

## **Aquila Tax-Free Trust of Oregon**

### **Governance and Nominating Committee Charter**

Dated as of December 2, 2018

#### ***Establishment and Purpose***

This document serves as the Charter for the Governance and Nominating Committee (the “Committee”) of the Board of Trustees (the “Board”) of Aquila Tax-Free Trust of Oregon (the “Fund”), a series of The Cascades Trust (the “Trust”). The primary purposes of the Committee are the following:

1. To oversee Board governance and related Trustee matters;
2. To evaluate and make recommendations to the Board regarding the performance of the Board and its committees.
3. To develop and maintain, by its selections, and nominations and re-nominations for Trustee, a Board of high quality, independence and integrity to best serve the interests of shareholders and the Trust.

#### ***Governance Responsibilities***

The primary responsibilities of the Committee with respect to governance matters are the following:

1. To consider and periodically make recommendations to the Board on matters concerning Board governance and performance, and related matters. In this regard, the Committee will coordinate a self-assessment of the Board and its committees to be conducted by the full Board at least annually, consistent with the requirements of the Investment Company Act of 1940, as amended.
2. To make recommendations to the Board regarding election of officers and appointment of committee members and committee chairpersons.
3. To consider and periodically make recommendations to the Board regarding Trustee issues, including compensation, and retirement arrangements.
4. To consider and make recommendations to the Board on such other matters as may be delegated to the Committee from time to time by the Board or the Chairperson of the Board.

### ***Nomination Responsibilities***

The Committee shall recruit and recommend qualified new candidates for nomination consistent with the Statement of Policy for Nominating, Re-nominating and Selecting Trustees (“Statement of Policy”), attached as Appendix A, and shall recommend such nominations along with its recommendation of incumbent re-nominations to the Board of Trustees.

The Committee will determine all nominations of candidates for election to the Board of Trustees, and no person shall be elected a Trustee unless selected as a nominee by the Nominating Committee, except for nominations by shareholders as specified by applicable law. All elections of Trustees are either by shareholders or by the Board of Trustees.

Selections by the Committee will be made in accordance with the Statement of Policy. The Committee will periodically review the Statement of Policy, which may from time to time be revised by the Committee and recommended to the Board for Board approval.

Nomination and re-nomination of Independent Trustees is committed solely to the discretion of the Independent Trustees, as stated in the Distribution Plan of the Trust. Consistent with that requirement, the Nominating Committee may consider input from other sources in connection with the nominating process. The Committee will consider nominee candidates properly submitted by shareholders in accordance with applicable law, the Trust’s Declaration of Trust or By-laws, resolutions of the Board and the qualifications and procedures set forth in this Charter (including Appendix A). The Committee will evaluate nominee candidates properly submitted by shareholders on the same basis as it considers and evaluates candidates recommended by other sources.

### ***Composition***

The Committee shall be appointed by the Board and shall be comprised of not less than three Trustees of the Board, each of whom shall be a Trustee who has been determined not to be an "interested person," as that term is defined in Section 2(a)(19) of the Investment Company Act of 1940, as amended, of the Trust (“Independent Trustees”). The Chairperson of the Board shall be an ex officio voting member of the Committee. The Board shall designate one of the Committee members to be the Chairperson of the Committee.

### ***Meetings***

The Committee shall meet on a regular basis, but not less frequently than twice a year. Meetings may be held upon reasonable notice to the members of the Committee. Minutes shall be kept of meetings of the Committee. Meetings of the Committee may be held in person or by telephone or videoconference at which each participant can hear and be heard by each other participant. The Committee may take action by unanimous written consent in lieu of a meeting.

A majority of the Committee’s members, but not fewer than three members, shall constitute a quorum. At any meeting of the Committee, the decision of a majority of the members present and voting shall be determinative as to any matter submitted to a vote.

### ***Resources***

The Committee shall have the resources and authority appropriate to discharge its responsibilities, including the authority to retain, as it deems necessary to carry out its duties, special counsel and other experts or consultants at the expense of the Fund. The Fund shall provide appropriate funding, as determined by the Committee, for the Committee to carry out its duties and its responsibilities, including (a) for payment of compensation to any outside legal, accounting or other advisors, counsel or consultants employed by the Committee and (b) for the ordinary administrative expenses of the Committee; provided that, any extraordinary expense to be incurred by the Committee will be submitted to the Board for prior approval. In performing its duties, the Committee may consult as it deems appropriate with the members of the Board, officers of the Fund, the Fund's investment manager, the Fund's sub-adviser(s), the Fund's counsel, counsel to the Independent Trustees and the Fund's other service providers.

### ***Reporting***

The Chairperson shall report regularly to the Board on the results of the Committee's deliberations and make such recommendations as deemed appropriate.

### ***Amendments***

This Charter may be amended by a vote of the majority of the Trustees.

This Governance and Nominating Committee Charter for Aquila Tax Free Trust of Oregon, including the Statement of Policy, is available on the Trust's web site at [www.aquilafunds.com](http://www.aquilafunds.com).

**STATEMENT OF POLICY  
FOR NOMINATING, RE-NOMINATING AND  
SELECTING TRUSTEES**

The Governance and Nominating Committee of the Board of Trustees of Aquila Tax Free Trust of Oregon has recommended, and the full Board of Trustees has adopted, this Statement of Policy to set forth the appropriate criteria for selecting Trustees of the Trust.

