



# Harbor Funds®

## Prospectus

March 1, 2017

# Fixed Income Funds

	Institutional Class	Administrative Class	Investor Class	Retirement Class
Harbor Convertible Securities Fund	HACSX	HRCSX	HICSX	HNCVX
Harbor High-Yield Bond Fund	HYFAX	HYFRX	HYFIX	HNHYX
Harbor Bond Fund	HABDX	HRBDX	–	–
Harbor Real Return Fund	HARRX	HRRRX	–	–
Harbor Money Market Fund	HARXX	HRMXX	–	–

The Securities and Exchange Commission has not approved any Fund's shares as an investment or determined whether this Prospectus is accurate or complete. Anyone who tells you otherwise is committing a crime.



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# Harbor Convertible Securities Fund

## Fund Summary

### Investment Objective

The Fund seeks to maximize total returns (i.e., current income and capital appreciation).

### Fees and Expenses of the Fund

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. The table does not reflect brokerage commissions you may pay when buying or selling shares of the Fund.

#### Shareholder Fees (fees paid directly from your investment)

	Institutional Class	Administrative Class	Investor Class	Retirement Class
Redemption Fee*	1.00%	1.00%	1.00%	1.00%

\* Applicable to shares held less than 90 days.

#### Annual Fund Operating Expenses (expenses that you pay each year as a percentage of the value of your investment)

	Institutional Class	Administrative Class	Investor Class	Retirement Class
Management Fees <sup>1</sup>	0.65%	0.65%	0.65%	0.65%
Distribution and Service (12b-1) Fees	None	0.25%	0.25%	None
Other Expenses <sup>2</sup>	0.13%	0.13%	0.25%	0.05%
Total Annual Fund Operating Expenses <sup>2</sup>	0.78%	1.03%	1.15%	0.70%
Fee Waiver <sup>1,2</sup>	(0.05)%	(0.05)%	(0.05)%	(0.05)%
Total Annual Fund Operating Expenses After Fee Waiver <sup>1,2</sup>	0.73%	0.98%	1.10%	0.65%

<sup>1</sup> The Adviser has contractually agreed to reduce the management fee to 0.60% through February 28, 2018. Only the Fund's Board of Trustees may modify or terminate this agreement.

<sup>2</sup> Restated to reflect current fees.

#### Expense Example

This Example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The Example assumes that you invest \$10,000 in the Fund for the time periods indicated. The Example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. The Example does not reflect brokerage commissions you may pay when buying or selling shares of the Fund. Although your actual costs may be higher or lower, under these assumptions, your costs would be:

	One Year	Three Years	Five Years	Ten Years
Institutional Class	\$ 75	\$244	\$428	\$ 961
Administrative Class	\$100	\$323	\$564	\$1,255
Investor Class	\$112	\$360	\$628	\$1,393
Retirement Class	\$ 66	\$219	\$385	\$ 866

#### Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs and may

result in higher taxes when shares of the Fund are held in a taxable account. These costs, which are not reflected in the Annual Fund Operating Expenses or in the Expense Example, do affect the Fund's performance. The Fund's portfolio turnover rate in the most recent fiscal year was 102%.

### Principal Investment Strategy

The Fund invests primarily in convertible securities of U.S. and foreign corporate issuers. Convertible securities are "hybrid" securities that possess both fixed income and equity characteristics. These convertible securities include corporate bonds, preferred stocks and other types of securities that are convertible into common stock or its equivalent value. A convertible security generally performs more like a common stock when the price of the underlying stock is closer to or above the conversion price because it is more likely that the convertible security will be converted into stock. A convertible security generally performs more like a bond when the price of the underlying stock is well below the conversion price because it is more likely that the convertible security will mature without being converted. While the Fund has broad discretion to invest in all types of convertible securities, the Fund focuses primarily on investments in convertible bonds. The Fund also focuses primarily on convertible securities of corporate issuers with debt rated below investment-grade (below Baa3 by Moody's or below BBB- by S&P or Fitch), commonly referred to as "high-yield" or "junk" bonds. As a result, all, or substantially all, of the Fund's assets may be invested in below investment-grade rated securities. The Fund invests primarily in U.S. dollar denominated securities; however, the Fund may invest in securities denominated in other currencies.

The Subadviser seeks to maximize portfolio return and minimize default risk by adhering to the following elements of its philosophy when selecting securities for investment:

- Bottom-up, fundamental analysis
- Broad diversification
- Direct communication with management
- Monitoring issuers on a systematic basis
- Credit committee disciplined approach
- Comprehensive reporting and risk control systems

The Subadviser conducts in-depth analysis using proprietary research tools in addition to communicating with management of the issuers to select securities for investment in the Fund and to monitor the selected securities on a systematic basis. The Subadviser seeks to select securities issued by companies that generally exhibit, or are believed to have the prospect for, positive credit momentum with the potential for credit rating upgrade and/or equity appreciation. In addition to considering company fundamentals, the Subadviser also considers a range of more technical factors related to the convertible nature of these securities, including:

- The optimal entry point to acquire the company's convertible securities based upon the relationship between the underlying equity and bond valuations and convertible security price
- Determining the catalysts for growth on the equity side of the company's balance sheet relative to the resiliency of bond valuations if the company's equity valuations were to decline
- Assessing the volatility of the underlying common stock and its relationship with the price of the convertible security

# Fund Summary

## HARBOR CONVERTIBLE SECURITIES FUND

- Determining whether there is sufficient liquidity to support purchase and sale activity
- Assessing the historical relationship between the price of the convertible security and the Subadviser's view of the security's implied value
- Assessing/monitoring the positive risk/reward characteristics of the convertible security versus the movements (up/down) in the price of the underlying equity
- Assessing the potential for risk/volatility by first identifying the "bond floor" (the price of the convertible security if valued solely based on the underlying bond price) as the main convertible component

The Subadviser tends to acquire convertible securities that have valuations more closely aligned with a company's bonds than common stock. The Subadviser believes this approach can provide greater downside protection for the Fund's portfolio, although at the expense of potentially greater appreciation that can come with holding convertible securities whose price is more dependent upon the price of the underlying common stock.

Under normal market conditions, the Fund invests at least 80% of its net assets, plus borrowings for investment purposes, in a diversified portfolio of convertible securities. While the Fund's portfolio consists primarily of convertible securities of U.S. issuers, it may, from time to time, include non-convertible corporate debt, non-U.S. dollar-denominated securities, convertible securities of foreign issuers, synthetic convertibles or common stock of issuers. In addition, the Subadviser may, from time to time and subject to market conditions, utilize macro hedging techniques. However, it is not the Subadviser's intention to normally hedge on a security-specific basis.

All securities in the portfolio are reviewed at least four times a year. As part of the selection and monitoring process, the Subadviser actively seeks to avoid holding securities of issuers that it deems to have a high risk of default.

**Duration/Maturity:** Although duration may be one of the characteristics considered in securities selection, the Fund does not focus on securities with any duration or maturity and does not seek to maintain the maturity of the Fund's portfolio in any particular range. The weighted average maturity of the Fund's portfolio was 3.69 years as of December 31, 2016.

### Principal Risks

There is no guarantee that the investment objective of the Fund will be achieved. Convertible securities fluctuate in price in response to various factors, including changes in interest rates, changes in the price of equity securities, changes in market conditions and issuer-specific events, and the value of your investment in the Fund may go down. This means that you could lose money on your investment in the Fund or the Fund may not perform as well as other possible investments. Principal risks include:

**Convertible Securities Risk:** Convertible securities generally tend to be of lower credit quality, and the value of a convertible security generally increases and decreases with the value of the underlying common stock, but may also be sensitive to changes in interest rates. A convertible security may also be subject to redemption at the option of the issuer at a price established in the convertible security's governing instrument. If a convertible security held by the Fund is called for redemption, the Fund will be required to permit the issuer to redeem the security, convert it into the underlying common stock or sell it to a third party, which could result in a loss to the Fund. Additionally, the Fund could lose

money if the issuer of a convertible security is unable to meet its financial obligations or declares bankruptcy.

**Interest Rate Risk:** As interest rates rise, the values of convertible securities held by the Fund are likely to decrease and reduce the value of the Fund's portfolio. Convertible securities are normally much more sensitive to interest rate changes when they are valued more like the company's bonds than the company's common stock, such as when the conversion price for the convertible security is well above the common stock price. Interest rates in the U.S. are near historic lows, which may increase the Fund's exposure to risks associated with rising rates. Additionally, rising interest rates may lead to increased redemptions, increased volatility and decreased liquidity in the fixed income markets, making it more difficult for the Fund to sell its convertible securities when the Subadviser may wish to sell or must sell to meet redemptions.

**Market and Issuer Risk:** Securities markets are volatile and can decline significantly in response to adverse market, economic, political, regulatory or other developments, which may lower the value of securities held by the Fund, sometimes rapidly or unpredictably. Additionally, an adverse event or adverse economic conditions may depress the value of a particular issuer's securities or may increase the risk that issuers will not generate sufficient cash flow to service their debt obligations.

**Credit Risk:** The issuer of a security owned by the Fund could default on its obligation to pay principal or interest or its credit rating could be downgraded. Likewise, a counterparty to a derivative or other contractual instrument owned by the Fund could default on its obligation. Convertible securities are generally junior to the company's non-convertible debt so the company would normally have to pay interest on its nonconvertible debt before interest can be paid on the convertible securities. Credit risk may be higher for the Fund because it invests primarily in convertible securities of companies with debt rated below investment-grade.

**High-Yield Risk:** There is a greater risk that the Fund will lose money because it invests primarily in convertible securities of companies with debt rated below investment-grade. These securities are considered speculative because they have a higher risk of issuer default, are subject to greater price volatility and may be illiquid.

**Selection Risk:** The Subadviser's judgment about the attractiveness, value and growth potential of a particular security may be incorrect. The Subadviser potentially will be prevented from executing investment decisions at an advantageous time or price as a result of any domestic or global market disruptions, particularly disruptions causing heightened market volatility and reduced market liquidity, as well as increased or changing regulations. Thus, investments that the Subadviser believes represent an attractive opportunity or in which the Fund seeks to obtain exposure may be unavailable entirely or in the specific quantities or prices sought by the Subadviser and the Fund may need to obtain the exposure through less advantageous or indirect investments or forgo the investment at the time.

**Liquidity Risk:** The market for convertible securities is less liquid than the market for non-convertible corporate bonds. The Fund may at times have greater difficulty buying or selling specific convertible securities at prices the Subadviser believes are reasonable, which would be adverse to the Fund. Valuation of investments may be difficult, particularly during periods of market volatility or reduced liquidity and for investments that trade infrequently or irregularly. In these circumstances, among others, an investment may be valued using fair value methodologies that are inherently subjective and reflect good faith judgments based on available information.

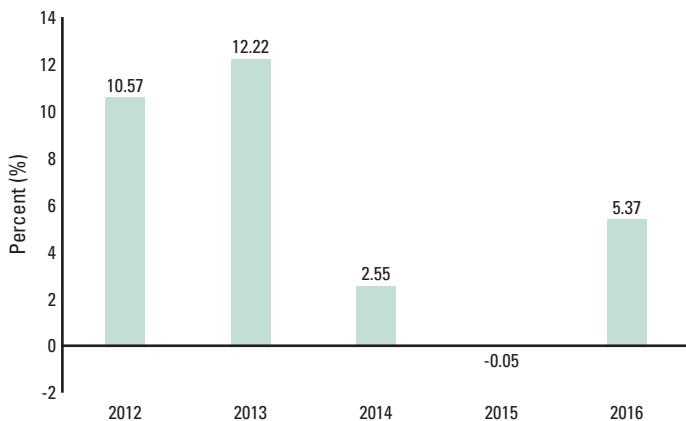
# Fund Summary

## HARBOR CONVERTIBLE SECURITIES FUND

### Performance

The following bar chart and tables are intended to help you understand the risks and potential rewards of investing in the Fund. The bar chart shows how the performance of the Fund's Institutional Class has varied from one calendar year to another over the periods shown. The table shows how the Fund's average annual total returns of the share classes presented compared to the returns of the Fund's benchmark index, which includes securities with investment characteristics similar to those held by the Fund. Please note that the Fund's past performance (before and after taxes) is not necessarily an indication of how the Fund will perform in the future. To obtain updated performance information please visit the Fund's website at [harborfunds.com](http://harborfunds.com) or call 800-422-1050.

#### Calendar Year Total Returns for Institutional Class Shares



During the time periods shown in the bar chart, the Fund's highest and lowest returns for a calendar quarter were:

	Total Returns	Quarter/Year
Best Quarter	7.23%	Q1 2012
Worst Quarter	-4.29%	Q3 2015

#### Average Annual Total Returns – As of December 31, 2016

	One Year	Annualized			Inception Date
		Five Years	Ten Years	Since Inception	
<b>Harbor Convertible Securities Fund</b>					
<b>Institutional Class</b>					
Before Taxes	5.37%	6.03%	N/A	4.28%	05-01-2011
After Taxes on Distributions	4.78%	4.79%	N/A	3.10%	
After Taxes on Distributions and Sale of Fund Shares	3.23%	4.27%	N/A	2.90%	
<b>Administrative Class</b>					
Before Taxes	5.01%	5.75%	N/A	4.00%	05-01-2011
<b>Investor Class</b>					
Before Taxes	4.90%	5.61%	N/A	3.87%	05-01-2011
<b>Retirement Class*</b>					
Before Taxes	5.33%	6.02%	N/A	4.27%	03-01-2016
<b>Comparative Index (reflects no deduction for fees, expenses or taxes)</b>					
<b>BofA Merrill Lynch All U.S. Convertibles Ex Mandatory<sup>^</sup></b>					
	11.71%	11.18%	N/A	7.75%	

\* Retirement Class shares commenced operations on March 1, 2016. The performance attributed to the Retirement Class shares prior to that date is that of the Institutional Class shares. Performance prior to March 1, 2016 has not been adjusted to reflect the lower expenses of Retirement Class shares. During this period, Retirement Class shares would have had returns similar to, but potentially higher than, Institutional Class shares due to the fact that Retirement Class shares represent interests in the same portfolio as Institutional Class shares but are subject to lower expenses.

