

# IRA Account Application

**Use for establishing a Traditional IRA, Roth IRA or Simplified Employee Pension (SEP) IRA. Do not use for other types of qualified retirement plans.**

**Important information about opening a new account:** Harbor Funds is required by federal law to obtain from each person who opens an account certain information—including name, street address, and social security number/tax ID, among other information—that will be used to verify your identity. We may need to request additional identifying information. If you do not provide us with this information, we will not be able to open the account. If we are unable to verify your identity after establishment of an account, Harbor Funds reserves the right to close your account or take other appropriate steps.

## Questions?

**Call 800-422-1050**

To obtain additional forms or to complete this form online, visit us at [harborfunds.com](http://harborfunds.com).

## Step 1: Select Your Type of IRA Choose only one

- ☐ **Traditional IRA**
☐ **Roth IRA**
☐ **SEP IRA**  
(Simplified Employee Pension)
☐ **Beneficiary IRA**

### Type of Contribution (choose only one):

- |  |   |
|--|---|
| <input type="checkbox"/> <b>Contribution for tax year</b>  | <div style="border: 1px solid black; width: 100px; height: 20px; margin-bottom: 5px;"></div> <p><i>If a year is not indicated, we will assume the contribution is for the tax year in which it was received.</i></p>                |
| <input type="checkbox"/> <b>Indirect Rollover</b>  | <p>An individual receives an eligible rollover distribution and within 60 days deposits the amount to an IRA.</p>   |
| <input type="checkbox"/> <b>Direct Rollover from QRP</b><br><small>(Qualified Retirement Plan)</small> | <p>A qualified retirement plan or 403(b) plan distribution that is remitted directly to the trustee, custodian or issuer of the receiving IRA and is reported to the IRS as a rollover.</p>   |
| <input type="checkbox"/> <b>Transfer</b>   | <p>A tax-free, non-reportable movement of assets between Traditional IRAs or Roth IRAs from one trustee, custodian or issuer to another trustee, custodian or issuer. The IRA holder does not have actual receipt of the funds.</p> |
| <input type="checkbox"/> <b>Recharacterization</b>   | <p>A reportable transfer of a contribution, in whole or in part, plus earnings from a Traditional IRA to a Roth IRA or vice versa.</p>  |
| <input type="checkbox"/> <b>Conversion</b>   | <p>A taxable movement of cash or other assets from a Traditional IRA to a Roth IRA. A conversion is a reportable transaction.</p>   |
| <input type="checkbox"/> <b>Re-registration</b>  | <p>A transfer of shares from an existing IRA held directly at Harbor Funds into a new IRA.</p>  |

Refer to **page 9** for required documentation.

# Step 2: Account Owner Information

Account Owner:

First NameM.I.Last Name

Date of Birth (mm/dd/yyyy)E-mail Address

Primary PhoneOptional Phone

Social Security Number

If Account Owner is a minor, a custodian must be designated in the section below in order to establish this account.

Mailing Address (Street or P.O. Box)

CityStateZip Code

Street Address (Can be a military APO or FPO; P.O. Box is not acceptable)

CityStateZip Code

Complete this section if your mailing address is a P.O. Box or if your residential address is different than your mailing address.

Custodian (complete if this IRA is for a minor):

First NameM.I.Last Name

Date of Birth (mm/dd/yyyy)E-mail Address

Primary PhoneOptional Phone

Social Security Number

If account Owner is a minor, a custodian must be designated in this section in order to establish this account. The custodian's address provided in this section will be the primary address for mailing.

Mailing Address (Street or P.O. Box)

CityStateZip Code

Street Address (Can be a military APO or FPO; P.O. Box is not acceptable)

CityStateZip Code

Complete this section if your mailing address is a P.O. Box or if your residential address is different than your mailing address.

## Step 3: Beneficiary Information

If you do not designate a primary beneficiary at this time, your beneficiary will default to your estate.

