



GARY R. HERBERT  
*Governor*

SPENCER J. COX  
*Lieutenant Governor*

State of Utah  
Department of Commerce  
Division of Securities

FRANCINE A. GIANI  
*Executive Director*

THOMAS A. BRADY  
*Director, Division of Securities*

June 4, 2019

Therese Hogan  
National Regulatory Services  
88 Black Falcon Avenue, Suite 305  
Boston, MA 02210

Via U.S. Mail and email: [thogan@nrs-inc.com](mailto:thogan@nrs-inc.com)

Re: Clearwater Investment Trust No Action Request

Dear Ms. Hogan:

The Utah Division of Securities ("Division") has reviewed your May 29, 2019 request for a no-action letter concerning Clearwater Investment Trust ("Clearwater"). Your request for relief from the Division is authorized by Section 61-1-25(5) of the Utah Uniform Securities Act ("Act") and Utah Administrative Code Rule R164-25-5.

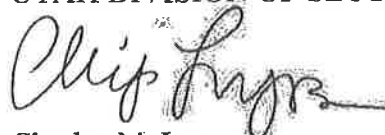
Your letter indicates Clearwater is an investment company registered with the United States Securities & Exchange Commission under the Investment Company Act of 1940. Clearwater is also a federal covered security under Section (18)(b)(2) of the Securities Act of 1933. Clearwater is subject to the notice filing requirements of Section 61-1-15.5(1) of the Act, and as such has filed notices on Form NF with the Division for the past three years. As described in your letter, Clearwater is an investment fund created exclusively for the clients of Fiduciary Counselling, Inc. ("FCI"), a federal registered investment adviser. FCI serves one family and only accepts clients who are related by blood, marriage, or adoption to the family. The Clearwater fund is one of the investment options offered to family member clients through FCI. Clearwater is not available to the general public, has no web site, and is self-distributing. There are no sales charges, commissions, or 12b-1 fees associated with Clearwater. There is currently one investor who is a Utah resident.

Based upon the representations in your letter, we will not recommend any enforcement or

administrative disciplinary action should Clearwater cease making notice filings in Utah in the future. As this recommendation is based upon the representations made to the Division, any different facts or conditions of a material nature might require a different conclusion. Furthermore, the relief granted herein is expressly limited to Clearwater and will have no precedential effect whatsoever for any other party. This response does not purport to express any legal conclusions regarding the applicability of statutory or regulatory provisions of federal or state securities laws to the questions presented. It merely expresses the position of the Division staff on enforcement or administrative actions. Finally, the issuance of a no-action letter does not absolve any party from complying with the anti-fraud provisions contained in Section 61-1-1 of the Act.

Very truly yours,

UTAH DIVISION OF SECURITIES

A handwritten signature in black ink, appearing to read "Charles M. Lyons", with a long horizontal flourish extending to the right.

Charles M. Lyons  
Securities Analyst

cc: Ken Barton, Director of Compliance  
Bryan Cowley, Director of Registration and Licensing



»» Compliance Confidence

88 Black Falcon Avenue, Suite 305  
Boston, Massachusetts 02210

Phone: 781-734-8400  
Fax: 617-345-4030  
www.nrs-inc.com

Additional Office Locations:  
Lakeville, CT New York, NY  
San Diego, CA Chicago, IL

May 29, 2019

Tom Brady  
Securities Director  
Department of Commerce  
Division of Securities  
160 East 300 South, 2<sup>nd</sup> Floor  
Salt Lake City, UT 84111

Re: Clearwater Investment Trust

Dear Mr. Brady:

On behalf of Clearwater Investment Trust ("Clearwater") a Massachusetts Business Trust offering shares of beneficial interest, we respectfully request a No Action Letter from the Utah Division of Securities that would allow Clearwater to rely on an exemption from the Notice Filing requirements set forth in Section 61-1-15.5(1) of the Utah Uniform Securities Act (the "Act").

Clearwater is an Open End Investment Company, registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (File# 811-05038) and under the Securities Act of 1933 (File # 33-12289). Currently Clearwater meets the definition of a Federal Covered Security as defined in section 18(b)(2) of the Securities Act of 1933 and is subject to the notice filing requirements, pursuant to Section 61-1-15.5(1) of the Act. Clearwater is also a self-distributing fund. No commission or remuneration is paid to any person for the sale of these securities. This request for a No Action letter is not being submitted to avoid the Agent for Issuer filing requirements. Rather it is being submitted to eliminate the need for continuing to maintain notice filings with the state.

Clearwater was created exclusively for the clients of Fiduciary Counselling, Inc. ("FCI"), a Registered Investment Advisor. FCI was organized in 1973, solely for the purpose of

serving one family, acting as the family's advisor and provider of integrated financial services. These services have evolved over many years and represent a comprehensive approach to wealth management that incorporates trust administration, investments, tax and estate planning, charitable administration and accounting support services. FCI only accepts clients who are related, either by blood, marriage or adoption, to this family, for their services. For example, if a family member marries and their spouse chooses to become a client, or when children of family members turn 18 years of age and choose to become clients. The origins of the family date back to family owned business in one industry. As the family tree has become larger, the family has diversified out of the main business and into a variety of investments, including the Clearwater funds.