<sup>^</sup> Since Inception return based on the inception date of the Institutional Class shares.

After-tax returns are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns will depend on a shareholder's individual tax situation and may differ from those shown. The after-tax returns shown are not relevant to tax-exempt shareholders or shareholders who hold their Fund shares through a tax-deferred arrangement such as a 401(k) plan or individual retirement account. After-tax returns are shown for Institutional Class shares only. After-tax returns for each of the Administrative, Investor and Retirement Class of shares will vary.

### Portfolio Management

#### Investment Adviser

Harbor Capital Advisors, Inc.

#### Subadviser

Shenkman Capital Management, Inc. ("Shenkman") has subadvised the Fund since its inception in 2011.

# Fund Summary

## HARBOR CONVERTIBLE SECURITIES FUND

### Portfolio Managers



**Mark Shenkman**  
Shenkman Capital Management, Inc.

Mr. Shenkman is the President, Co-Chief Investment Officer and a Director of Shenkman and has co-managed the Fund since its inception in 2011.



**Justin W. Slatky**  
Shenkman Capital Management, Inc.

Mr. Slatky is an Executive Vice President, Co-Chief Investment Officer and Senior Portfolio Manager of Shenkman, has co-managed the Fund since 2017 and has been involved in portfolio management for the Fund since 2011.



**Raymond F. Condon**  
Shenkman Capital Management, Inc.

Mr. Condon is a Senior Vice President and Portfolio Manager of Shenkman and has co-managed the Fund since its inception in 2011.



**Jordan Barrow**  
Shenkman Capital Management, Inc.

Mr. Barrow is a Senior Vice President and Portfolio Manager of Shenkman, has co-managed the Fund since 2016 and has been involved in portfolio management for the Fund since 2015.

### Buying and Selling Fund Shares

Shareholders may purchase or sell (redeem) Fund shares on any business day (normally any day the New York Stock Exchange is open). You may conduct transactions by mail, by telephone or through our website.

<b>By Mail</b>	Harbor Funds P.O. Box 804660 Chicago, IL 60680-4108
<b>By Telephone</b>	800-422-1050
<b>By Visiting Our Website</b>	harborfunds.com

Investors who wish to purchase, exchange or redeem shares held through a financial intermediary should contact the financial intermediary directly.

The minimum initial investment amounts are shown below. The minimums may be reduced or waived in some cases. There are no minimums for subsequent investments.

Type of Account	Institutional Class	Administrative Class <sup>1</sup>	Investor Class	Retirement Class <sup>2</sup>
Regular	\$1,000	\$50,000	\$2,500	\$1,000,000
Individual Retirement Account (IRA)	\$1,000	N/A	\$1,000	\$1,000,000
Custodial (UGMA/UTMA)	\$1,000	N/A	\$1,000	\$1,000,000

<sup>1</sup> Limited only to employer-sponsored retirement or benefit plans and financial intermediaries. There is no minimum investment for employer-sponsored retirement or benefit plans.

<sup>2</sup> There is no minimum investment for the following types of institutional investors that maintain accounts with Harbor Funds at an omnibus or plan level: (1) employer-sponsored retirement or benefit plans, including: (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, and (2) accounts maintained by financial intermediaries, including investment firms, banks and broker-dealers.

### Tax Information

Distributions you receive from the Fund are subject to federal income tax and may also be subject to state and local taxes. These distributions will generally be taxed as ordinary income or capital gains, unless you are investing through a tax-deferred retirement account, such as a 401(k) plan or individual retirement account. Investments in tax-deferred accounts may be subject to tax when they are withdrawn.

### Payments to Broker-Dealers and Other Financial Intermediaries

If you purchase the Institutional, Administrative and/or Investor Classes of shares of the Fund through a broker-dealer or other financial intermediary, the Fund and/or its related companies may pay the intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your sales representative to recommend the Fund over another investment. No compensation may be paid by the Fund and/or its related companies to intermediaries for the sale of Retirement Class shares or related services for Retirement Class shareholders. Ask your sales representative or visit your financial intermediary's website for more information.



# Harbor High-Yield Bond Fund

## Fund Summary

### Investment Objective

The Fund seeks total returns (i.e., current income and capital appreciation).

### Fees and Expenses of the Fund

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. The table does not reflect brokerage commissions you may pay when buying or selling shares of the Fund.

#### Shareholder Fees (fees paid directly from your investment)

	Institutional Class	Administrative Class	Investor Class	Retirement Class
Redemption Fee*	1.00%	1.00%	1.00%	1.00%

\* Applicable to shares held less than 90 days.

#### Annual Fund Operating Expenses (expenses that you pay each year as a percentage of the value of your investment)

	Institutional Class	Administrative Class	Investor Class	Retirement Class
Management Fees <sup>1</sup>	0.60%	0.60%	0.60%	0.60%
Distribution and Service (12b-1) Fees	None	0.25%	0.25%	None
Other Expenses <sup>2</sup>	0.11%	0.11%	0.23%	0.03%
Total Annual Fund Operating Expenses <sup>2</sup>	0.71%	0.96%	1.08%	0.63%
Fee Waiver <sup>1</sup>	(0.04)%	(0.04)%	(0.04)%	(0.04)%
Total Annual Fund Operating Expenses After Fee Waiver <sup>1,2</sup>	0.67%	0.92%	1.04%	0.59%

<sup>1</sup> The Adviser has contractually agreed to reduce the management fee to 0.56% through February 28, 2018. Only the Fund's Board of Trustees may modify or terminate this agreement.

<sup>2</sup> Restated to reflect current fees.

#### Expense Example

This Example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The Example assumes that you invest \$10,000 in the Fund for the time periods indicated. The Example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. The Example does not reflect brokerage commissions you may pay when buying or selling shares of the Fund. Although your actual costs may be higher or lower, under these assumptions, your costs would be:

	One Year	Three Years	Five Years	Ten Years
Institutional Class	\$ 68	\$223	\$391	\$ 879
Administrative Class	\$ 94	\$302	\$527	\$1,174
Investor Class	\$106	\$340	\$592	\$1,314
Retirement Class	\$ 60	\$198	\$347	\$ 783

#### Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs and may

result in higher taxes when shares of the Fund are held in a taxable account. These costs, which are not reflected in the Annual Fund Operating Expenses or in the Expense Example, do affect the Fund's performance. The Fund's portfolio turnover rate in the most recent fiscal year was 58%.

### Principal Investment Strategy

The Fund invests primarily in below investment-grade bonds of corporate issuers. These bonds may pay interest on a semi-annual basis (i.e., cash pay bonds) or have a deferred interest feature (i.e., zero coupon bonds). The Fund also may invest in private placements. Only U.S. dollar denominated securities are considered for investment in the Fund.

Under normal market conditions, the Fund invests at least 80% of its net assets, plus borrowings for investment purposes, in a diversified portfolio of below investment-grade, high-risk, corporate bonds that are rated below Baa3 by Moody's or below BBB- by S&P or Fitch, commonly referred to as "high yield" or "junk" bonds.

The Fund may invest up to 20% of its net assets in bank loans and up to 10% of its total assets in equity securities, including common stock. Additionally, the Fund may invest a portion of its assets in credit default swaps in which the Fund may be either the buyer or the seller.

The Subadviser believes that the risk of investing in high yield securities is asymmetrical, with the risk of loss generally being greater than the potential for price appreciation in the same securities. High yield securities can experience significant price declines if the company defaults on its payment obligations or if the market perceives the company's ability to pay as becoming materially weaker, whereas there may be more limited potential for price appreciation if the market perceives the company's ability to pay as becoming materially stronger. Further, lower liquidity in the high yield market can make it more difficult to reposition the Fund's portfolio during periods of market stress, such as by moving from companies with higher default risk to companies with lower default risk.

The Subadviser's heightened sensitivity to the downside risk of high yield investing underpins its approach of seeking to (i) identify individual companies that it believes have the financial capacity to continue to meet their payment obligations on their securities through a range of market cycles, and (ii) avoid companies evidencing a higher risk of default. This approach involves the Subadviser conducting in-depth, bottom-up fundamental analysis and using internally developed proprietary tools to assess the potential risk and relative value of each potential company investment. In particular, the Subadviser focuses on a variety of factors involving each company, including:

- Analyses of business risks (including leverage and technology risk) and macro risks (including interest rate trends, capital market conditions and default rates)
- Assessment of the industry's attractiveness and competitiveness
- Evaluation of the company's business, including core strengths and competitive weaknesses
- Qualitative evaluation of the management team, including in-person meetings or conference calls with key managers
- Qualitative and quantitative analyses of the company's capital structure, including how a particular security is prioritized,



# Fund Summary

## HARBOR HIGH-YIELD BOND FUND

and financial position, including a detailed review of the company's financial statements and ability to access the capital markets

- Evaluation of the terms of the company's debt offering, including the operation of any restrictive covenants affecting the company, such as the company's ability to pay dividends or incur debt
- Assessment of the liquidity of the company's securities
- Assessment of the impact an investment in the company could have on portfolio diversification

This approach normally leads the Subadviser to avoid investing in those high yield securities that are considered by the market to be "distressed", which generally means those securities that pay interest at much higher rates relative to other similarly rated bonds to compensate the purchasers for taking on a perceived higher risk of default. The Subadviser believes its approach can provide greater downside protection for the Fund's portfolio over full market cycles, although at the expense of potentially greater appreciation during those periods in a full market cycle where the U.S. economy is experiencing stronger growth and/or stronger stock price appreciation. Periods of stronger economic growth and/or stock price appreciation tend to buoy high yield companies generally, depress default rates below historical levels and limit the benefits that can potentially come from conducting fundamental credit research.

**Duration/Maturity:** Although duration may be one of the characteristics considered in security selection, the Fund does not focus on bonds with any particular duration or maturity and does not seek to maintain the maturity of the Fund's portfolio in any particular range. The weighted average maturity of the Fund's portfolio was 6.04 years as of December 31, 2016.

**Credit Quality:** The Fund invests primarily in below investment-grade debt securities, commonly referred to as "high-yield" or "junk" bonds, but may invest up to 20% of its net assets in investment-grade securities, including U.S. Treasury and U.S. government agency securities. As such, the Fund's average weighted portfolio quality varies from time to time, depending on the level of assets allocated to such securities. The Subadviser does not seek to actively invest in defaulted securities.

### Principal Risks

There is no guarantee that the investment objective of the Fund will be achieved. Fixed income securities fluctuate in price in response to various factors, including changes in interest rates, changes in market conditions and issuer-specific events, and the value of your investment in the Fund may go down. This means that you could lose money on your investment in the Fund or the Fund may not perform as well as other possible investments. Principal risks include:

**Interest Rate Risk:** As interest rates rise, the values of fixed income securities held by the Fund are likely to decrease and reduce the value of the Fund's portfolio. Securities with longer durations tend to be more sensitive to changes in interest rates and are usually more volatile than securities with shorter durations. For example, a 5 year average duration generally means the fixed income security will decrease in value by 5% if interest rates rise by 1%. Interest rates in the U.S. are near historic lows, which may increase the Fund's exposure to risks associated with rising rates. Additionally, rising interest rates may lead to increased redemptions, increased volatility and decreased liquidity in the fixed income markets, making it more difficult for the Fund to sell its fixed income holdings

when the Subadviser may wish to sell or must sell to meet redemptions.

**Credit Risk:** The issuer of a security owned by the Fund could default on its obligation to pay principal or interest or its credit rating could be downgraded. Likewise, a counterparty to a derivative or other contractual instrument owned by the Fund could default on its obligation. This risk may be higher for the Fund because it invests primarily in below investment-grade securities.

**Bank Loan Risk:** Investments in loans and other forms of direct indebtedness may involve greater risk than investments in bonds of corporate issuers. In addition to being subject to the credit risk of the corporate borrower, investments in loans and other forms of direct indebtedness tend to be less liquid than corporate bonds and are often subject to restrictions on resale. Transactions in such loans can take significantly longer to occur, because of substantially longer settlement periods and/or the need to engage in negotiations with the borrower regarding the disposition, meaning the Fund may not have access to the sale proceeds for a substantial period of time after the sale.

**Market and Issuer Risk:** Securities markets are volatile and can decline significantly in response to adverse market, economic, political, regulatory or other developments, which may lower the value of securities held by the Fund, sometimes rapidly and unpredictably. Additionally, an adverse event or adverse economic conditions may depress the value of a particular issuer's securities or may increase the risk that issuers will not generate sufficient cash flow to service their debt obligations.

**High-Yield Risk:** There is a greater risk that the Fund will lose money because it invests primarily in high-yield bonds. These securities are considered speculative because they have a higher risk of issuer default, are subject to greater price volatility and may be illiquid.

**Prepayment Risk:** When interest rates are declining, the issuer of a pass-through security, such as a mortgage-backed or an asset-backed security, may exercise its option to prepay principal earlier than scheduled, forcing the Fund to reinvest in lower yielding securities.

**Selection Risk:** The Subadviser's judgment about the attractiveness, value and growth potential of a particular security may be incorrect. The Subadviser potentially will be prevented from executing investment decisions at an advantageous time or price as a result of any domestic or global market disruptions, particularly disruptions causing heightened market volatility and reduced market liquidity, as well as increased or changing regulations. Thus, investments that the Subadviser believes represent an attractive opportunity or in which the Fund seeks to obtain exposure may be unavailable entirely or in the specific quantities or prices sought by the Subadviser and the Fund may need to obtain the exposure through less advantageous or indirect investments or forgo the investment at the time.