### Primary Beneficiaries:

**My spouse** - Please select only one option.

☐ To the person named here:

<input type="text"/>	<input type="text"/>	<input style="text-align: center; width: 50px;" type="text" value="%"/>
Name	Date of Birth (mm/dd/yyyy)	Share Percentage
<input type="text"/>		
Social Security Number		

OR

☐ To the person I am married to at the time of my death.

<input style="text-align: center; width: 50px;" type="text" value="%"/>
Share Percentage

☐ **My descendants who survive me, per stirpes** - Your assets will be divided equally among your children; if a child is deceased, the entire portion due to that child will be divided equally among his or her children (if any).

<input style="text-align: center; width: 50px;" type="text" value="%"/>
Share Percentage

☐ **Equally to my grandchildren who survive me**

<input style="text-align: center; width: 50px;" type="text" value="%"/>
Share Percentage

☐ **Trust**

<input type="text"/>	<input type="text"/>	<input style="text-align: center; width: 50px;" type="text" value="%"/>
Name of Trust	Date of Trust (mm/dd/yyyy)	Share Percentage
<input type="text"/>		
Social Security Number/Tax ID Number		

☐ **Specific beneficiary designation below:**

<input type="text"/>	<input type="text"/>	<input style="text-align: center; width: 50px;" type="text" value="%"/>
Name	Date of Birth (mm/dd/yyyy)	Share Percentage
<input type="text"/>		
Social Security Number/Tax ID Number		

☐ I have included the necessary information for **additional Primary Beneficiaries** on a separate sheet, in the same format.

TOTAL	<input style="text-align: center; width: 50px;" type="text" value="%"/>
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➤ **Note:** Shareholders who are married and reside in a community property or marital property state (Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Texas, Washington or Wisconsin), may need to obtain spousal consent if they have not designated their spouse as the primary beneficiary for at least half of their IRA. You should consult an attorney or other tax professional for additional information and advice.

➤ For multiple beneficiaries, share percentages must add up to 100%. If the share percentages are not indicated, they will be considered equal.

**Step 3** continued on page 4

Step 3: Beneficiary Information *Continued*

Contingent Beneficiaries:

**My spouse** - Please select only one option.

☐ To the person named here:

Name

Date of Birth (mm/dd/yyyy)

Share Percentage

Social Security Number

OR

☐ To the person I am married to at the time of my death.

Share Percentage

☐ **My descendants who survive me, per stirpes** - Your assets will be divided equally among your children; if a child is deceased, the entire portion due to that child will be divided equally among his or her children (if any).

Share Percentage

☐ **Equally to my grandchildren who survive me**

Share Percentage

☐ **Trust**

Name of Trust

Date of Trust (mm/dd/yyyy)

Share Percentage

Social Security Number/Tax ID Number

☐ **Specific beneficiary designation below:**

Name

Date of Birth (mm/dd/yyyy)

Share Percentage

Social Security Number/Tax ID Number

☐ I have included the necessary information for **additional Contingent Beneficiaries** on a separate sheet, in the same format.

TOTAL

**Note:** Contingent beneficiaries will receive the balance of an IRA only if there are no surviving primary beneficiaries at the time of death. If you do not designate contingent beneficiaries at this time, and all of your primary beneficiaries predecease you or a trust you named as beneficiary no longer exists, your beneficiary will be your estate.

For multiple beneficiaries, share percentages must add up to 100%. If the share percentages are not indicated, they will be considered equal.

## Step 4: Create a Security Question *Optional*

Create your own question or complete one or more of the provided questions:

A.

Create your own question

Answer

B.

What is your mother's maiden name?

Answer

C.

What is your father's middle name?

Answer

D.

In what city were you born?

Answer

Once established, you will be asked to answer one of these questions when speaking with a Shareholder Services Representative in order to obtain information about your account.