One of the investments available to FCI Clients is the opportunity to purchase shares of Clearwater. The mutual fund structure was chosen (1) to provide access to a large number of family investors; (2) to streamline the administration of the investment structure; (3) to offer investors a cost-effective investment structure; and (4) to provide ample opportunities for diversification. Clearwater utilizes the scale of the family's combined assets to access world-class investment strategies and managers. All trustees of the Clearwater Board of Trustees are family members. There are no current plans to add more funds or classes to the Clearwater Investment Trust.

A family member may (i) inherit the Clearwater funds, (ii) purchase Clearwater funds with money they have earned on their own or (iii) purchase Clearwater funds with money they have inherited. FCI has a number of investment models from which clients can choose based on individual situations. These models include investing in the Clearwater funds. FCI has no obligation and no incentive to recommend the clients purchase Clearwater funds. As mentioned above, there is no distributor of the funds, there is no website describing the funds and there is no public solicitation of these funds. There is no sales charge, no commission is paid and there are no 12b-1 fees. FCI and Clearwater both intend to operate on a close-to-breakeven basis.

For the past three years, Clearwater has filed notices on Form NF, with the State of Utah Securities Division. The state issued permit number 007-3755-02 for these filings.

There is currently only one investor in Utah. That one investor is non-accredited. This investor owns all four Clearwater Funds. As shared above, all investors of Clearwater are supported by the guidance and services of FCI.

Pursuant to R164-25-5, the issuer is seeking a No Action letter from the state as to whether this offering should be subject to the notice filing requirements and fees set forth in Section 61-1-15.5(1) of the Act and is seeking a discretionary exemption from any future notice filing requirements; that they are not necessary or appropriate for the protection of investors; and that the discretionary exemption is consistent with the public interest and within the purposes fairly intended by the Act. A fee of \$120 is enclosed with this request. In this case, Clearwater's distribution is limited to clients of FCI and is not involved in a general solicitation of shares to the public. Most sales are eligible for the institutional investor exemption. There is no guarantee that all investors will meet the definition of an institutional investor, however, the only investors that can purchase this fund will be clients of FCI and therefore advised by FCI.

The prospectus does not specify these limitations, but the funds do not maintain a public website, nor do they distribute prospectuses or other fund materials to the public. Accordingly, although members of the public could obtain these materials through the Securities and Exchange Commission's EDGAR filing site, the funds do not actively distribute such materials to members of the public.

On the basis of the above stated facts, Clearwater respectfully requests that an exemption be granted pursuant to Section 61-1-24 from the filing requirements of Section 61-1-15.5(1) of the Act.

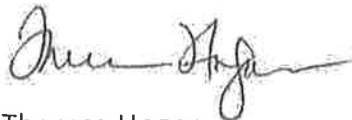
For your informational purposes only, we have submitted a similar request in three other states. The fund was granted a discretionary exemption from the filing requirements in Maryland and Wisconsin, due to the limited nature of the offering. We are considering requesting this exemption in more states. North Carolina pointed us to a self-executing exemption however since we requested an Interpretive Opinion and paid a fee, they agreed to issue an Interpretive Opinion. New Hampshire and Vermont recently called and spoke to FCI and over the phone they agreed they are inclined to grant an exemption to the fund. Vermont said they may want the fund to provide a letter on a scheduled basis confirming the terms of the offering are the same and the distribution of the product remains limited. As of this date, we have not received correspondence from Vermont, so we are not sure at this time, how frequently they want to hear from the fund and/or what they need the fund to submit. Also, we have not received anything in writing from New Hampshire agreeing to grant an exemption.

Should the Division have additional questions, you may contact:

- Stephen G. Simon, Esq., Fiduciary Counselling, Inc., CCO of Clearwater Investment Trust; [steve.simon@fidcouns.com](mailto:steve.simon@fidcouns.com); 651-215-4402
- Karen Rau, Senior Compliance Analyst, Fiduciary Counselling Inc.; [karen.rau@fidcouns.com](mailto:karen.rau@fidcouns.com); 651-215-4414
- Therese Hogan, Director, National Regulatory Services; [thogan@nrs-inc.com](mailto:thogan@nrs-inc.com); 781-734-8407
- Virginia Chapman, Vice President, National Regulatory Services; [vchapman@nrs-inc.com](mailto:vchapman@nrs-inc.com); 781-734-8402

Thank you for your time and consideration.

Very truly yours,



Therese Hogan  
Director, Blue Sky Services  
781-734-8407  
[thogan@nrs-inc.com](mailto:thogan@nrs-inc.com)

cc: Stephen G. Simon, Esq.  
Karen Rau  
Lisa Shea  
Virginia Chapman