**Liquidity Risk:** The market for high-yield bonds is less liquid than the market for investment-grade bonds. The Fund may at times have greater difficulty buying or selling specific high-yield bonds at prices the Subadviser believes are reasonable, which would be adverse to the Fund. Valuation of investments may be difficult, particularly during periods of market volatility or reduced liquidity and for investments that trade infrequently or irregularly. In these circumstances, among others, an investment may be valued using fair value methodologies that are inherently subjective and reflect good faith judgments based on available information.

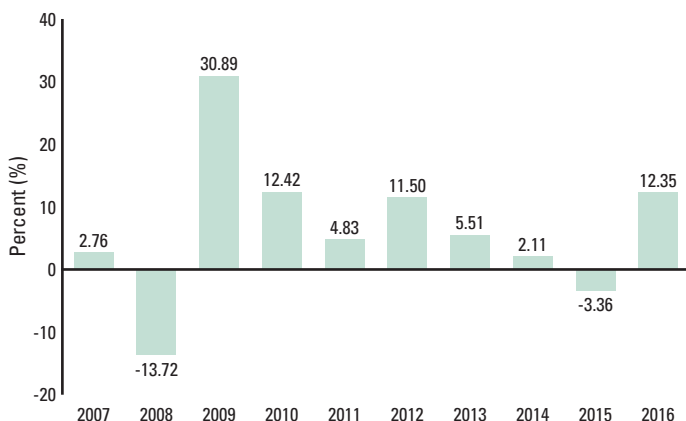
# Fund Summary

## HARBOR HIGH-YIELD BOND FUND

### Performance

The following bar chart and tables are intended to help you understand the risks and potential rewards of investing in the Fund. The bar chart shows how the performance of the Fund's Institutional Class has varied from one calendar year to another over the periods shown. The table shows how the Fund's average annual total returns of the share classes presented compared to the returns of the Fund's benchmark index, which includes securities with investment characteristics similar to those held by the Fund. Please note that the Fund's past performance (before and after taxes) is not necessarily an indication of how the Fund will perform in the future. To obtain updated performance information please visit the Fund's website at [harborfunds.com](http://harborfunds.com) or call 800-422-1050.

#### Calendar Year Total Returns for Institutional Class Shares



During the time periods shown in the bar chart, the Fund's highest and lowest returns for a calendar quarter were:

	Total Returns	Quarter/Year
Best Quarter	9.60%	Q3 2009
Worst Quarter	-10.09%	Q4 2008

#### Average Annual Total Returns – As of December 31, 2016

	One Year	Annualized			Inception Date
		Five Years	Ten Years	Since Inception	
<b>Harbor High-Yield Bond Fund</b>					
<b>Institutional Class</b>					
Before Taxes	12.35%	5.46%	5.96%	7.11%	12-01-2002
After Taxes on Distributions	9.78%	2.83%	3.40%	N/A	
After Taxes on Distributions and Sale of Fund Shares	7.51%	3.10%	3.59%	N/A	
<b>Administrative Class</b>					
Before Taxes	12.17%	5.20%	5.70%	6.86%	12-01-2002
<b>Investor Class</b>					
Before Taxes	12.01%	5.07%	5.56%	6.71%	12-01-2002
<b>Retirement Class*</b>					
Before Taxes	12.53%	5.49%	5.98%	7.12%	03-01-2016
<b>Comparative Indices (reflects no deduction for fees, expenses or taxes)</b>					
<b>BofA Merrill Lynch U.S. High Yield<sup>^</sup></b>					
	17.49%	7.35%	7.35%	8.99%	
<b>BofA Merrill Lynch U.S. Non-Distressed High Yield<sup>^</sup></b>					
	13.12%	7.28%	6.37%	7.80%	

\* Retirement Class shares commenced operations on March 1, 2016. The performance attributed to the Retirement Class shares prior to that date is that of the Institutional Class shares. Performance prior to March 1, 2016 has not been adjusted to reflect the lower expenses of Retirement Class shares. During this period, Retirement Class shares would have had returns similar to, but potentially higher than, Institutional Class shares due to the fact that Retirement Class shares represent interests in the same portfolio as Institutional Class shares but are subject to lower expenses.

<sup>^</sup> Since Inception return based on the inception date of the Institutional Class shares.

After-tax returns are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns will depend on a shareholder's individual tax situation and may differ from those shown. The after-tax returns shown are not relevant to tax-exempt shareholders or shareholders who hold their Fund shares through a tax-deferred arrangement such as a 401(k) plan or individual retirement account. In some cases, average annual total return "After Taxes on Distributions and Sale of Fund Shares" may exceed the return "Before Taxes" and/or "After Taxes on Distributions" due to an assumed tax benefit for any losses on a sale of Fund shares at the end of the measurement period. After-tax returns are shown for Institutional Class shares only. After-tax returns for each of the Administrative, Investor and Retirement Class of shares will vary.

### Portfolio Management

#### Investment Adviser

Harbor Capital Advisors, Inc.

#### Subadviser

Shenkman Capital Management, Inc. ("Shenkman") has subadvised the Fund since its inception in 2002.

# Fund Summary

## HARBOR HIGH-YIELD BOND FUND

### Portfolio Managers



**Mark Shenkman**  
Shenkman Capital Management, Inc.

Mr. Shenkman is the President, Co-Chief Investment Officer and a Director of Shenkman and has co-managed the Fund since its inception in 2002.



**Justin W. Slatky**  
Shenkman Capital Management, Inc.

Mr. Slatky is an Executive Vice President, Co-Chief Investment Officer and Senior Portfolio Manager of Shenkman Capital Management, Inc., has co-managed the Fund since 2012 and has been involved in portfolio management for the Fund since 2011.



**Eric Dobbin**  
Shenkman Capital Management, Inc.

Mr. Dobbin is a Senior Vice President and Senior Portfolio Manager of Shenkman, has co-managed the Fund since 2012 and has been involved in portfolio management for the Fund since 2006.



**Steven N. Schweitzer**  
Shenkman Capital Management, Inc.

Mr. Schweitzer is a Senior Vice President and Portfolio Manager of Shenkman, has co-managed the Fund since 2012 and has been involved in portfolio management for the Fund since 2004.



**Robert Kricheff**  
Shenkman Capital Management, Inc.

Mr. Kricheff is a Senior Vice President and Portfolio Manager of Shenkman, has co-managed the Fund since 2015 and has been involved in portfolio management for the Fund since 2013.



**Neil Wechsler**  
Shenkman Capital Management, Inc.

Mr. Wechsler is a Senior Vice President and Portfolio Manager of Shenkman, has co-managed the Fund since 2017 and has been involved in portfolio management for the Fund since 2016.

### Buying and Selling Fund Shares

Shareholders may purchase or sell (redeem) Fund shares on any business day (normally any day the New York Stock Exchange is open). You may conduct transactions by mail, by telephone or through our website.

<b>By Mail</b>	Harbor Funds P.O. Box 804660 Chicago, IL 60680-4108
<b>By Telephone</b>	800-422-1050
<b>By Visiting Our Website</b>	harborfunds.com

Investors who wish to purchase, exchange or redeem shares held through a financial intermediary should contact the financial intermediary directly.

The minimum initial investment amounts are shown below. The minimums may be reduced or waived in some cases. There are no minimums for subsequent investments.

Type of Account	Institutional Class	Administrative Class <sup>1</sup>	Investor Class	Retirement Class <sup>2</sup>
Regular	\$1,000	\$50,000	\$2,500	\$1,000,000
Individual Retirement Account (IRA)	\$1,000	N/A	\$1,000	\$1,000,000
Custodial (UGMA/UTMA)	\$1,000	N/A	\$1,000	\$1,000,000

<sup>1</sup> Limited only to employer-sponsored retirement or benefit plans and financial intermediaries. There is no minimum investment for employer-sponsored retirement or benefit plans.

<sup>2</sup> There is no minimum investment for the following types of institutional investors that maintain accounts with Harbor Funds at an omnibus or plan level: (1) employer-sponsored retirement or benefit plans, including: (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, and (2) accounts maintained by financial intermediaries, including investment firms, banks and broker-dealers.

### Tax Information

Distributions you receive from the Fund are subject to federal income tax and may also be subject to state and local taxes. These distributions will generally be taxed as ordinary income or capital gains, unless you are investing through a tax-deferred retirement account, such as a 401(k) plan or individual retirement account. Investments in tax-deferred accounts may be subject to tax when they are withdrawn.

### Payments to Broker-Dealers and Other Financial Intermediaries

If you purchase the Institutional, Administrative and/or Investor Classes of shares of the Fund through a broker-dealer or other financial intermediary, the Fund and/or its related companies may pay the intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your sales representative to recommend the Fund over another investment. No compensation may be paid by the Fund and/or its related companies to intermediaries for the sale of Retirement Class shares or related services for Retirement Class shareholders. Ask your sales representative or visit your financial intermediary's website for more information.



# Harbor Bond Fund

## Fund Summary

### Investment Objective

The Fund seeks total return.

### Fees and Expenses of the Fund

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. The table does not reflect brokerage commissions you may pay when buying or selling shares of the Fund.

**Annual Fund Operating Expenses** (expenses that you pay each year as a percentage of the value of your investment)

	Institutional Class	Administrative Class
Management Fees <sup>1</sup>	0.48%	0.48%
Distribution and Service (12b-1) Fees	None	0.25%
Other Expenses <sup>2</sup>	0.13%	0.13%
Interest Expense from Sale-Buyback Transactions	0.02%	0.02%
Other Operating Expenses <sup>2</sup>	0.11%	0.11%
Total Annual Fund Operating Expenses <sup>2</sup>	0.61%	0.86%
Fee Waiver and Expense Reimbursement <sup>1,2</sup>	(0.08)%	(0.08)%
Total Annual Fund Operating Expenses After Fee Waiver and Expense Reimbursement <sup>1</sup>	0.53%	0.78%

<sup>1</sup> The Adviser has contractually agreed to reduce the management fee to 0.43% on assets between \$1 billion and \$3 billion and 0.405% on assets greater than \$3 billion through February 28, 2018. Additionally, the Adviser has contractually agreed to limit the Fund's operating expenses, excluding interest expense (if any), to 0.51% and 0.76% for the Institutional Class and Administrative Class, respectively, through February 28, 2018. Only the Fund's Board of Trustees may modify or terminate these agreements.

<sup>2</sup> Restated to reflect current fees.

### Expense Example

This Example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The Example assumes that you invest \$10,000 in the Fund for the time periods indicated. The Example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. The Example does not reflect brokerage commissions you may pay when buying or selling shares of the Fund. Although your actual costs may be higher or lower, under these assumptions, your costs would be:

	One Year	Three Years	Five Years	Ten Years
Institutional Class	\$54	\$187	\$332	\$ 755
Administrative Class	\$80	\$266	\$469	\$1,053

### Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs and may result in higher taxes when shares of the Fund are held in a taxable account. These costs, which are not reflected in the Annual Fund Operating Expenses or in the Expense Example, do affect the Fund's performance. The Fund's portfolio turnover rate in the most recent fiscal year was 592%.

### Principal Investment Strategy

The Fund invests primarily in bonds of corporate and governmental issuers located in the U.S. and foreign countries, including emerging markets.

The Subadviser relies on its own proprietary research and analysis to manage the Fund's portfolio. The Subadviser uses a top-down strategy to focus on broad factors and monetary conditions. These include:

- Long-term social, political and demographic trends
- Cyclical business and economic conditions
- Current market conditions

The Subadviser selects securities that appear to be most undervalued relative to their risk and potential return characteristics. In analyzing the relative attractiveness of sectors, the Subadviser considers the narrowing or widening of yields compared with yields for government and other sectors.

Under normal market conditions, the Fund invests at least 80% of its net assets, plus borrowings for investment purposes, in a diversified portfolio of fixed income instruments, which may be represented by forwards or derivatives such as options, futures contracts or swap agreements (including currency swaps, interest rate swaps, total return swaps, credit default swaps and others, in which the Fund may be either the buyer or the seller). Fixed income instruments include bonds, debt securities and other similar instruments issued by various U.S. and non-U.S. public- or private-sector entities.

The Fund may invest up to 30% of its total assets in non-U.S. dollar-denominated securities and may invest without limit in U.S. dollar-denominated securities of foreign issuers. Foreign currency exposure (from non-U.S. dollar denominated securities or currencies) normally will be limited to 20% of the Fund's total assets. The Fund also may invest up to 15% of its total assets in securities and instruments that are economically tied to emerging market countries (this limitation does not apply to investment-grade sovereign debt denominated in the local currency with less than 1 year remaining to maturity). The Fund may invest up to 10% of its total assets in preferred stock, convertible securities and other equity related securities.

The Fund may invest, without limitation, in derivative instruments, such as options, futures contracts or swap agreements, or in mortgage- or asset-backed securities, subject to applicable law and any other restrictions described in the Fund's prospectus or Statement of Additional Information. The Fund may purchase or sell securities on a when-issued, delayed delivery or forward commitment basis and may engage in short selling, which is the sale by the Fund of a borrowed security. Because the Fund is obligated to replace the borrowed security, the Fund would benefit from the short sale if the price of the security declines before it is replaced.

The Fund may, without limitation, seek to obtain market exposure to the securities in which it primarily invests by entering into a series of purchase and sale contracts or by using other investment techniques (such as buy backs or dollar rolls). The total return sought by the Fund consists of income earned on the Fund's investments, plus capital appreciation, if any, which generally arises from decreases in interest rates, foreign currency appreciation, or improving credit fundamentals for a particular sector or security.