## Step 5: Select Your Investments

Fund Name:	Number:	Amount:
		\$
		\$
		\$
TOTAL		\$

For Fund numbers, Fund names, and minimum initial investment amounts, please refer to the enclosed **Fund List** or the Harbor Funds Prospectuses.

Be sure to meet the minimum initial investment for each fund.

Provide additional investments on a separate sheet, if needed.

## Step 6: Select Your Method of Initial Investment

Select One:

☐

**Check** – Make payable to **Harbor Funds** and enclose with this application. We will not accept cashier's checks, money orders, starter checks, third party checks, or checks drawn on banks outside the U.S.

☐

**Electronic Transfer** – By selecting this option you are authorizing Harbor Funds to make a one time electronic withdrawal for the amount indicated in **Step 5**, using the banking information in **Step 7**.

☐

**Re-registration** – By selecting this option, you are authorizing Harbor Funds to set up an account to receive IRA assets as a transfer from an existing IRA held directly at Harbor Funds. Additional documentation may be required. Call Harbor Shareholder Services at **800-422-1050** or visit **harborfunds.com/investor-center/faq** for more information.

Existing Harbor Funds Account Number

☐

**Direct Rollover, Transfer, Recharacterization, or Conversion** – Selecting this option will require an additional Harbor form to be completed. Please refer to Page 9 of this application for the required documentation.

## Step 7: Provide Your Banking Information *Optional*

### Electronic Transfer (for purchases, redemptions, distributions and Automatic Investment Plans):

John Shareholder  
Mary Shareholder  
123 Main St.  
Anywhere, USA 12345

8506

Pay to the order of \_\_\_\_\_ \$ \_\_\_\_\_  
\_\_\_\_\_ DOLLARS

MEMO \_\_\_\_\_ SIGNED \_\_\_\_\_

c123456789c a1234567898735264351a 8506

ABA Routing Number Your Bank Account Number Check Number

➤ Complete this Step if you wish to add electronic transfer instructions to your account.

➤ For checking accounts, please tape a voided check to the space provided. For savings accounts, please include a pre-printed deposit slip. Otherwise, there could be a delay in setting up these instructions.

\_\_\_\_\_

ABA Routing Number (9 digits) Bank Account Number

➤ If the name(s) on the bank account do not match at least one name on your Harbor account, a Medallion Signature Guarantee is required from the bank account owner(s).

\_\_\_\_\_

Bank Name

\_\_\_\_\_ Account Type (Check one):  
☐ Checking ☐ Savings

Name(s) on Bank Account

**Please note:** Your banking institution must be a member of the Automated Clearing House (ACH) network and may have very specific instructions. Confirm with your banking institution before completing this application.

### Wire (for redemptions only):

\_\_\_\_\_

ABA Routing Number (9 digits) Bank Account Number

➤ Complete this Step if you wish to add wire instructions to your account.

\_\_\_\_\_

Bank Name

\_\_\_\_\_

Name(s) on Bank Account

### For further credit to (if applicable):

\_\_\_\_\_

Bank Account Number Name(s) on Bank Account

**Please note:** Your banking institution must be a member of the Federal Reserve System and may have very specific wire instructions. Confirm with your banking institution before completing this application.

## Step 8: Create an Automatic Investment Plan *Optional*

All automatic investment purchases will be considered current year contributions for the calendar year in which they are transacted.

Fund Name:	Number:	Amount Per Investment:
<input type="text"/>	<input type="text"/>	\$ <input type="text"/>
<input type="text"/>	<input type="text"/>	\$ <input type="text"/>
<input type="text"/>	<input type="text"/>	\$ <input type="text"/>

➤ Complete this Step if you wish to schedule automatic investments into your Harbor account using the electronic transfer banking instructions provided in [Step 7](#).

**Transfer Schedule:**

☐ Monthly ☐ Every other month ☐ Quarterly ☐ Annually

Starting Month Day of the Month

➤ Automatic investments will begin as close to the date requested as possible.