**The Governance and Nominating Committee shall:**

**As to Overall Composition of the Board**

- Maintain an appropriate ratio between the Independent and Interested Trustees, in accordance with applicable laws and regulations.
- Seek Board composition providing relevant talents from a broad and diverse range of backgrounds, significant business and/or professional experiences and contributions, and personal qualities consistent with those considered under “Individual Characteristics of Trustees” below.
- Seek Board composition that reflects an appropriate balance, by giving consideration to, where appropriate, the nominee’s state-specific knowledge, involvement and residence, as well as the nominee’s significant service, contributions and Board experience, including as a mutual fund Board member.

**As to Individual Characteristics of Trustees:**

- Consider as Trustees professionals and others with significant experience, stature and accomplishment, who have made contributions of high quality, and have the broad and relevant experience, sound judgment and conscientious attitude needed to discharge the duties of Trustees.
- Consider as candidates people who have personal qualities and traits that facilitate forthright, articulate, objective and thoughtful dialogue among Trustees, management and shareholders.
- Consider persons whose experience, background and state profile, stature and contributions can, as appropriate, be expected to enhance investor confidence in the Trust and the stature of the Board. Mutual fund trustee and/or other significant experience on other boards is desirable.
- Select new nominees or re-nominate incumbent Trustees who will be capable of serving until the next annual meeting, if any, or until his or her successor is duly elected.
- Select new nominees and re-nominate incumbent Trustees who will actively prepare for and participate in person in all or substantially all Board meetings and related activities.

With respect to incumbent Trustees consider for re-nomination those Trustees who have been diligent in carrying out their responsibilities as Trustees in a professional manner, who have made significant contributions of their time and skill to the Trust and the interests of its shareholders and who are qualified as reflected in this Statement of Policy for Nominating, Re-nominating and Selecting Trustees.

### **As to the Respective Roles of Independent and Interested Trustees**

#### **For Independent Trustees:**

- Select new nominees and re-nominate incumbent Trustees with the capacity and experience to exercise sound and realistic business judgment representing the interests of shareholders in the oversight of the Trust.
- Expect that because of potentially divergent interests of other entities participating in the affairs of the Aquila Group of Funds and the Trust, Independent Trustees will play a role which, while active, participatory and collegial, will also be diligent and firmly independent in pursuing the best interests of the Trust and its shareholders.
- Select individuals who not only qualify as not being “interested persons” under the Investment Company Act of 1940, but also qualify consistent with other regulatory requirements.

#### **For Interested Trustees:**

- Select nominees, while applying those standards applicable to all Trustees,
  - Who may be expected fairly and reasonably to benefit Board deliberations by reason of intensive knowledge of and responsibility for the operations of the Trust and its service providers; or
  - Who otherwise bring special and relevant qualifications or talents to the Board.

#### **Unsolicited Nominations**

- Any nomination by shareholders shall be sent to the Trust at its principal address for the attention of the Chair of the Governance and Nominating Committee. Nominations shall include the following information:
  - Name, address, share ownership and length of time as shareholder documentation concerning the shareholder of record making the nomination and, if applicable, documentation demonstrating that the nomination is being made on behalf of a beneficial owner of shares.
  - Name, address, share ownership and length of time as a shareholder of the person being nominated and a description of the candidate’s qualifications as identified in the above section.

- In order for a candidate to be considered for election
  - at an annual meeting, if any, of shareholders in any year, an unsolicited nomination of that candidate must be received by the Trust by a date not later than the 120<sup>th</sup> calendar day before the anniversary of the date of the Trust's proxy statement released to security holders in connection with the next previous annual meeting, if any, or
  - if for any reason there has not been and shall not be annual meetings of shareholders permitting the Governance and Nominating Committee to apply the immediately preceding procedure, or if the scheduled date of the annual meeting is 30 days or more distant from the anniversary of the next previous meeting, then the procedural requirements and timing to be applied shall be as determined by the Committee.
- Each candidate for independent Trustee may be required to complete the Trust's questionnaire to confirm that the candidate would be considered an independent trustee, as deemed appropriate at the discretion of the Governance and Nominating Committee.
- Each candidate shall provide the Governance and Nominating Committee with such other information as it may deem necessary or appropriate, including information for possible use in proxy statements or other disclosure by the Trust.
- Each candidate may be interviewed by a member or members of the Governance and Nominating Committee, as deemed appropriate by the Committee.
- Once these steps are completed and the Governance and Nominating Committee has completed its consideration of the candidate(s), the candidate(s) shall be promptly notified of the disposition by the Chair of the Committee.

### **Nominations by the Governance and Nominating Committee**

In considering Trustee nominations and re-nominations to the Board of Trustees, the Governance and Nominating Committee shall, where appropriate:

- Seek to identify possible candidates by soliciting recommendations from a broad range of participants involved in and knowledgeable about funds and board oversight, including Board members, management, community leaders and shareholders.
- Recruit, interview and evaluate new candidates according to specific qualifications described herein and review incumbent nominations according to the standards herein.
- Review and evaluate incumbent Trustees subject to and recommended for re-nomination, consistent with this Statement of Policy for Nominating, Re-Nominating and Selecting Trustees, and recruit, interview and evaluate new candidates for nomination to the Board of Trustees consistent with this Statement of Policy.