 (Aug. 13, 2014) (notice) and 31248 (Sept. 9, 2014) (order) (“Active ETF Order”).

⁶ Academy Funds Trust and Innovator Management LLC, Investment Company Act Release Nos. 31679 (June 17, 2015) (notice) and 31711 (July 9, 2015) (order) (“MOM Order”).

⁷ Innovator Management LLC, et al., Investment Company Act Release Nos. 31996 (Feb. 12, 2016) (notice) and 32026 (Mar. 9, 2016) (order) (“Index ETF Order”).

each Fund approve a new definitive investment advisory agreement with Innovator Capital. At a meeting held on August 7, 2017, each Fund's shareholders approved a definitive investment advisory agreement with Innovator Capital.⁸

Rationale

Innovator Capital, the Trust, and Quasar sought the no-action position in order to rely on the Existing Orders as set forth herein.

There will be no change in the investment objectives of the existing Funds or the fees and charges of the existing Funds in connection with the Transaction. While a new entity (Innovator Capital) acts as investment adviser, it stepped into the role of the former investment adviser (Innovator). There will be continuity of personnel administering and sub-advising the Funds and Innovator Capital will comply with all representations, terms, conditions and agreements contained in the Existing Orders as if it were Innovator so that Innovator Capital, the Funds, Quasar, and other persons relying on the Existing Orders, as applicable, may engage in the activities contemplated by the Existing Orders in the interests of Fund shareholders.

Innovator Capital, the Trust, and Quasar have applied for the Requested Orders which, if granted, would effectively provide the same relief previously granted in the Existing Orders. Because the Transaction was not finalized or made publicly known until the Closing, Innovator Capital, the Trust and Quasar were not in a position to file for the Requested Orders prior to the Closing. The primary change effected by the Transaction is the change in the identity of the investment adviser to the Funds. The relevant facts set forth in the Existing Orders that provided the basis for granting the Existing Orders, other than the identity of the investment adviser, have not changed since the Existing Orders were granted and will not change as a result of the Transaction.

The Trust, Innovator Capital, and Quasar propose that, pending receipt of the Requested Orders, they would rely on the Existing Orders, as applicable, and, along with any other person relying on the Existing Orders, would be subject to those orders' terms and conditions. Innovator Capital specifically agrees that, pending receipt of the Requested Orders, it will comply with the terms and conditions in the Existing Orders imposed on Innovator as though such terms and conditions were imposed directly on Innovator Capital. The Trust and Quasar, as applicable, agree that they will rely on each Requested Order when it is granted, rather than continuing to rely on the respective Existing Order. The Trust, Quasar, and Innovator Capital further agree that the requested Staff no-action position shall remain in effect only until the earlier of the date on which the respective Requested Orders are issued, or 150 days from the date of the Closing.

We believe that the Trust and Quasar should be permitted to continue relying on the Existing Orders because the factors supporting the issuance of such orders are still applicable even though the Funds have a different investment adviser after the Closing of the Transaction. Without the ability for the Funds to continue to rely on the Existing Orders, the operations of the Funds would be significantly disrupted. Moreover, we believe that all of Innovator's investment advisory business assets and property were transferred to Innovator Capital for valid business reasons, and Innovator has represented that it will cease operations in an orderly fashion and will not rely on the Existing Orders. We further represent that the Transaction was not occasioned by a desire on the part of Innovator Capital to acquire the use of the Existing Orders.

The Staff previously has taken "no-action" positions in similar situations involving various parties who sought to continue to rely on exemptive orders despite changes in circumstances similar to those involved here. See Madison Asset Management, LLC, et al. (pub. avail. June 30, 2009), Fixed Income Securities, L.P. (pub. avail. April 29, 2004), Reich & Tang Distributors L.P. (pub. avail. March 13, 1996), PaineWebber Incorporated (pub. avail. Jan. 27, 1995), The Chase Manhattan Bank, N.A. (pub. avail. July 25, 1996), Shearson Lehman Brothers, Inc. (pub. avail. June 8, 1993), The Kent Funds (pub. avail. February 15, 1994), The PNC Fund (pub. avail. April 2, 1993), Cigna Funds Group (pub. avail. July 13, 1992), Merrill Lynch Federal Securities (pub. avail. September 26, 1991), First Boston Corporation (pub. avail. July 3, 1991), Fiduciary Capital Partners, L.P. (pub. avail. January 24, 1990) and Federated Investors, Inc. (pub. avail. September 22, 1988). Similar relief is appropriate here in order to avoid needless disruption and expense to the Funds and their

⁸ We are not requesting in this letter, and we understand that the Staff is not taking, any position with respect to Section 15(f) of the 1940 Act. At the in-person meeting held on March 23, 2017, the Board approved a new definitive investment sub-advisory agreement on behalf of each Fund that would become effective in reliance on the MOM Order only upon shareholder approval of the respective Fund's new definitive investment advisory agreement. As a result, shareholder approval of each Fund's new definitive investment sub-advisory agreement is not required.

shareholders.

Accordingly, since Innovator Capital, the Funds, and Quasar, as applicable, have agreed to satisfy all of the representations, terms, conditions and agreements set forth in the Existing Orders in order to engage in the contemplated activities, the original benefits and protections required by the standards set forth in Sections 6(c), 17(b) and 12(d)(1)(J) of the 1940 Act, as applicable, would continue.

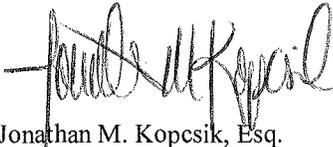
Conclusion

For the reasons stated above, and subject to the condition that Innovator Capital, the Trust, Quasar, and any other person relying on the Existing Orders, will comply with the terms and conditions of the Existing Orders, as applicable, pending receipt of the Requested Orders, we respectfully request that the Staff advise that it will not recommend that the Commission take enforcement action if such persons rely on the Existing Orders until the earlier of the date that the respective Requested Orders are issued, or 150 days from the date of the Closing.

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We greatly appreciate your assistance with this request. Should you have any questions regarding this request, please contact the undersigned directly at (215) 564-8099.

Respectfully submitted,



Jonathan M. Kopcsik, Esq.
Stradley Ronon Stevens & Young, LLP

Cc: Robert H. Shapiro
U.S. Securities and Exchange Commission
H. Bruce Bond
Innovator Capital Management, LLC