If you do not specify a date for your automatic investments, Harbor will default to the **15th day** of the month for the frequency selected.

## Step 9: Consent for Electronic Delivery *Optional*

With e-delivery, you can help reduce the cost of printing and mailing by agreeing to waive the physical delivery of certain documents and electing to view these online. If you would like to sign up for this service, please select the documents below that you would prefer to only receive electronically. Please note that after your account is established, you will need to establish online access to your account. You may change this election at any time.

- ☐ **Statements**  
If you would also like to receive a paper copy of your Year-End statement by mail, check here ☐
- ☐ **Confirmations**
- ☐ **Tax Documents**
- ☐ **Fund Reports and Prospectuses**

Note: Confidential account information will never be sent via e-mail.

➤ If consenting for e-delivery, you must provide your e-mail address in [Step 2](#). Once your account is established, we will send an e-mail that provides a link to register for online access. You must create a user ID and password to log into your account online.

## Step 10: Second Party Mailing *Optional*

By completing this section, you acknowledge that any second parties you add will continue to receive duplicate statements/confirmations until you contact a Shareholder Services Representative and follow the instructions for terminating the statement/confirmation delivery. Harbor Funds is not responsible for the use of your account information by any second party recipient.

**I would like duplicate statements/confirmations mailed to:**

First Name M.I. Last Name

➤ The second party will not be authorized to transact on this account.

Name of Company - If applicable

Street Address

City State Zip Code

- ☐ I have included the necessary information for **additional second parties** on a separate sheet, in the same format.
- ☐ The individual(s) listed are authorized to receive information about account history and balances by telephone.

## Step 11: Signature & Certification

By signing this application I certify that:

- ✓ I hereby adopt the Harbor Funds Individual Retirement Accounts Disclosure Statement & Custodial Agreement ("IRA Agreement") that is incorporated herein by reference and that I have received and read the IRA Agreement. I further acknowledge that I have received, read and agree to the terms of the current Prospectus of the Fund(s) in which I am investing, and believe each investment is suitable for me. I have the authority and legal capacity to make this purchase and I am of legal age in my state of residence.
- ✓ I hereby appoint State Street Bank and Trust Company as Custodian in accordance with the terms and conditions of the IRA Agreement and understand that this adoption agreement is subject to acceptance by Harbor Funds Distributors, Inc.
- ✓ I agree to be bound by the terms and conditions established by Harbor Funds for an IRA beneficiary designation. I acknowledge that Harbor Funds may require additional information upon my death to determine the identity or interest of my beneficiary(ies). In such event, I acknowledge that Harbor Funds shall rely upon the representations of an authorized party such as the executor or administrator of my estate, or if a trust beneficiary, the trustee of that trust (my fiduciary) and has no independent duty to obtain or verify such information. I agree that Harbor Funds shall have no liability for, and shall be fully indemnified against, any cost or damage it incurs in connection with its good faith reliance on such representations. If no such fiduciary is appointed or my fiduciary is unable to provide the required information, Harbor Funds reserves the right to request whatever documentation it deems appropriate before making distributions or transferring ownership to a beneficiary.
- ✓ I authorize Harbor Funds, its affiliates and agents to act on any instructions believed to be genuine. I further agree to the extent Harbor Funds uses reasonable procedures (including shareholder identity verification) to confirm that instructions given by telephone are genuine, neither Harbor Funds, the Shareholder Services Representative, Harbor Funds Distributors, Inc., nor their affiliates and agents will be liable for acting on these instructions.
- ✓ I understand to minimize Fund expenses, it is Harbor Funds' policy to send one copy of the prospectus, shareholder reports, and other documents (except account confirmations and statements) to all Fund shareholders with the same last name residing at the same address, and I consent to this policy.
- ✓ By completing [Step 7](#), I hereby authorize Harbor Funds to initiate credit and debit entries to the bank account indicated and for the bank to credit or debit the same to such account through the Automated Clearing House (ACH) system, subject to the rules of the bank, ACH and the Fund. Harbor Funds may correct any transaction error with a debit or credit to my bank account and/or my Fund account. I agree Harbor Funds shall be fully protected in honoring any such transaction. I also agree that Harbor Funds may make additional attempts to debit or credit my account if the initial attempt fails and I will be liable for any associated costs. This authorization is in full force and effect until I notify Harbor Funds of its revocation and Harbor Funds has had sufficient time to act.
- ✓ I understand that the assets in my account may be transferred to the appropriated state if no activity occurs in the account within the time period specified by state law. In addition, any required federal and/or state withholding, along with any applicable early withdrawal penalty, may be applied.