**Credit Quality:** The Fund invests primarily in investment-grade debt securities, but may invest up to 20% of its total assets in below

# Fund Summary

## HARBOR BOND FUND

investment-grade securities, commonly referred to as “high-yield” or “junk” bonds.

**Duration:** The Fund’s average duration, as calculated by the Subadviser, is normally equal to that of its benchmark, plus or minus two years. The duration of the Bloomberg Barclays U.S. Aggregate Bond Index as of December 31, 2016 was 5.89 years. Average duration is a weighted average of all bond durations in the Fund’s portfolio, and is an approximate measure of the sensitivity of the market value of the Fund’s holdings to changes in interest rates. If the Fund’s duration is longer than the market’s duration, the Fund would be expected to experience a greater change in the value of its assets when interest rates are rising or falling than would the market as a whole. The average duration of the Fund’s portfolio was 5.48 years as of December 31, 2016.

### Principal Risks

There is no guarantee that the investment objective of the Fund will be achieved. Fixed income securities fluctuate in price in response to various factors, including changes in interest rates, changes in market conditions and issuer-specific events, and the value of your investment in the Fund may go down. This means that you could lose money on your investment in the Fund or the Fund may not perform as well as other possible investments. Principal risks include:

**Interest Rate Risk:** As interest rates rise, the values of fixed income securities held by the Fund are likely to decrease and reduce the value of the Fund’s portfolio. Securities with longer durations tend to be more sensitive to changes in interest rates and are usually more volatile than securities with shorter durations. For example, a 5 year average duration generally means the fixed income security will decrease in value by 5% if interest rates rise by 1%. Interest rates in the U.S. are near historic lows, which may increase the Fund’s exposure to risks associated with rising rates. Additionally, rising interest rates may lead to increased redemptions, increased volatility and decreased liquidity in the fixed income markets, making it more difficult for the Fund to sell its fixed income holdings when the Subadviser may wish to sell or must sell to meet redemptions.

**Credit Risk:** The issuer of a security owned by the Fund could default on its obligation to pay principal or interest or its credit rating could be downgraded. Likewise, a counterparty to a derivative or other contractual instrument owned by the Fund could default on its obligation. This risk may be higher for below investment-grade securities.

**Prepayment Risk:** When interest rates are declining, the issuer of a pass-through security, such as a mortgage-backed or an asset-backed security, may exercise its option to prepay principal earlier than scheduled, forcing the Fund to reinvest in lower yielding securities.

**Selection Risk:** The Subadviser’s judgment about the attractiveness, value and growth potential of a particular security may be incorrect. The Subadviser potentially will be prevented from executing investment decisions at an advantageous time or price as a result of any domestic or global market disruptions, particularly disruptions causing heightened market volatility and reduced market liquidity, as well as increased or changing regulations. Thus, investments that the Subadviser believes represent an attractive opportunity or in which the Fund seeks to obtain exposure may be unavailable entirely or in the specific quantities or prices sought by the Subadviser and the Fund may need to obtain the exposure through less advantageous or indirect investments or forgo the investment at the time.

**Derivatives Risk:** The value of derivative instruments held by the Fund may not change in the manner expected by the Subadviser, which could result in disproportionately large losses to the Fund. Derivatives may also be more volatile than other instruments and may create a risk of loss greater than the amount invested. In addition, certain derivatives may be difficult to value and may be illiquid.

**Leveraging Risk:** The Fund’s use of certain investments, such as derivative instruments or reverse repurchase agreements, and certain transactions, such as securities purchased on a when-issued, delayed delivery or forward commitment basis, can give rise to leverage within the Fund’s portfolio, which could cause the Fund’s returns to be more volatile than if leverage had not been used.

**Market and Issuer Risk:** Securities markets are volatile and can decline significantly in response to adverse market, economic, political, regulatory or other developments, which may lower the value of securities held by the Fund, sometimes rapidly or unpredictably. Additionally, an adverse event or adverse economic conditions may depress the value of a particular issuer’s securities or may increase the risk that issuers will not generate sufficient cash flow to service their debt obligations.

**Foreign Securities Risk:** Because the Fund may invest in securities of foreign issuers, an investment in the Fund is subject to special risks in addition to those of U.S. securities. These risks include heightened political and economic risks, greater volatility, currency fluctuations, higher transaction costs, delayed settlement, possible foreign controls on investment, possible sanctions by governmental bodies of other countries and less stringent investor protection and disclosure standards of foreign markets. Foreign securities are sometimes less liquid and harder to value than securities of U.S. issuers. These risks are more significant for issuers in emerging market countries. Global economies and financial markets are becoming increasingly interconnected, and conditions and events in one country, region or financial market may adversely impact issuers in a different country, region or financial market.

**Liquidity Risk:** A particular investment may be difficult to purchase or sell and the Fund may be unable to sell illiquid securities at an advantageous time or price or achieve its desired level of exposure to a certain sector. Liquidity risk may result from the lack of an active market, reduced number and capacity of traditional market participants to make a market in fixed income securities, and may be magnified in a rising interest rate environment or other circumstances where investor redemptions from fixed income mutual funds may be higher than normal, causing increased supply in the market due to selling activity. Valuation of investments may be difficult, particularly during periods of market volatility or reduced liquidity and for investments that trade infrequently or irregularly. In these circumstances, among others, an investment may be valued using fair value methodologies that are inherently subjective and reflect good faith judgments based on available information.

**Emerging Markets Risk:** The risk of investing in emerging market securities, primarily increased foreign (non-U.S.) investment risk.

**Currency Risk:** The risk that foreign currencies will decline in value relative to the U.S. dollar and affect the Fund’s investments in foreign (non-U.S.) currencies or in securities that trade in, and receive revenues in, or in derivatives that provide exposure to, foreign (non-U.S.) currencies.

**Short Sales Risk:** If the price of securities sold short increases, the Fund would be required to pay more to replace the borrowed securities than the Fund received on the sale of the securities. Because there is theoretically no limit to the amount of the increase in price of the borrowed securities, the Fund’s risk of loss on a short sale is potentially unlimited.

# Fund Summary

## HARBOR BOND FUND

**Mortgage- and Asset-Backed Securities Risk:** Mortgage and other asset-backed derivatives in the Fund's portfolio may have especially volatile prices because the embedded leverage can magnify the impact of the extension or contraction event on the underlying cash flow. Mortgage-related securities are also subject to prepayment and extension risks.

**High-Yield Risk:** There is a greater risk that the Fund will lose money because it invests in high-yield bonds. These securities are considered speculative because they have a higher risk of issuer default, are subject to greater price volatility and may be illiquid.

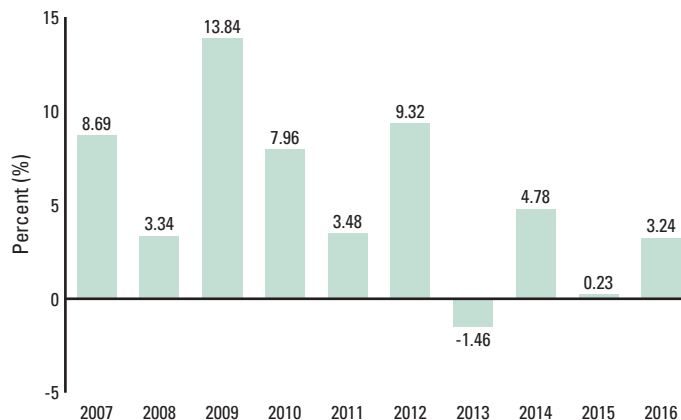
**Convertible Securities Risk:** Convertible securities generally tend to be of lower credit quality, and the value of a convertible security generally increases and decreases with the value of the underlying common stock, but may also be sensitive to changes in interest rates. A convertible security may also be subject to redemption at the option of the issuer at a price established in the convertible security's governing instrument. If a convertible security held by the Fund is called for redemption, the Fund will be required to permit the issuer to redeem the security, convert it into the underlying common stock or sell it to a third party, which could result in a loss to the Fund. Additionally, the Fund could lose money if the issuer of a convertible security is unable to meet its financial obligations or declares bankruptcy.

**Equity Risk:** The values of equity or equity-related securities, such as preferred stocks, may decline due to general market conditions that are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. They may also decline due to factors that affect a particular industry or industries, such as labor shortages or increased production costs and competitive conditions within an industry. Equity securities generally have greater price volatility than fixed income securities.

## Performance

The following bar chart and tables are intended to help you understand the risks and potential rewards of investing in the Fund. The bar chart shows how the performance of the Fund's Institutional Class has varied from one calendar year to another over the periods shown. The table shows how the Fund's average annual total returns of the share classes presented compared to the returns of the Fund's benchmark index, which includes securities with investment characteristics similar to those held by the Fund. Please note that the Fund's past performance (before and after taxes) is not necessarily an indication of how the Fund will perform in the future. To obtain updated performance information please visit the Fund's website at [harborfunds.com](http://harborfunds.com) or call 800-422-1050.

### Calendar Year Total Returns for Institutional Class Shares



During the time periods shown in the bar chart, the Fund's highest and lowest returns for a calendar quarter were:

	Total Returns	Quarter/Year
Best Quarter	5.97%	Q2 2009
Worst Quarter	-3.56%	Q3 2008

### Average Annual Total Returns – As of December 31, 2016

	One Year	Annualized			Inception Date
		Five Years	Ten Years	Since Inception	
<b>Harbor Bond Fund</b>					
<b>Institutional Class</b>					
Before Taxes	3.24%	3.15%	5.25%	7.12%	12-29-1987
After Taxes on Distributions	1.33%	1.33%	3.30%	N/A	
After Taxes on Distributions and Sale of Fund Shares	0.98%	1.68%	3.37%	N/A	
<b>Administrative Class</b>					
Before Taxes	3.06%	2.92%	4.99%	4.86%	11-01-2002
<b>Comparative Index (reflects no deduction for fees, expenses or taxes)</b>					
<b>Bloomberg Barclays U.S. Aggregate Bond<sup>^</sup></b>					
	2.65%	2.23%	4.34%	6.46%	

<sup>^</sup> Since Inception return based on the inception date of the Institutional Class shares.

After-tax returns are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns will depend on a shareholder's individual tax situation and may differ from those shown. The after-tax returns shown are not relevant to tax-exempt shareholders or shareholders who hold their Fund shares through a tax-deferred arrangement such as a 401(k) plan or individual retirement account. In some cases, average annual total return "After Taxes on Distributions and Sale of Fund Shares" may exceed the return "Before Taxes" and/or "After Taxes on Distributions" due to an assumed tax benefit for any losses on a sale of Fund shares at the end of the measurement period. After-tax returns are shown for Institutional Class shares only. After-tax returns for each of the Administrative Class of shares will vary.

# Fund Summary

## HARBOR BOND FUND

### Portfolio Management

#### Investment Adviser

Harbor Capital Advisors, Inc.

#### Subadviser

Pacific Investment Management Company LLC (“PIMCO”) has subadvised the Fund since its inception in 1987.

#### Portfolio Managers



**Scott A. Mather**  
Pacific Investment Management Company LLC

Mr. Mather is Chief Investment Officer U.S. Core Strategies and a Managing Director of PIMCO and has managed the Fund since 2014.



**Mark R. Kiesel**  
Pacific Investment Management Company LLC

Mr. Kiesel is Chief Investment Officer Global Credit and a Managing Director of PIMCO and has managed the Fund since 2014.



**Mihir P. Worah**  
Pacific Investment Management Company LLC

Mr. Worah is Chief Investment Officer Real Return and Asset Allocation and a Managing Director of PIMCO and has managed the Fund since 2014.

### Buying and Selling Fund Shares

Shareholders may purchase or sell (redeem) Fund shares on any business day (normally any day the New York Stock Exchange is open). You may conduct transactions by mail, by telephone or through our website.

<b>By Mail</b>	Harbor Funds P.O. Box 804660 Chicago, IL 60680-4108
<b>By Telephone</b>	800-422-1050
<b>By Visiting Our Website</b>	harborfunds.com

Investors who wish to purchase, exchange or redeem shares held through a financial intermediary should contact the financial intermediary directly.

The minimum initial investment amounts are shown below. The minimums may be reduced or waived in some cases. There are no minimums for subsequent investments.

Type of Account	Institutional Class	Administrative Class*
Regular	\$1,000	\$50,000
Individual Retirement Account (IRA)	\$1,000	N/A
Custodial (UGMA/UTMA)	\$1,000	N/A

\* Limited only to employer-sponsored retirement or benefit plans and financial intermediaries. There is no minimum investment for employer-sponsored retirement or benefit plans.

### Tax Information

Distributions you receive from the Fund are subject to federal income tax and may also be subject to state and local taxes. These distributions will generally be taxed as ordinary income or capital gains, unless you are investing through a tax-deferred retirement account, such as a 401(k) plan or individual retirement account. Investments in tax-deferred accounts may be subject to tax when they are withdrawn.

### Payments to Broker-Dealers and Other Financial Intermediaries

If you purchase the Fund through a broker-dealer or other financial intermediary, the Fund and/or its related companies may pay the intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your sales representative to recommend the Fund over another investment. Ask your sales representative or visit your financial intermediary's website for more information.



# Harbor Real Return Fund

## Fund Summary

### Investment Objective

The Fund seeks maximum real return, consistent with preservation of real capital.

### Fees and Expenses of the Fund

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. The table does not reflect brokerage commissions you may pay when buying or selling shares of the Fund.

