



AQUILA
GROUP OF FUNDS



Hawaiian
Tax-Free Trust

HAWAIIAN TAX-FREE TRUST

Created for the benefit of Hawaii residents

HAWAIIAN TAX-FREE TRUST

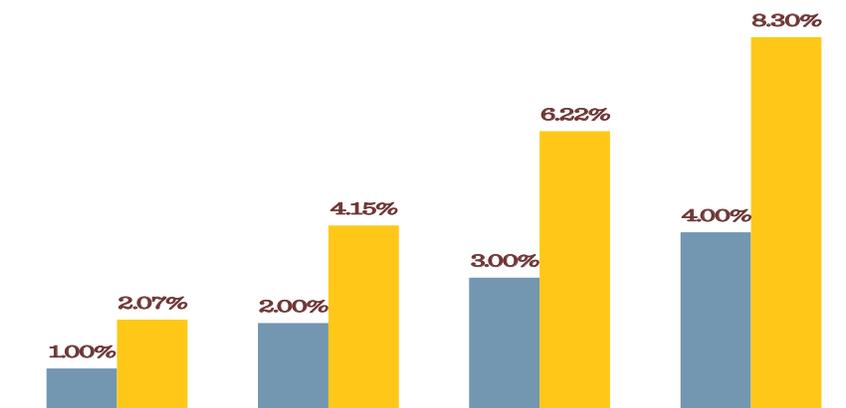
WHY MUNICIPAL BONDS?

An important benefit of investing in municipal bonds is earning tax-exempt income. Interest on most municipal bonds is exempt, under present tax laws, from regular federal income tax and generally from income tax of the state in which the bonds are issued. Double tax-exempt income can be very attractive, particularly for individuals in the highest tax brackets. Municipal bonds have historically demonstrated less volatility than taxable corporate and government bonds. This may make investing in municipal bonds a suitable strategy for the conservative investor.

WHY NOW?

Double tax-exempt income is appealing, particularly during periods of rising tax rates. With the recent addition of three higher state income tax brackets in Hawaii, interest in municipal bonds is expected to increase. Also, in 2013, a new surtax was added; the Net Investment Income Tax¹ (NIIT). The NIIT was a provision of the Patient Protection and Affordable Care Act and is triggered at income levels of \$200,000 for single filers and \$250,000 for married, filing jointly.

DOUBLE TAX-EXEMPT INCOME



In the diagram above, the blue bars illustrate hypothetical yields¹ on double tax-exempt municipal bonds and the yellow bars illustrate the taxable-equivalent yield² that a Hawaii investor in the highest combined 2019 federal and Hawaii state income tax bracket and subject to the Net Investment Income Tax³, would have to earn in order to receive comparable after-tax income.

WHY AQUILA GROUP OF FUNDS?

For over 30 years, the Aquila Group of Funds has pursued an investment strategy based on providing investors with double tax-exempt income and preservation of capital. Each of the single-state municipal bond funds offered by the Aquila Group of Funds emphasizes a broadly diversified portfolio of high-quality municipal securities with credit analysis and selection conducted by a portfolio manager based in the state in which the investments are made. This strategy is a hallmark of the Aquila Group of Funds, which we believe provides valuable insights regarding the economic and political climate of the state, the financing needs and capabilities of individual issuers, and ready access to multiple sources of information when evaluating the potential risk and return opportunities of a given security. Interest rate and credit risks are managed while maintaining a high-quality portfolio of intermediate average maturity.

¹This tax-equivalent yield chart is for illustrative purposes only, and does not represent past or future performance of any investment. For certain investors, some dividends may be subject to federal and state income taxes, including the Alternative Minimum Tax (AMT). Please consult your professional tax advisor. ²The taxable-equivalent yields displayed do not take into consideration individual taxpayer limitations on deductions. ³Net Investment Income Tax, is a 3.8% tax established by the Patient Protection and Affordable Care Act, that applies to the lesser of (1) net investment income or (2) a taxpayer's modified adjusted gross income (MAGI) in excess of an applicable threshold amount.

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WHAT ARE TAX-FREE MUNICIPAL BONDS?

Municipal bonds are issued by states and their political subdivisions, such as counties, cities, school districts, local public authorities and agencies, to finance a variety of infrastructure needs. Interest on most municipal bonds is exempt, under present tax laws, from federal income tax and from income tax of the state in which they are issued. For certain investors, a portion of the income from municipal bonds may be subject to federal and state taxes, including the Alternative Minimum Tax.