I certify under penalty of perjury, that:

1. The Social Security number I have provided on this application is correct, **and**
2. I am a U.S. person (including a U.S. resident alien), **and**
3. If applicable, the Foreign Account Tax Compliance Act (FATCA) exemption codes provided on this application are correct.

### Owner(s)/Authorized Person(s) Sign Below:

*The IRS does not require your consent to any provision of this document.*



Signature of IRA Owner or Legal Guardian/Custodian

Date (mm/dd/yyyy)

**Custodian Acceptance.** State Street Bank and Trust Company will accept appointment as Custodian of the Depositor's Account. However, this Agreement is not binding upon the Custodian until the Depositor has received a statement confirming the initial transaction for the Account. Receipt by the Depositor of a confirmation of the purchase of the Fund shares indicated above will serve as notification of State Street Bank and Trust Company's acceptance of appointment as Custodian of the Depositor's Account.

STATE STREET BANK AND TRUST COMPANY, CUSTODIAN



# Note: Upon Completion of Your Application...

Remember to include:

- ✓ Social Security number or Tax ID number
- ✓ Street address
- ✓ Signature in [Step 11](#)
- ✓ Date of birth
- ✓ A check for your initial investment payable to "Harbor Funds" - *If applicable*
- ✓ A voided check or savings deposit slip - *If applicable*

➤ *Processing may be delayed if any of the following are missing.*

Required documentation for your account type:

<b>Direct Rollover from QRP</b> <i>(Qualified Retirement Plan)</i>	If you are funding this account with a rollover from an existing Qualified Retirement Plan (QRP), complete the <b>Account Transfer</b> form and return it with this application. You may wish to contact the QRP administrator to see if any additional forms are required.
<b>Transfer</b>	If you are funding this account with a transfer from another custodian/trustee, complete the <b>Account Transfer</b> form and return it with this application.
<b>Recharacterization</b>	If you are funding this account with a recharacterization of a previous IRA contribution to a Traditional IRA, complete the <b>Recharacterization of IRA Contribution</b> form and return it with this application.
<b>Conversion</b>	If you are funding this account with a conversion of a Traditional IRA to a Roth IRA, complete the <b>Roth IRA Conversion</b> form and return it with this application.
<b>Power of Attorney</b>	If you are establishing this account under your Power of Attorney/Attorney in Fact, complete the <b>Power of Attorney Authorization</b> form and return it with this application.

For your convenience, all forms referenced on this page can be downloaded at [harborfunds.com/forms](https://harborfunds.com/forms).

Mail completed application to:

Standard Mail

Harbor Funds  
P.O. Box 804660  
Chicago, IL 60680-4108

Overnight Delivery

Harbor Funds  
111 South Wacker Drive, 34th Floor  
Chicago, IL 60606-4302

*\* Checks must be made payable to **Harbor Funds**.*



## Domestic Equity

	RETIREMENT CLASS		INSTITUTIONAL CLASS		ADMINISTRATIVE CLASS		INVESTOR CLASS	
	Fund Number	Ticker	Fund Number	Ticker	Fund Number	Ticker	Fund Number	Ticker
Capital Appreciation Fund	2512	HNACX	2012	HACAX	2212	HRCAX	2412	HCAIX
Disruptive Innovation Fund	2519	HNMGX	2019	HAMGX	2219	HRMGX	2419	HIMGX
Large Cap Value Fund	2513	HNLVX	2013	HAVLX	2213	HRLVX	2413	HILVX
Mid Cap Fund	2546	HMCRX	2046	HMCLX	2246	HMCDX	2446	HMCNX
Mid Cap Value Fund	2523	HNMVX	2023	HAMVX	2223	HRMVX	2423	HIMVX
Small Cap Growth Fund	2510	HNSGX	2010	HASGX	2210	HRSGX	2410	HISGX
Small Cap Value Fund*	2522	HNVRX	2022	HASCX	2222	HSVRX	2422	HISVX
Strategic Growth Fund	2540	HNGSX	2040	MVSGX	2240	HSRGX	2440	HISWX

## International & Global

	RETIREMENT CLASS		INSTITUTIONAL CLASS		ADMINISTRATIVE CLASS		INVESTOR CLASS	
	Fund Number	Ticker	Fund Number	Ticker	Fund Number	Ticker	Fund Number	Ticker
Diversified International All Cap Fund	2538	HNIDX	2038	HAIDX	2238	HRIDX	2438	HIIDX
Emerging Markets Equity Fund	2536	HNEMX	2036	HAEMX	2236	HREMX	2436	HIEEX
Focused International Fund	2545	HNFRX	2045	HNFSX	N/A	N/A	2445	HNFIX
Global Leaders Fund	2530	HNGIX	2030	HGGAX	2230	HRGAX	2430	HGGIX
International Fund	2511	HNINX	2011	HAIXX	2211	HRINX	2411	HIINX
International Growth Fund	2517	HNGFX	2017	HAIGX	2217	HRIGX	2417	HIIGX
International Small Cap Fund	2539	HNISX	2039	HAISX	2239	HRISX	2439	HIISX
Overseas Fund	2544	HAORX	2044	HAOSX	2244	HAOAX	2444	HAONX

## Fixed Income

	RETIREMENT CLASS		INSTITUTIONAL CLASS		ADMINISTRATIVE CLASS		INVESTOR CLASS	
	Fund Number	Ticker	Fund Number	Ticker	Fund Number	Ticker	Fund Number	Ticker
Bond Fund	2514	HBFRX	2014	HABDX	2214	HRBDX	N/A	N/A
Convertible Securities Fund	2534	HNCVX	2034	HACSX	2234	HRCSX	2434	HICSX
Core Bond Fund	2543	HCBRX	2043	HACBX	N/A	N/A	N/A	N/A
High-Yield Bond Fund	2524	HNHYX	2024	HYFAX	2224	HYFRX	2424	HYFIX
Money Market Fund** CLOSED TO NEW INVESTORS	N/A	N/A	2015	HARXX	2215	HRMXX	N/A	N/A

\*Effective at 4:00 p.m. Eastern Time on Tuesday, June 1, 2021, Harbor Small Cap Value Fund will be closed to new investors subject to limited exceptions. Please see the additional information in the Prospectus regarding the closing parameters for the Fund in "How to Purchase Shares."

\*\*Limited existing investors are permitted to continue investing in the Harbor Money Market Fund. You could lose money by investing in the Harbor Money Market Fund. Although the Fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. An investment in the Fund is not insured or guaranteed by the FDIC or any other government agency. The Fund's sponsor has no legal obligation to provide financial support to the Fund and you should not expect the sponsor to provide financial support to the Fund at any time.

Investors should carefully consider the investment objectives, risks, charges and expenses of a Harbor fund before investing. A summary prospectus or prospectus for this and other information is available at [harborfunds.com](http://harborfunds.com) or by calling 800-422-1050. Read it carefully before investing.