**Annual Fund Operating Expenses** (expenses that you pay each year as a percentage of the value of your investment)

	Institutional Class	Administrative Class
Management Fees	0.48%	0.48%
Distribution and Service (12b-1) Fees	None	0.25%
Other Expenses <sup>1</sup>	0.40%	0.40%
Interest Expense from Sale-Buyback Transactions	0.18%	0.18%
Other Operating Expenses <sup>1</sup>	0.22%	0.22%
Total Annual Fund Operating Expenses <sup>1</sup>	0.88%	1.13%
Expense Reimbursement <sup>1,2</sup>	(0.16)%	(0.16)%
Total Annual Fund Operating Expenses After Expense Reimbursement <sup>1,2</sup>	0.72%	0.97%

<sup>1</sup> Restated to reflect current fees.

<sup>2</sup> The Adviser has contractually agreed to limit the Fund's operating expenses, excluding interest expense (if any), to 0.54% and 0.79% for the Institutional Class and Administrative Class, respectively, through February 28, 2018. Only the Fund's Board of Trustees may modify or terminate this agreement.

### Expense Example

This Example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The Example assumes that you invest \$10,000 in the Fund for the time periods indicated. The Example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. The Example does not reflect brokerage commissions you may pay when buying or selling shares of the Fund. Although your actual costs may be higher or lower, under these assumptions, your costs would be:

	One Year	Three Years	Five Years	Ten Years
Institutional Class	\$74	\$265	\$472	\$1,070
Administrative Class	\$99	\$343	\$607	\$1,360

### Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs and may result in higher taxes when shares of the Fund are held in a taxable account. These costs, which are not reflected in the Annual Fund Operating Expenses or in the Expense Example, do affect the Fund's performance. The Fund's portfolio turnover rate in the most recent fiscal year was 611%.

### Principal Investment Strategy

Inflation-indexed bonds are fixed income securities that are structured to provide protection against inflation. The value of the bond's principal or the interest income paid on the bond is adjusted to track changes in an official inflation measure. The U.S. Treasury uses the Consumer Price Index for Urban Consumers as the inflation measure for U.S. Treasury Inflation-Protected Securities ("TIPS"). Inflation-indexed bonds issued by foreign governments are generally adjusted to reflect a comparable inflation index, calculated by that government. "Real return" equals total return less the estimated cost of inflation, which is typically measured by the change in an official inflation measure.

The Fund may invest up to 30% of its total assets in securities denominated in foreign currencies, and may invest beyond this limit in U.S. dollar denominated securities of foreign issuers. Foreign currency exposure (from non-U.S. dollar denominated securities or currencies) normally will be limited to 20% of the Fund's total assets. The Fund also may invest up to 10% of its total assets in securities and instruments that are economically tied to emerging market countries (this limitation does not apply to investment-grade sovereign debt denominated in the local currency with less than 1 year remaining to maturity).

Under normal market conditions, the Fund expects to invest at least 80% of its net assets, plus borrowings for investment purposes, in inflation-indexed bonds of varying maturities issued by the U.S. government, non-U.S. governments, their agencies or instrumentalities, and corporations, which may be represented by forwards or derivatives such as options, futures contracts or swap agreements. Assets not invested in inflation-indexed bonds may be invested in other types of fixed income securities.

The Fund may invest, without limitation, in derivative instruments, such as options, futures contracts or swap agreements (including currency swaps, interest rate swaps, total return swaps, credit default swaps and others, in which the Fund may be either the buyer or the seller), or in mortgage- or asset-backed securities, subject to applicable law and any other restrictions described in the Fund's prospectus or Statement of Additional Information. The Fund may, without limitation, seek to obtain market exposure to the securities in which it invests by entering into a series of purchase and sale contracts or by using other investment techniques (such as buy-backs or dollar rolls). The Fund may purchase or sell securities on a when-issued, delayed delivery or forward commitment basis and may engage in short selling, which is the sale by the Fund of a borrowed security. Because the Fund is obligated to replace the borrowed security, the Fund would benefit from the short sale if the price of the security declines before it is replaced. The Fund may also invest up to 10% of its total assets in preferred stocks.

**Credit Quality:** The Fund invests primarily in investment-grade debt securities, but may invest up to 10% of its total assets in below investment-grade securities, commonly referred to as "high-yield" or "junk" bonds. For all securities other than mortgage-related securities, the Fund may invest in below investment-grade securities only if they are rated B or higher by Moody's, S&P or Fitch, or, if unrated, determined to be of comparable quality. For mortgage-related securities, the Fund may invest in securities of any credit quality, including those rated below B.

**Duration:** The average portfolio duration of this Fund, as calculated by the Subadviser, normally varies within three years (plus or minus) of the duration of the Bloomberg Barclays U.S. TIPS Index, which as of December 31, 2016 was 7.61 years. Average duration is a weighted average of all fixed income security durations in the Fund's portfolio, and is an approximate measure of the sensitivity



# Fund Summary

## HARBOR REAL RETURN FUND

of the market value of the Fund's holdings to changes in interest rates. If the Fund's duration is longer than the market's duration, the Fund would be expected to experience a greater change in the value of its assets when interest rates are rising or falling than would the market as a whole. The average duration of the Fund's portfolio was 7.61 years as of December 31, 2016.

### Principal Risks

There is no guarantee that the investment objective of the Fund will be achieved. Fixed income securities fluctuate in price in response to various factors, including changes in interest rates, changes in market conditions and issuer-specific events, and the value of your investment in the Fund may go down. This means that you could lose money on your investment in the Fund or the Fund may not perform as well as other possible investments. Principal risks include:

**Interest Rate Risk:** As nominal interest rates rise, the value of fixed income securities held by the Fund are likely to decrease and reduce the value of the Fund's portfolio. Securities with longer durations tend to be more sensitive to changes in interest rates, and are usually more volatile than securities with shorter durations. For example, a 5 year average duration generally means the fixed income security will decrease in value by 5% if interest rates rise by 1%. Additionally, rising interest rates may lead to increased redemptions, increased volatility and decreased liquidity in the fixed income markets, making it more difficult for the Fund to sell its fixed income holdings when the Subadviser may wish to sell or must sell to meet redemptions.

A nominal interest rate can be described as the sum of a real interest rate and an expected inflation rate. Inflation-indexed securities, including U.S. Treasury inflation protected securities ("TIPS"), decline in value when real interest rates rise. In certain interest rate environments, such as when real interest rates are rising faster than nominal interest rates, inflation-indexed securities may experience greater losses than other fixed income securities with similar durations. Interest rates in the U.S. are near historic lows, which may increase the Fund's exposure to risks associated with rising rates.

**Credit Risk:** The issuer of a security owned by the Fund could default on its obligation to pay principal or interest or its credit rating could be downgraded. Likewise, a counterparty to a derivative or other contractual instrument owned by the Fund could default on its obligation. This risk may be higher for below investment-grade securities.

**Prepayment Risk:** When interest rates are declining, the issuer of a pass-through security, such as a mortgage-backed or an asset-backed security, may exercise its option to prepay principal earlier than scheduled, forcing the Fund to reinvest in lower yielding securities.

**Selection Risk:** The Subadviser's judgment about the attractiveness, value and growth potential of a particular security may be incorrect. The Subadviser potentially will be prevented from executing investment decisions at an advantageous time or price as a result of any domestic or global market disruptions, particularly disruptions causing heightened market volatility and reduced market liquidity, as well as increased or changing regulations. Thus, investments that the Subadviser believes represent an attractive opportunity or in which the Fund seeks to obtain exposure may be unavailable entirely or in the specific quantities or prices sought by the Subadviser and the Fund may need to obtain the exposure through less advantageous or indirect investments or forgo the investment at the time.

**Derivatives Risk:** The value of derivative instruments held by the Fund may not change in the manner expected by the Subadviser, which could result in disproportionately large losses to the Fund. Derivatives may also be more volatile than other instruments and may create a risk of loss greater than the amount invested. In addition, certain derivatives may be difficult to value and may be illiquid.

**Leveraging Risk:** The Fund's use of certain investments, such as derivative instruments or reverse repurchase agreements, and certain transactions, such as securities purchased on a when-issued, delayed delivery or forward commitment basis, can give rise to leverage within the Fund's portfolio, which could cause the Fund's returns to be more volatile than if leverage had not been used.

**Market and Issuer Risk:** Securities markets are volatile and can decline significantly in response to adverse market, economic, political, regulatory or other developments, which may lower the value of securities held by the Fund, sometimes rapidly or unpredictably. Additionally, an adverse event or adverse economic conditions may depress the value of a particular issuer's securities or may increase the risk that issuers will not generate sufficient cash flow to service their debt obligations.

**Foreign Securities Risk:** Because the Fund may invest in securities of foreign issuers, an investment in the Fund is subject to special risks in addition to those of U.S. securities. These risks include heightened political and economic risks, greater volatility, currency fluctuations, higher transaction costs, delayed settlement, possible foreign controls on investment, possible sanctions by governmental bodies of other countries and less stringent investor protection and disclosure standards of foreign markets. Foreign securities are sometimes less liquid and harder to value than securities of U.S. issuers. These risks are more significant for issuers in emerging market countries. Global economies and financial markets are becoming increasingly interconnected, and conditions and events in one country, region or financial market may adversely impact issuers in a different country, region or financial market.

**Liquidity Risk:** A particular investment may be difficult to purchase or sell and the Fund may be unable to sell illiquid securities at an advantageous time or price or achieve its desired level of exposure to a certain sector. Liquidity risk may result from the lack of an active market, reduced number and capacity of traditional market participants to make a market in fixed income securities, and may be magnified in a rising interest rate environment or other circumstances where investor redemptions from fixed income mutual funds may be higher than normal, causing increased supply in the market due to selling activity. Valuation of investments may be difficult, particularly during periods of market volatility or reduced liquidity and for investments that trade infrequently or irregularly. In these circumstances, among others, an investment may be valued using fair value methodologies that are inherently subjective and reflect good faith judgments based on available information.

**Emerging Markets Risk:** The risk of investing in emerging market securities, primarily increased foreign (non-U.S.) investment risk.

**Currency Risk:** The risk that foreign currencies will decline in value relative to the U.S. dollar and affect the Fund's investments in foreign (non-U.S.) currencies or in securities that trade in, and receive revenues in, or in derivatives that provide exposure to, foreign (non-U.S.) currencies.

**Short Sales Risk:** If the price of securities sold short increases, the Fund would be required to pay more to replace the borrowed securities than the Fund received on the sale of the securities. Because there is theoretically no limit to the amount of the increase in price of the borrowed securities, the Fund's risk of loss on a short sale is potentially unlimited.

# Fund Summary

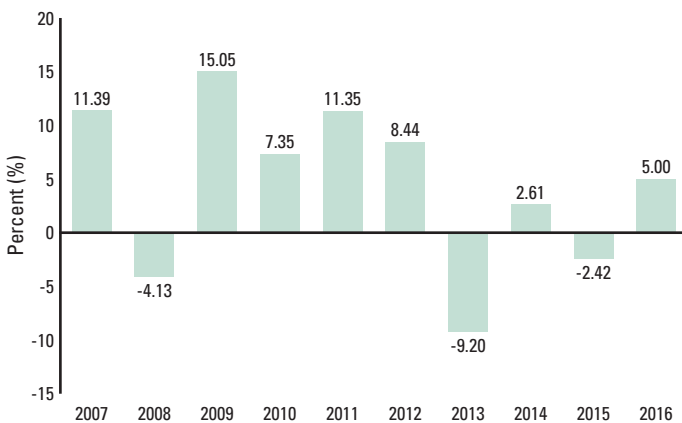
## HARBOR REAL RETURN FUND

**Mortgage- and Asset-Backed Securities Risk:** Mortgage and other asset-backed derivatives in the Fund's portfolio may have especially volatile prices because the embedded leverage can magnify the impact of the extension or contraction event on the underlying cash flow. Mortgage-related securities are also subject to prepayment and extension risks.

### Performance

The following bar chart and tables are intended to help you understand the risks and potential rewards of investing in the Fund. The bar chart shows how the performance of the Fund's Institutional Class has varied from one calendar year to another over the periods shown. The table shows how the Fund's average annual total returns of the share classes presented compared to the returns of the Fund's benchmark index, which includes securities with investment characteristics similar to those held by the Fund. Please note that the Fund's past performance (before and after taxes) is not necessarily an indication of how the Fund will perform in the future. To obtain updated performance information please visit the Fund's website at [harborfunds.com](http://harborfunds.com) or call 800-422-1050.

#### Calendar Year Total Returns for Institutional Class Shares



During the time periods shown in the bar chart, the Fund's highest and lowest returns for a calendar quarter were:

	Total Returns	Quarter/Year
Best Quarter	7.84%	Q1 2009
Worst Quarter	-8.10%	Q2 2013

#### Average Annual Total Returns – As of December 31, 2016

	One Year	Annualized			Inception Date
		Five Years	Ten Years	Since Inception	
<b>Harbor Real Return Fund</b>					
<b>Institutional Class</b>					
Before Taxes	5.00%	0.69%	4.28%	3.91%	12-01-2005
After Taxes on Distributions	4.84%	-0.69%	2.61%	N/A	
After Taxes on Distributions and Sale of Fund Shares	3.25%	-0.02%	2.73%	N/A	
<b>Administrative Class</b>					
Before Taxes	4.67%	0.43%	4.01%	3.64%	12-01-2005
<b>Comparative Index (reflects no deduction for fees, expenses or taxes)</b>					
<b>Bloomberg Barclays U.S. TIPS<sup>^</sup></b>					
	4.68%	0.89%	4.36%	4.08%	

<sup>^</sup> Since Inception return based on the inception date of the Institutional Class shares.