WHAT ARE THE POTENTIAL BENEFITS OF BUYING SHARES OF A MUNICIPAL BOND FUND?

The Trust's professional management selects and monitors the investments and can react to changing credit and economic conditions, and changes in the interest rate environment, to pursue Trust objectives of providing a high level of double tax-free income and capital preservation. Trust investors also benefit from diversification and from economies of scale provided by the Trust's size. Through ownership of a municipal bond fund, investors avoid certain administrative tasks and costs associated with the purchase and maintenance of individual municipal bonds.

HOW DOES THE TRUST OPERATE?

The Trust combines your investment with those of many other Hawaii investors. It purchases and maintains a continuously managed portfolio of tax-exempt Hawaii municipal bonds and similar obligations of various maturities that meet select quality standards. The Trust provides shareholders with diversification in the number, type and maturity of bonds owned.

HOW DO I INVEST IN THE TRUST?

You may invest through your local financial professional at the public offering price as described in the prospectus, or by sending a completed new account application to the Shareholder Servicing Agent. Before investing in the Trust, carefully read about and consider the investment objectives, risks, charges, expenses, and other information found in the Trust prospectus. The prospectus is available from your financial professional, and when you call 800-437-1000, or visit www.aquilafunds.com. The maximum sales charge on Class A Shares is 4%, and is included in the offering price of the shares. Class C Shares do not have a sales charge, but a 1% contingent deferred sales charge (CDSC) applies to Class C Shares redeemed within the first 12 months following purchase. Class Y Shares are available only through a financial intermediary.

WHAT SIZE INVESTMENT CAN BE MADE IN THE TRUST?

The minimum initial investment in the Trust is \$1,000 – a smaller amount than is typically required to buy an individual municipal bond. You may make any size investment you wish above the initial minimum. Following the initial investment, there is no minimum amount for subsequent investments.

HOW OFTEN DOES THE TRUST PAY DIVIDENDS?

Dividends are declared daily and paid monthly. Unless otherwise requested, your dividends and distributions will be reinvested in full and fractional shares of the Trust at the then current Net Asset Value per share, without a sales charge. For certain investors, a portion of the income from the Trust may be subject to federal and state taxes, including the Alternative Minimum Tax.

WHAT IS THE TRUST'S RATE OF RETURN?

The Trust does not have a fixed rate of return. The rate of return will vary with market conditions and the composition of the Trust's portfolio. The Trust's portfolio manager will, however, seek to achieve as high a level of current income as is consistent with preservation of capital. Investors should realize that because the Trust portfolio is continuously managed, it will have operating expenses, including a management fee. These expenses are deducted from the gross income of the Trust's portfolio when determining the dividend rate declared daily and paid monthly.

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HOW CAN I OBTAIN THE TRUST'S YIELD?

Your financial professional can provide you with the latest 30 day SEC yield, and current performance information on any business day. You may also call toll-free 800-437-1000 or visit www.aquilafunds.com.

HOW CAN I KEEP TRACK OF MY INVESTMENT IN THE TRUST?

You will receive statements with the status of your account either from your financial professional or the Trust's Shareholder Servicing Agent, BNY Mellon Investment Servicing, along with a year-end summary statement. An audited report on the Trust is sent to you annually, as well as an unaudited semi-annual report. You may also keep track of the Trust's price and performance in the mutual fund section of newspapers and financial publications, and on a number of financial websites. For your convenience, if your shares are held by the Trust, you may call the Shareholder Servicing Agent, toll free, at 800-437-1000, to get an update on your account.

HOW LIQUID IS MY INVESTMENT IN THE TRUST?

The Trust provides ready liquidity. You may redeem all or part of your investment on any business day at the next-determined Net Asset Value of the Trust's shares after acceptance of your redemption request. You should be aware that, because the municipal bonds which comprise the Trust's portfolio vary in market price with prevailing interest rates and economic factors within the State, and since the Trust's price per share is determined by the market value of the bonds in the Trust's portfolio at the time of liquidation, the price per share you receive may be more or less than you originally paid. Therefore, you should consider the Trust as a long-term investment. The prospectus describes the different ways you may redeem your shares. There are no redemption fees on regular Class A Shares. Class C Shares do not have a sales charge, but a 1% contingent deferred sales charge (CDSC) applies to Class C Shares redeemed within the first 12 months following purchase.

WHO MAINTAINS THE TRUST'S PORTFOLIO SECURITIES?