# Choosing a Share Class

Each of the Harbor funds have multiple classes of shares, with each class representing an interest in the same portfolio of investments. However, the Funds' separate share classes have different expenses and, as a result, their investment performances will differ. When choosing a share class, you should consider the factors below:

## RETIREMENT CLASS

**Retirement Class shares are available to individual and institutional investors.**

- No 12b-1 fee and no intermediary fee of any kind paid by any Fund
- Transfer agent fee of up to 0.02% of average daily net assets
- \$1,000,000 minimum investment in each Fund
- The Harbor Target Retirement Funds are not eligible to invest in the Retirement Class.

## INSTITUTIONAL CLASS

**Institutional Class shares are available to individual and institutional investors.**

- No 12b-1 fee
- Transfer agent fee of up to 0.10% of average daily net assets
- \$50,000 minimum investment in each Fund

## ADMINISTRATIVE CLASS

**Administrative Class shares are available only to employer-sponsored retirement or benefit plans and other non-retirement accounts maintained by financial intermediaries.** Employer-sponsored retirement and benefit plans include: (i) plans established under Internal Revenue Code Sections 401(a), 403(b) or 457, (ii) profit-sharing plans, cash balance plans and money purchase pension plans, (iii) non-qualified deferred compensation plans, and (iv) retiree health benefit plans. Administrative Class shares are not available through personal plans, such as individual retirement accounts (IRAs), SEP IRAs, Simple IRAs or individual 403(b) plans, unless investing through an account maintained by a financial intermediary.

- 12b-1 fee of up to 0.25% of average daily net assets
- Transfer agent fee of up to 0.10% of average daily net assets
- \$50,000 minimum investment in each Fund for accounts maintained by financial intermediaries
- No minimum investment for employer-sponsored retirement or benefit plans

## INVESTOR CLASS

**Investor Class shares are available to individual and institutional investors.**

- 12b-1 fee of up to 0.25% of average daily net assets
- Transfer agent fee of up to 0.21% of average daily net assets
- \$2,500 minimum investment in each Fund for regular accounts
- \$1,000 minimum investment in each Fund for IRA and UTMA/UGMA accounts

Meeting the minimum investment for a share class means you have purchased and maintained shares with a value at the time of purchase that is at least equal to that minimum investment amount. Redemptions out of your account can cause your account to fail to meet the minimum investment amount requirement. Changes in the market value of your account alone will not cause your account to either meet the minimum investment amount or fall below the minimum investment amount.

## DISTRIBUTION AND SERVICE (12b-1) FEES

Harbor Funds has adopted a distribution plan for each Fund's Administrative and Investor Classes of shares in accordance with Rule 12b-1 under the Investment Company Act of 1940. Under each plan, the Funds pay distribution and service fees to Harbor Funds Distributors, Inc. (the "Distributor") for the sale, distribution and servicing of the Administrative and Investor Class shares. All or a substantial portion of these fees are paid to financial intermediaries, such as broker-dealers, banks and trust companies, which maintain accounts in Harbor Funds for their customers. Because the Funds pay these fees out of the Administrative and Investor Class assets on an ongoing basis, over time these fees will increase the cost of your investment in Administrative and Investor Class shares and may cost you more than paying other types of sales charges.

## TRANSFER AGENT FEES

The Funds pay Harbor Services Group, Inc. ("Shareholder Services") transfer agent fees (specified above) on a per-class basis for its services as shareholder servicing agent for each Fund. For each class except for the Retirement Class of shares, Shareholder Services uses a portion of these fees to pay unaffiliated financial intermediaries for providing certain recordkeeping, subaccounting and/or similar services to shareholders who hold their shares through accounts that are maintained by the financial intermediaries. These fees may consist of per fund or per sub-account charges that are assessed on a periodic basis (i.e., quarterly) and/or an asset based fee that is determined based upon the value of the assets maintained by the financial intermediary.