After-tax returns are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns will depend on a shareholder's individual tax situation and may differ from those shown. The after-tax returns shown are not relevant to tax-exempt shareholders or shareholders who hold their Fund shares through a tax-deferred arrangement such as a 401(k) plan or individual retirement account. In some cases, average annual total return "After Taxes on Distributions and Sale of Fund Shares" may exceed the return "Before Taxes" and/or "After Taxes on Distributions" due to an assumed tax benefit for any losses on a sale of Fund shares at the end of the measurement period. After-tax returns are shown for Institutional Class shares only. After-tax returns for each of the Administrative Class of shares will vary.

### Portfolio Management

#### Investment Adviser

Harbor Capital Advisors, Inc.

#### Subadviser

Pacific Investment Management Company LLC ("PIMCO") has subadvised the Fund since its inception in 2005.

#### Portfolio Managers



**Mihir P. Worah**

Pacific Investment Management Company LLC

Mr. Worah is a Managing Director and Portfolio Manager of PIMCO and has managed the Fund since 2007.

# Fund Summary

## HARBOR REAL RETURN FUND



**Jeremie Banet**  
Pacific Investment Management Company LLC

Mr. Banet is an Executive Vice President and Portfolio Manager of PIMCO and has managed the Fund since 2015.

### Buying and Selling Fund Shares

Shareholders may purchase or sell (redeem) Fund shares on any business day (normally any day the New York Stock Exchange is open). You may conduct transactions by mail, by telephone or through our website.

<b>By Mail</b>	Harbor Funds P.O. Box 804660 Chicago, IL 60680-4108
<b>By Telephone</b>	800-422-1050
<b>By Visiting Our Website</b>	harborfunds.com

Investors who wish to purchase, exchange or redeem shares held through a financial intermediary should contact the financial intermediary directly.

The minimum initial investment amounts are shown below. The minimums may be reduced or waived in some cases. There are no minimums for subsequent investments.

Type of Account	Institutional Class	Administrative Class*
Regular	\$1,000	\$50,000
Individual Retirement Account (IRA)	\$1,000	N/A
Custodial (UGMA/UTMA)	\$1,000	N/A

\* Limited only to employer-sponsored retirement or benefit plans and financial intermediaries. There is no minimum investment for employer-sponsored retirement or benefit plans.

### Tax Information

Distributions you receive from the Fund are subject to federal income tax and may also be subject to state and local taxes. These distributions will generally be taxed as ordinary income or capital gains, unless you are investing through a tax-deferred retirement account, such as a 401(k) plan or individual retirement account. Investments in tax-deferred accounts may be subject to tax when they are withdrawn.

### Payments to Broker-Dealers and Other Financial Intermediaries

If you purchase the Fund through a broker-dealer or other financial intermediary, the Fund and/or its related companies may pay the intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your sales representative to recommend the Fund over another investment. Ask your sales representative or visit your financial intermediary's website for more information.



# Harbor Money Market Fund

## Fund Summary

### Investment Objective

The Fund seeks to provide current income while maintaining liquidity and a stable share price of \$1.

### Fees and Expenses of the Fund

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. The table does not reflect brokerage commissions you may pay when buying or selling shares of the Fund.

**Annual Fund Operating Expenses** (expenses that you pay each year as a percentage of the value of your investment)

	Institutional Class	Administrative Class
Management Fees <sup>1</sup>	0.20%	0.20%
Distribution and Service (12b-1) Fees	None	0.25%
Other Expenses <sup>2</sup>	0.17%	0.17%
Total Annual Fund Operating Expenses <sup>2</sup>	0.37%	0.62%
Fee Waiver and Expense Reimbursement <sup>1,2</sup>	(0.09)%	(0.09)%
Total Annual Fund Operating Expenses After Fee Waiver and Expense Reimbursement <sup>1</sup>	0.28%	0.53%

<sup>1</sup> The Adviser has contractually agreed to reduce the management fee to 0.18% through February 28, 2018. Additionally, the Adviser has contractually agreed to limit the Fund's operating expenses, excluding interest expense (if any), to 0.28% and 0.53% for the Institutional Class and Administrative Class, respectively, through February 28, 2018. Only the Fund's Board of Trustees may modify or terminate these agreements.

<sup>2</sup> Restated to reflect current fees.

### Expense Example

This Example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The Example assumes that you invest \$10,000 in the Fund for the time periods indicated. The Example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. The Example does not reflect brokerage commissions you may pay when buying or selling shares of the Fund. Although your actual costs may be higher or lower, under these assumptions, your costs would be:

	One Year	Three Years	Five Years	Ten Years
Institutional Class	\$29	\$110	\$199	\$459
Administrative Class	\$54	\$189	\$337	\$766

### Principal Investment Strategy

The Fund will invest 99.5% or more of its total assets in cash, "government securities" and/or repurchase agreements that are "collateralized fully" (i.e., collateralized by cash or government securities) so as to qualify as a "government money market fund" under Rule 2a-7 of the Investment Company Act of 1940, as amended (the "Investment Company Act"). "Government securities," as defined under the Investment Company Act and interpreted, include securities issued or guaranteed by the United States or certain U.S. government agencies or instrumentalities. The Subadviser selects securities for the Fund's portfolio by focusing on securities that appear to offer the best

relative value based on an analysis of their credit quality and interest rate sensitivity.

**Maximum Maturity:** The Fund maintains a dollar-weighted average maturity (WAM) of 60 days or less and a dollar-weighted average life (WAL) of 120 days or less. The securities held in the Fund's portfolio have remaining maturities of 397 days or less. The weighted average maturity of the Fund's portfolio was 39 days as of December 31, 2016.

### Principal Risks

You could lose money by investing in the 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 Federal Deposit Insurance Corporation 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 that the sponsor will provide financial support to the Fund at any time. Principal risks include:

**Interest Rate Risk:** As interest rates rise, the values of fixed income securities held by the Fund are likely to decrease and reduce the value of the Fund's portfolio. Additionally, rising interest rates may lead to increased redemptions, increased volatility and decreased liquidity in the fixed income markets, making it more difficult for the Fund to sell its fixed income holdings when the Subadviser may wish to sell or must sell to meet redemptions.

**Credit Risk:** The issuer or guarantor of a security owned by the Fund could default on its obligations to pay principal or interest or its credit rating could be downgraded. Likewise, a counterparty to a repurchase agreement owned by the Fund could default on its obligation.

**Selection Risk:** The Subadviser's judgment about the attractiveness or value of a particular security may be incorrect.

**Regulatory Risk:** The Securities and Exchange Commission recently adopted changes to the rules that govern money market funds. Additional regulatory changes may be made in the future. These recent and future changes may affect the Fund's investment strategies, operations and/or return potential.

**Market and Issuer Risk:** Securities markets are volatile and can decline significantly in response to adverse market, economic, political, regulatory or other developments, which may lower the value of securities held by the Fund, sometimes rapidly or unpredictably. Additionally, an adverse event or adverse economic conditions may depress the value of a particular issuer's securities or may increase the risk that issuers will not generate sufficient cash flow to service their debt obligations.

**Stable Net Asset Value Risk:** The Fund may not be able to maintain a net asset value ("NAV") per share of \$1.00 at all times. If any money market fund fails to maintain a stable NAV (or if there is a perceived threat of such a failure), other money market funds, including the Fund, could be subject to increased redemption activity, which may adversely affect the Fund's NAV. Shareholders of the Fund should not rely on or expect the Adviser or an affiliate to purchase distressed assets from the Fund, make capital infusions into the Fund, enter into capital support agreements with the Fund or take other actions to help the Fund maintain a stable \$1.00 share price.

**U.S. Government Securities Risk:** Securities issued or guaranteed by U.S. government agencies or government-sponsored entities may not be backed by the full faith and credit of the U.S. government. As a result, no assurance can be given that the U.S. government will provide financial support to these securities or issuers (such

# Fund Summary

## HARBOR MONEY MARKET FUND

as securities issued by the Government National Mortgage Association, the Federal National Mortgage Association, or the Federal Home Loan Mortgage Corporation). Although certain government securities are backed by the full faith and credit of the U.S. government, circumstances could arise that would delay or prevent the payment of interest or principal. It is possible that issuers of U.S. government securities will not have the funds to meet their payment obligations in the future and, in these circumstances, the Fund's returns may be adversely affected.

**Repurchase Agreement Risk:** In the event that the counterparty to a repurchase agreement is unwilling or unable to fulfill its contractual obligation to repurchase the security underlying the repurchase agreement, the Fund may lose money or incur costs arising from exercising its rights under the agreement. If the counterparty fails to fulfill its obligation to repurchase the security and the market value of the security declines, the Fund may lose money. Repurchase agreements are subject to credit risk.

### Performance

The following bar chart and table show two aspects of the Fund: volatility and performance. The bar chart shows the volatility – or variability – of the Fund's annual total returns over time, and shows that Fund performance can change from year to year. The table shows the Fund's average annual total returns for certain time periods compared to the returns of a broad-based securities index. The bar chart and table provide some indication of the risks and potential rewards of investing in the Fund. The Fund's past performance is not necessarily an indication of how the Fund will perform in the future. To obtain updated performance information, including the Fund's current 7-day SEC yield, please visit the Fund's website at [harborfunds.com](http://harborfunds.com) or call 800-422-1050.

Effective March 1, 2016, the Fund changed its principal investment strategies. The past performance data in the bar chart and table reflect the Fund's prior principal investment strategies.

### Average Annual Total Returns – As of December 31, 2016

	One Year	Annualized			Inception Date
		Five Years	Ten Years	Since Inception	
<b>Harbor Money Market Fund</b>					
Institutional Class	0.35%	0.13%	0.86%	3.28%	12-29-1987
Administrative Class	0.35%	0.13%	0.80%	1.13%	11-01-2002
<b>Comparative Index (reflects no deduction for fees, expenses or taxes)</b>					
<b>BofA Merrill Lynch US 3-Month Treasury Bill Index<sup>^</sup></b>					
	0.33%	0.12%	0.80%	3.40%	

### Current 7-Day SEC Yield for Period Ended December 31, 2016

Institutional Class	0.54%
Administrative Class	0.54%

<sup>^</sup> Since Inception return based on the inception date of the Institutional Class shares.

### Portfolio Management

#### Investment Adviser

Harbor Capital Advisors, Inc.

#### Subadviser

Fischer Francis Trees & Watts, Inc. ("FFTW") has subadvised the Fund since its inception in 1987.

#### Portfolio Manager



**Kenneth O'Donnell, CFA**  
Fischer Francis Trees & Watts, Inc.

Mr. O'Donnell is a Portfolio Manager of FFTW and has managed the Fund since 2003.

### Buying and Selling Fund Shares

Shareholders may purchase or sell (redeem) Fund shares on any business day (normally any day the New York Stock Exchange is open). You may conduct transactions by mail, by telephone or through our website.

#### By Mail

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

#### By Telephone

800-422-1050

#### By Visiting Our Website

[harborfunds.com](http://harborfunds.com)

Investors who wish to purchase, exchange or redeem shares held through a financial intermediary should contact the financial intermediary directly.

### Calendar Year Total Returns for Institutional Class Shares



During the time periods shown in the bar chart, the Fund's highest and lowest returns for a calendar quarter were:

	Total Returns	Quarter/Year
Best Quarter	1.29%	Q3 2007
Worst Quarter	0.01%	Q4 2011

# Fund Summary

## HARBOR MONEY MARKET FUND

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The minimum initial investment amounts are shown below. The minimums may be reduced or waived in some cases. There are no minimums for subsequent investments.

Type of Account	Institutional Class	Administrative Class*
Regular	\$1,000	\$50,000
Individual Retirement Account (IRA)	\$1,000	N/A
Custodial (UGMA/UTMA)	\$1,000	N/A

\* Limited only to employer-sponsored retirement or benefit plans and financial intermediaries. There is no minimum investment for employer-sponsored retirement or benefit plans.

### Tax Information

Distributions you receive from the Fund are subject to federal income tax and may also be subject to state and local taxes. These distributions will generally be taxed as ordinary income or capital gains, unless you are investing through a tax-deferred retirement account, such as a 401(k) plan or individual retirement account. Investments in tax-deferred accounts may be subject to tax when they are withdrawn.

### Payments to Broker-Dealers and Other Financial Intermediaries

If you purchase the Fund through a broker-dealer or other financial intermediary, the Fund and/or its related companies may pay the intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your sales representative to recommend the Fund over another investment. Ask your sales representative or visit your financial intermediary's website for more information.

## Additional Information about the Funds' Investments

### Investment Objectives

Harbor Funds' Board of Trustees (the "Board of Trustees") may change a Fund's investment objective without shareholder approval.

### Investment Policies

For each of Harbor Convertible Securities Fund, Harbor High-Yield Bond Fund, Harbor Bond Fund and Harbor Real Return Fund, the Fund's 80% investment policy may be changed by the Fund upon 60 days' advanced notice to the shareholders.

Harbor Money Market Fund has adopted a policy to invest 99.5% or more of the Fund's total assets in cash, "government securities" and/or repurchase agreements that are "collateralized fully" (*i.e.*, collateralized by cash or government securities) so as to qualify as a "government money market fund" under Rule 2a-7 of the Investment Company Act. As a "government money market fund" under Rule 2a-7, the Fund will (1) be permitted to use the amortized cost method of valuation to seek to maintain a \$1.00 share price and (2) not be subject to a liquidity fee and/or a redemption gate on fund redemptions. The Board of Trustees has reserved its ability to change this policy with respect to liquidity fees and/or redemption gates, but such change would become effective only after shareholders were provided with specific advance notice of a change in this policy.