All securities owned by the Trust are held in a segregated custody account at The Bank of New York Mellon.

IS THE TRUST RIGHT FOR ME?

The Trust is intended to be a long-term investment for someone seeking as high a level of tax-free income as is consistent with preservation of capital. To help you judge the specific benefits of double tax-free income, please speak to your financial professional or visit our web site at www.aquilafunds.com.

HOW DO I GET ANSWERS TO ANY OTHER QUESTIONS I MIGHT HAVE?

Please contact your local financial professional with any questions you may have. You may also call the Trust toll free between the hours of 9:00 a.m. and 5:00 p.m. Eastern, at 800-437-1000 or visit our website www.aquilafunds.com

HAWAIIAN TAX-FREE TRUST

INVESTMENTS BENEFITING THE RESIDENTS OF HAWAII

Hawaiian Tax-Free Trust is a mutual fund which seeks to provide as high a level of current income, exempt from both State of Hawaii and federal income taxes, as is consistent with preservation of capital.⁴ To achieve this objective, the Trust invests primarily in tax-free municipal obligations of Hawaii issuers; securities that finance schools, highways, hospitals, water and sewer facilities, and other projects in Hawaii, examples of which are pictured here.⁵



Kahului Fire Station
Maui



State of Hawaii Convention Center
Oahu



Highway 3
Oahu



Kekaha Kai State Park
Kauai



Kona International Airport
Big Island of Hawaii



Lanai Police Station
Lanai

LOCAL PROFESSIONAL INVESTMENT MANAGEMENT

Asset Management Group of Bank of Hawaii is the Trust's adviser and portfolio manager. The Adviser is a division of Bank of Hawaii, all of whose shares are owned by Bank of Hawaii Corporation, a bank holding company.

⁴For those individuals subject to the alternative minimum tax, a portion of the dividend paid by Hawaiian Tax-Free Trust may be subject to the Alternative Minimum Tax. Consult your tax adviser.

⁵Municipal obligations, some part of which financed these particular projects, represented a portion of the Trust's portfolio as of the date of publication. Since the portfolio is subject to change, the Trust may not necessarily own these specific securities at the time this publication is delivered.

SPECIALIZED INVESTMENT MANAGEMENT

The Aquila Group of Funds offers tax-free and taxable alternatives for investors seeking income, and includes seven single-state municipal bond funds and a high-yield corporate bond fund. The Aquila Group of Funds also offers an equity fund alternative for investors seeking capital appreciation. Together these nine funds make up our specialized group of open-end mutual funds.

Aquila Tax-Free Trust of Arizona
Aquila Tax-Free Fund of Colorado
Hawaiian Tax-Free Trust
Aquila Churchill Tax-Free Fund of Kentucky

Aquila Tax-Free Trust of Oregon
Aquila Narragansett Insured Tax-Free Income
Fund (RI)
Aquila Tax-Free Fund For Utah

Aquila Three Peaks High Income Fund
Aquila Three Peaks Opportunity Growth Fund

Aquila Investment Management LLC is a wholly-owned subsidiary of privately-held Aquila Management Corporation, founder of the Aquila Group of Funds. Aquila Distributors LLC, an affiliate, distributes shares for each of the Aquila-sponsored mutual funds.

Before investing in one of the Aquila Group of Funds, carefully read about and consider the investment objectives, risks, charges, expenses, and other information found in the Fund prospectus. The prospectus is available from your financial professional, and when you call 800-437-1000 or visit www.aquilafunds.com.

Risk Factors: *Municipal Bond Funds: An investment involves certain risks including potential loss of value, market risk, interest rate risk, credit risk, and geographic concentration. Insurance on an obligation is intended to mitigate credit risk; it does not insure the market price of the obligation. For certain investors, some dividends may be subject to federal and state taxes, including the Alternative Minimum Tax (AMT). Please consult your professional tax advisor.*

Corporate Bond Fund: This Fund may invest up to 100% of its assets in high-yield bonds that are rated below investment grade. Lower rated bonds generally offer higher yields, but also involve a greater degree of credit risk and default risk than higher rated bonds. The return of principal for the bond holdings in this fund is not guaranteed.

Equity Fund: An investment involves certain risks including market risk, financial risk, interest rate risk, credit risk, and risks associated with investments in highly-leveraged companies, lower-quality debt securities, foreign markets and foreign currencies, and potential loss of value.

FOR MORE INFORMATION:

Visit us at aquilafunds.com

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