### Fixed Income Securities

Fixed income securities, as used generally in this Prospectus, includes:

- securities issued or guaranteed by the U.S. government, its agencies or government-sponsored enterprises;
- securities issued or guaranteed by a foreign government, governmental entity, supranational organization or government-sponsored enterprise;
- corporate debt securities of U.S. and non-U.S. issuers, including convertible securities and corporate commercial paper, issued publicly or through private placements, including Rule 144A securities and Regulation S bonds;
- preferred stocks;
- when issued or delayed delivery debt securities;
- mortgage-backed and other asset-backed securities;
- inflation-indexed bonds issued both by governments and corporations;
- structured notes, including hybrid or "indexed" securities and event-linked bonds;
- loan participations and assignments;
- bank capital and trust preferred securities;
- delayed funding loans and revolving credit facilities;
- bank certificates of deposit, fixed time deposits and bankers' acceptances; and
- repurchase agreements on fixed income instruments and reverse repurchase agreements on fixed income instruments.

Securities issued by U.S. government agencies or government-sponsored enterprises may not be guaranteed by the U.S. Treasury.

Certain fixed-income securities may have all types of interest rate payment and reset terms, including fixed rate, adjustable rate, inflation indexed, zero coupon, contingent, deferred, payment in-kind and auction rate features.

Interest rates in the U.S. are near historic lows, which may increase a Fund's exposure to risks associated with rising rates. The Funds may be subject to heightened interest rate risk because the Federal Reserve has ended its quantitative easing program and has begun, and may continue, to raise interest rates. The recent increase and potential for future increases to the federal funds rate may expose fixed-income markets to heightened volatility and reduced liquidity for certain Fund investments. Interest rates may continue to rise in the future, possibly suddenly and significantly, with unpredictable effects on the financial markets and a Fund's investments. As a result, such investments may decline in value and/or be difficult to sell at favorable prices to meet fund redemption obligations, causing the value of a Fund's share price to decline.

### Mortgage-Related and Asset-Backed Securities

Mortgage-related securities may be issued by private companies or by agencies of the U.S. government. Mortgage-related securities represent direct or indirect participations in, or are collateralized by and payable from, mortgage loans secured by real property.

Harbor Bond Fund and Harbor Real Return Fund may use mortgage dollar rolls to finance the purchase of additional investments. Dollar rolls expose a Fund to the risk that it will lose money if the additional investments do not produce enough income to cover the Fund's dollar roll obligations.

For mortgage derivatives and structured securities that have embedded leverage features, small changes in interest or prepayment rates may cause large and sudden price movements. Mortgage derivatives can also become illiquid and hard to value in declining markets. Holders of privately issued mortgage-backed securities are dependent on, yet may have limited access to, information enabling them to evaluate the competence and integrity of the underlying originators and mortgage lending institutions.

## Additional Information about the Funds' Investments

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Asset-backed securities represent participations in, or are secured by and payable from, assets such as installment sales or loan contracts, leases, credit card receivables and other categories of receivables.

Mortgage-related and asset-backed securities are especially sensitive to prepayment and extension risk.

At times, Harbor Bond Fund may invest a large percentage of assets in mortgage-backed and asset-backed securities.

### Credit Quality

Securities are investment-grade if:

- They are rated in one of the top four long-term rating categories of a nationally recognized statistical rating organization (“NRSRO”).
- They have received a comparable short-term or other rating.
- They are unrated securities that the Subadviser believes to be of comparable quality to rated investment-grade securities.

Securities are considered below investment-grade (“junk” bonds) if:

- They are rated below one of the top four long-term rating categories of a NRSRO.
- They are unrated securities that the Subadviser believes to be of comparable quality.

If a security receives different ratings, a Fund will treat the security as being rated in the highest (lowest for Harbor High-Yield Bond Fund) rating category. A Fund may choose not to sell securities that are downgraded after their purchase below the Fund’s minimum acceptable credit rating. Each Fund’s credit standards also apply to counterparties to over-the-counter derivative contracts or repurchase agreements, as applicable. An issuer, guarantor or counterparty could suffer a rapid decrease in credit quality rating, which would adversely affect the volatility of the value and liquidity of the Fund’s investment. Credit ratings may not be an accurate assessment of liquidity or credit risk.

### GOVERNMENT SECURITIES

“Government securities,” as defined under the Investment Company Act and interpreted, include securities issued or guaranteed by the United States or certain U.S. government agencies or instrumentalities. There are different types of government securities with different levels of credit risk, including the risk of default, depending on the nature of the particular government support for that security. For example, a U.S. government-sponsored entity, such as Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, although chartered or sponsored by an Act of Congress, may issue securities that are neither insured nor guaranteed by the U.S. Treasury and are therefore riskier than those that are insured or guaranteed by the U.S. Treasury.

### Derivative Instruments

Each Fund (except Harbor Money Market Fund) may, but is not required to, use derivatives for any of the following purposes:

- To hedge against adverse changes in the market value of securities held by or to be bought for the Fund. These changes may be caused by changing interest rates, stock market prices or currency exchange rates.
- As a substitute for purchasing or selling securities or foreign currencies.
- To manage the duration of a Fund’s fixed income portfolio.
- In non-hedging situations, to attempt to profit from anticipated market developments.

In general, a derivative instrument will obligate or entitle a Fund to deliver or receive an asset or a cash payment that is based on the change in value of a designated security, index, or other asset. Examples of derivatives are futures contracts, options, forward contracts, hybrid instruments, swaps, caps, collars and floors.

Even a small investment in certain types of derivatives can have a big impact on a Fund’s portfolio interest rate, stock market and currency exposure. Therefore, using derivatives can disproportionately increase a Fund’s portfolio losses and reduce opportunities for gains when interest rates, stock prices or currency rates are changing. A Fund may not fully benefit from or may lose money on derivatives if changes in their value do not correspond as expected to changes in the value of the Fund’s portfolio holdings. If a Fund invests in a derivative instrument, it seeks to manage its derivative position by segregating enough cash or liquid securities that when combined with the value of the position will equal the value of the asset it represents.

Counterparties to over-the-counter derivative contracts present the same types of credit risk as issuers of fixed income securities. Derivatives also can make a Fund’s portfolio less liquid and harder to value, especially in declining markets. In addition, government legislation or regulation may make derivatives more costly, may limit the availability of derivatives, or may otherwise adversely affect the use, value or performance of derivatives.



## Additional Information about the Funds' Investments

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### Temporary Positions

In response to extraordinary market, economic or political conditions or other unusual or abnormal circumstances, each Fund (except Harbor Money Market Fund) may depart from its principal investment strategies by taking large temporary investment positions (i.e., in cash or investment-grade debt securities).

If a Fund takes a temporary investment position, it may succeed in avoiding losses but otherwise fail to achieve its investment goal.

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### Portfolio Turnover

Harbor Convertible Securities Fund, Harbor Bond Fund and Harbor Real Return Fund may engage in active and frequent trading to achieve its principal investment strategies. This may lead to the realization and distribution to shareholders of higher capital gains, which would increase the shareholders' tax liability. Frequent trading also increases transaction costs, which could detract from the Fund's performance. It is expected that Harbor Bond Fund and Harbor Real Return Fund will have an annualized portfolio turnover rate in excess of 100%. A portfolio turnover rate of over 100% is higher than the rate experienced by many other investment companies and is a result of an actively managed portfolio. Although the higher turnover rate results in higher transaction costs and other expenses for a Fund, each Subadviser believes that the portfolio transactions are in the best interests of shareholders.

# The Adviser and Subadvisers

## The Adviser

Harbor Capital Advisors, Inc. (the “Adviser”) is the investment adviser to Harbor Funds. The Adviser, located at 111 South Wacker Drive, 34th Floor, Chicago, Illinois 60606-4302, is an indirect, wholly-owned subsidiary of Robeco Group N.V. (“Robeco Group”), a subsidiary of ORIX Corporation (“ORIX”). Robeco Group is a holding company of asset management subsidiaries. As of December 31, 2016, the Robeco Group had EUR 281 billion in assets under management. ORIX is a global financial services company based in Tokyo, Japan. ORIX provides a range of financial services to corporate and retail customers around the world, including financing, leasing, real estate and investment banking services. The stock of ORIX trades publicly on both the New York (through American Depositary Receipts) and Tokyo Stock Exchanges.

The combined assets of Harbor Funds and the pension plans managed by the Adviser were approximately \$69 billion as of December 31, 2016.

The Adviser employs a “manager-of-managers” approach in selecting and overseeing Subadvisers responsible for the day-to-day management of the assets of the Harbor funds. Subject to the approval of the Board of Trustees, the Adviser establishes, and may modify whenever deemed appropriate, the investment strategies of each Fund. The Adviser also is responsible for overseeing each Subadviser and recommending the selection, termination and replacement of Subadvisers. The Adviser evaluates and allocates each Fund’s assets to one or more Subadvisers.

The Adviser also:

- Seeks to ensure quality control in the Subadviser’s investment process with the objective of adding value compared with returns of an appropriate risk and return benchmark.
- Monitors and measures risk and return results against appropriate benchmarks and recommends whether a Subadviser should be retained or changed.
- Focuses on cost control.

In order to more effectively manage the Funds, Harbor Funds and the Adviser have been granted an order from the Securities and Exchange Commission (“SEC”) permitting the Adviser, subject to the approval of the Board of Trustees, to select Subadvisers not affiliated with the Adviser to serve as portfolio managers for the Harbor funds, and to enter into new subadvisory agreements and to materially modify existing subadvisory agreements with such unaffiliated subadvisers, all without obtaining shareholder approval.

In addition to its investment management services, the Adviser administers Harbor Funds’ business affairs. For the year ended October 31, 2016, as shown in the table, each Fund paid the Adviser an advisory fee for these services. The Adviser has agreed to contractually reduce its advisory fee and/or limit the total operating expenses, excluding interest expense (if any), of each Fund until February 28, 2018, as disclosed in each Fund’s “Fund Summary” section. The Adviser pays a subadvisory fee to each Subadviser out of its own assets. The Funds are not responsible for paying any portion of the subadvisory fee to a Subadviser.

### ANNUAL ADVISORY FEE RATES

(annual rate based on the Fund’s average net assets)

	Actual Advisory Fee Paid	Contractual Advisory Fee
Harbor Convertible Securities Fund .....	0.65%	0.65% <sup>a</sup>
Harbor High-Yield Bond Fund .....	0.56	0.60 <sup>b</sup>
Harbor Bond Fund .....	0.45	0.48 <sup>c</sup>
Harbor Real Return Fund .....	0.48	0.48
Harbor Money Market Fund .....	0.00 <sup>d</sup>	0.20 <sup>e</sup>

<sup>a</sup> The Adviser has contractually agreed to reduce the management fee to 0.60% through February 28, 2018.

<sup>b</sup> The Adviser has contractually agreed to reduce the management fee to 0.56% through February 28, 2018.

<sup>c</sup> The Adviser has contractually agreed to reduce the management fee to 0.43% on assets between \$1 billion and \$3 billion and 0.405% on assets greater than \$3 billion through February 28, 2018.

<sup>d</sup> The Adviser has voluntarily reimbursed all expenses of the Fund resulting in an actual advisory fee paid of 0.00%.

<sup>e</sup> The Adviser has contractually agreed to reduce the management fee to 0.18% through February 28, 2018.

A discussion of the factors considered by the Board of Trustees when approving the investment advisory and investment subadvisory agreements of the Funds is available in Harbor Funds’ most recent semi-annual report to shareholders (for the 6-month period ended April 30).

# The Adviser and Subadvisers

## The Subadvisers and Portfolio Managers

Each Fund's investments are selected by a Subadviser that is not affiliated with the Adviser. Information about each Fund's individual portfolio manager(s) is provided in each Fund's *Fund Summary*. The *Statement of Additional Information* provides additional information about each portfolio manager's compensation, other accounts managed by the portfolio managers and the portfolio managers' ownership of shares in the Funds.

### Harbor Convertible Securities Fund

Shenkman Capital Management, Inc., located at 461 Fifth Avenue, 22<sup>nd</sup> Floor, New York, NY 10017, serves as Subadviser to Harbor Convertible Securities Fund. The portfolio managers are jointly and primarily responsible for the day-to-day investment decision making for the Fund.

PORTFOLIO MANAGERS	PORTFOLIO MANAGER SINCE	PAST 5 YEARS' BUSINESS EXPERIENCE
Mark Shenkman	2011	Co-Portfolio Manager; Since 1985, President, Co-Chief Investment Officer and Director of Shenkman Capital Management, Inc.
Justin W. Slatky	2017	Co-Portfolio Manager; Since 2011, Executive Vice President, Co-Chief Investment Officer and Senior Portfolio Manager of Shenkman Capital Management, Inc.
Raymond F. Condon	2011	Co-Portfolio Manager; Since 2003, Senior Vice President and Portfolio Manager of Shenkman Capital Management, Inc.
Jordan Barrow	2016	Co-Portfolio Manager; Since 2004, Senior Vice President and Portfolio Manager of Shenkman Capital Management, Inc.

### Harbor High-Yield Bond Fund

Shenkman Capital Management, Inc., located at 461 Fifth Avenue 22<sup>nd</sup> Floor, New York, NY 10017, serves as Subadviser to Harbor High-Yield Bond Fund. The portfolio managers are jointly and primarily responsible for the day-to-day investment decision making for the Fund.

Shenkman Capital Management, Inc. employs a team approach. Mr. Shenkman and Mr. Slatky are the Co-Chief Investment Officers of the firm and have responsibility for setting strategies and direction with respect to the firm's investment operation. Mr. Dobbin, as lead portfolio manager of the Fund, has the primary responsibility for the Fund with the assistance of Messrs. Schweitzer, Kricheff and Wechsler.

PORTFOLIO MANAGERS	PORTFOLIO MANAGER SINCE	PAST 5 YEARS' BUSINESS EXPERIENCE
Mark Shenkman	2002	Co-Portfolio Manager; Since 1985, President, Co-Chief Investment Officer and Director of Shenkman Capital Management, Inc.
Justin W. Slatky	2012	Co-Portfolio Manager; Since 2011, Executive Vice President, Co-Chief Investment Officer and Senior Portfolio Manager of Shenkman Capital Management, Inc.
Eric Dobbin	2012	Co-Portfolio Manager; Since 2006, Senior Vice President and Senior Portfolio Manager of Shenkman Capital Management, Inc.
Steven N. Schweitzer	2012	Co-Portfolio Manager; Since 2004, Senior Vice President and Portfolio Manager of Shenkman Capital Management, Inc.
Robert Kricheff	2015	Co-Portfolio Manager; Since 2013, Senior Vice President and Portfolio Manager of Shenkman Capital Management, Inc.
Neil Wechsler	2017	Co-Portfolio Manager; Since 2002, Senior Vice President and Portfolio Manager of Shenkman Capital Management, Inc.

## The Adviser and Subadvisers

### Harbor Bond Fund

Pacific Investment Management Company, LLC, located at 650 Newport Center Drive, Newport Beach, CA 92660, serves as Subadviser to Harbor Bond Fund. The portfolio managers are jointly and primarily responsible for the day-to-day investment decision making for the Fund.

<b>PORTFOLIO MANAGERS</b>	<b>PORTFOLIO MANAGER SINCE</b>	<b>PAST 5 YEARS' BUSINESS EXPERIENCE</b>
<b>Scott A. Mather</b>	2014	Portfolio Manager; Since 2014, Chief Investment Officer U.S. Core Strategies; Since 2004, Managing Director of Pacific Investment Management Company, LLC.
<b>Mark R. Kiesel</b>	2014	Portfolio Manager; Since 2014, Chief Investment Officer Global Credit; Since 2009, Managing Director of Pacific Investment Management Company, LLC.
<b>Mihir Worah</b>	2014	Portfolio Manager; Since 2006, Executive Vice President and Managing Director of Pacific Investment Management Company, LLC.

### Harbor Real Return Fund

Pacific Investment Management Company, LLC, located at 650 Newport Center Drive, Newport Beach, CA 92660, serves as Subadviser to Harbor Real Return Fund. The portfolio managers are jointly and primarily responsible for the day-to-day investment decision making for the Fund.

<b>PORTFOLIO MANAGERS</b>	<b>PORTFOLIO MANAGER SINCE</b>	<b>PAST 5 YEARS' BUSINESS EXPERIENCE</b>
<b>Mihir Worah</b>	2007	Portfolio Manager; Since 2006, Executive Vice President and Managing Director of Pacific Investment Management Company, LLC.
<b>Jeremie Banet</b>	2015	Portfolio Manager; Since 2013, Executive Vice President of Pacific Investment Management Company, LLC.

### Harbor Money Market Fund

Fischer Francis Trees & Watts Inc., located at 200 Park Avenue, 11<sup>th</sup> Floor, New York, NY 10166, serves as Subadviser to Harbor Money Market Fund. The portfolio manager is primarily responsible for the day-to-day investment decision making for the Fund.

<b>PORTFOLIO MANAGER</b>	<b>PORTFOLIO MANAGER SINCE</b>	<b>PAST 5 YEARS' BUSINESS EXPERIENCE</b>
<b>Ken O'Donnell, CFA</b>	2003	Portfolio Manager; Since 2002, Portfolio Manager of Fischer Francis Trees & Watts Inc.

# Your Harbor Funds Account

## CHOOSING A SHARE CLASS

Other Harbor funds managed by the Adviser are offered by means of separate prospectuses. To obtain a prospectus for any of the Harbor Funds call 800-422-1050 or visit our website at [harborfunds.com](http://harborfunds.com).

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. Harbor Funds, Harbor Funds Distributors, Inc. and Harbor Services Group, Inc. do not provide investment advice or recommendations or any form of tax or legal advice to existing or potential shareholders with respect to investment transactions involving the Funds. When choosing a share class, you should consider the factors below:

### INSTITUTIONAL CLASS

Available to individual and institutional investors

- No 12b-1 fee
- Transfer agent fee of up to 0.09% of average daily net assets
- \$1,000 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 0.09% 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

**Harbor Bond Fund, Harbor Real Return Fund and Harbor Money Market Fund do not offer Investor Class shares.**

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

### RETIREMENT CLASS

**Harbor Bond Fund, Harbor Real Return Fund and Harbor Money Market Fund do not offer Retirement Class shares.**

Available to individual and institutional investors

- No 12b-1 fee and no revenue sharing payments of any kind by the Fund, the Adviser or its affiliates
- Transfer agent fee of up to 0.01% of average daily net assets
- No minimum investment for the following types of institutional investors that maintain accounts with Harbor Funds at an omnibus or plan level: **(1)** employer-sponsored retirement or benefit plans, including: (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, and **(2)** accounts maintained by financial intermediaries, including investment firms, banks and broker-dealers
- \$1,000,000 minimum investment in each Fund for all other types of accounts, including individual accounts, personal plans such as Individual Retirement Accounts (IRAs), SEP IRAs, Simple IRAs and individual 403(b) plans, and institutional accounts that are not maintained by a financial intermediary at an omnibus or plan level with Harbor Funds

# Your Harbor Funds Account

## CHOOSING A SHARE CLASS

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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. See *“Accounts Below Share Class Minimums.”*

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### **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.

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### **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.

# Your Harbor Funds Account

## MINIMUM INVESTMENT EXCEPTIONS

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### **Institutional Class**

Harbor Funds may, in its discretion, waive or lower the investment minimum for the Institutional Class of any Harbor Fixed Income Fund.

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### **Administrative Class**

You may purchase Administrative Class shares, notwithstanding the \$50,000 minimum investment amount, if you qualify for any of the exceptions discussed below. You may be required to provide written confirmation of your eligibility.

- (a) Employer-sponsored retirement or benefit plans, including: qualified retirement plans, plans established under Internal Revenue Code Sections 401(a), 403(b) or 457, profit-sharing plans, cash balance plans, money purchase pension plans, nonqualified deferred compensation plans and retiree health benefit plans.
  - (b) Omnibus accounts established by financial intermediaries where the investment in the Fund is expected to meet the investment minimum amount within a reasonable period of time as determined by the Distributor.
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### **Investor Class**

Harbor Funds may, in its discretion, waive or lower the investment minimum for the Investor Class of any Harbor fund.

# Your Harbor Funds Account

## HOW TO PURCHASE SHARES

Harbor Funds will not accept cash, money orders, cashier's checks, official checks, starter checks, third-party checks, credit card convenience checks, traveler's checks or checks drawn on banks outside the U.S.

Harbor Funds does not issue share certificates.

All orders to purchase shares received in good order by Harbor Funds or its agent before the close of regular trading on the New York Stock Exchange ("NYSE"), usually 4:00 p.m. Eastern time, will receive that day's share price. Orders received in good order after the close of the NYSE will receive the next business day's share price. All purchase orders are subject to acceptance by Harbor Funds. Checks and funds sent by wire or Automated Clearing House ("ACH") for direct purchases must be received by Harbor Funds prior to the close of regular trading of the NYSE to receive that day's share price. See *"Through a Financial Intermediary"* if you are purchasing through a financial intermediary.

Harbor Funds at all times reserves the right to reject any purchase for any reason without prior notice, including if Harbor Funds determines that a shareholder or client of an intermediary has engaged in excessive short-term trading that Harbor Funds believes may be harmful to the Fund involved. For more information about Harbor Funds' policy on excessive trading, see *"Excessive Trading/Market Timing."*

Harbor Funds reserves the right to verify the accuracy of the submitted banking information (ACH, wire) prior to activation of the banking instructions on your account. The verification may take as long as 10 business days.

The Harbor funds are available for sale in all 50 United States, the District of Columbia, Puerto Rico, the U.S. Virgin Islands and Guam.

### By Mail

**First class mail to:**  
Harbor Funds  
P.O. Box 804660  
Chicago, IL 60680-4108

**Express or registered mail to:**  
Harbor Funds  
111 South Wacker Drive  
34th Floor  
Chicago, IL 60606-4302

#### Open a new account

Complete and sign the appropriate new account application. If you are an institution, include a certified copy of a corporate resolution identifying authorized signers.

Make your check payable to: "Harbor Funds."

Shares purchased by check may be sold on any business day, subject to any applicable redemption fee, but the proceeds may not be available for up to 10 business days after the purchase of such shares to make sure the funds from your account have cleared.

If your check does not clear for any reason, Shareholder Services will cancel your purchase and deduct \$25 from your account. You may also be prohibited from future purchases.

Harbor Funds and Shareholder Services are not responsible for any mail that is lost or misdirected by the U.S. Postal Service or any other delivery service.

#### Add to an existing account

Complete the investment slip included with your most recent confirmation or statement.

### By Telephone

**Call Harbor Funds at:**  
800-422-1050

Please make note of your confirmation number when transacting via the telephone.

#### Add to an existing account

You may submit orders for the purchase of additional shares via our automated telephone service 24 hours a day or by contacting a Shareholder Services Representative during normal business hours. If your order is submitted on a day that the NYSE is not open for regular trading, or if it is submitted after the close of regular trading on the NYSE, it will be effected, subject to acceptance, with the next business day's share price.

Payment for purchase of shares via the telephone may be made only through an ACH debit of your bank account. If your ACH transaction does not clear, your purchase will be cancelled and \$25 will be deducted from your account. You may be prohibited from future telephone purchases.

Shares purchased via the telephone may be sold on any business day, subject to any applicable redemption fee, but the proceeds may not be available for up to 3 business days after the purchase of such shares to make sure the funds from your account have cleared.

If you are unable to access our automated telephone service or a Shareholder Services Representative by telephone (for example, during unusual market activity), you may send the purchase request by mail or via our website.

You must have banking instructions already established on your account to purchase shares via the telephone. If banking instructions were not established at the time you opened your account, call a Shareholder Services Representative at 800-422-1050 to request an Account Services form to add these instructions to your account or you may download the form from our website at [harborfunds.com](http://harborfunds.com). You may also establish banking instructions online if you are registered for online access.



# Your Harbor Funds Account

## HOW TO PURCHASE SHARES

### By Wire

**Wire to:**  
State Street Bank and  
Trust Company  
Boston, MA  
ABA#: 0110 0002 8  
Acct: DDA #3018-065-7  
Supply Fund name, share  
class, account registration  
and account number

### Open a new account

Send the completed account application to Shareholder Services at the address listed under “By Mail.”

Instruct your bank to wire the purchase amount to State Street Bank and Trust Company.

Call a Shareholder Services Representative at 800-422-1050 if you are sending a wire of \$100,000 or more.

### Add to an existing account

Instruct your bank to wire the amount of the additional investment to State Street Bank and Trust Company.

### By Internet

Visit our website at:  
[harborfunds.com](http://harborfunds.com)

Please make note of your confirmation number when transacting via the Internet.

### Add to an existing account

If you have established online access for your account, you may submit an order to purchase shares via our website 24 hours a day. If your order is submitted on a day that the NYSE is not open for regular trading, or if it is submitted after the close of regular trading on the NYSE, it will be effected, subject to acceptance, with the next business day's share price.

Payment for purchase of shares through the Internet may be made only through an ACH debit of your bank account. If your ACH transaction does not clear, your purchase will be cancelled and \$25 will be deducted from your account. You may be prohibited from future Internet purchases.

Shares purchased through the Internet may be sold on any business day, subject to any applicable redemption fee, but the proceeds may not be available for up to 3 business days after the purchase of such shares to ensure the funds from your account have cleared.

If you are unable to access our website (for example, during unusual market activity), you may call a Shareholder Services Representative during normal business hours, use our automated telephone service 24 hours a day or send the purchase request by mail.

You must have banking instructions already established on your account to purchase shares through the online account access system. If banking instructions were not established at the time you opened your account, you may add them to your account via the online account access system or you may download the Account Services form from our website and send it by mail.

### Through A Financial Intermediary

You may purchase Fund shares through an intermediary, such as a broker-dealer, bank or other financial institution, or an organization that provides recordkeeping and consulting services to 401(k) plans or other employee benefit plans. These intermediaries may charge you a fee for this service and may require different minimum initial and subsequent investments than Harbor Funds. They also may impose other charges or restrictions in addition to those applicable to shareholders who invest in the Funds directly.

The Distributor and Shareholder Services have contracted with certain intermediaries to accept and forward purchase orders to the Funds on your behalf. These contracts may permit a financial intermediary to forward the purchase order and transmit the funds for the purchase order to Harbor Funds by the next business day. Your purchase order must be received in good order by these intermediaries before the close of regular trading on the NYSE to receive that day's share price.

The Distributor, Shareholder Services and/or the Adviser or their affiliates may compensate, out of their own assets, certain unaffiliated financial intermediaries for distribution of Institutional, Administrative and/or Investor Classes of shares of the Funds and for providing shareholder recordkeeping, subaccounting and other similar services to shareholders who hold their Institutional, Administrative and/or Investor Classes of shares of the Funds through accounts that are maintained by the financial intermediaries. As a result, these unaffiliated financial intermediaries could be incentivized to recommend shares of Harbor Funds over shares of another mutual fund that either does not compensate the financial intermediary or compensates the intermediary at lower levels. No compensation may be paid by the Distributor, Shareholder Services and/or the Adviser or their affiliates to unaffiliated financial intermediaries for distribution of the Retirement Class of shares of the Funds or for providing shareholder recordkeeping, subaccounting and other similar services to shareholders who hold their Retirement Class of shares of the Funds through accounts that are maintained by the financial intermediaries.

Harbor Funds, the Distributor, and Shareholder Services are not responsible for the failure of any intermediary to carry out its obligations to its customers, including any errors made by the intermediary when submitting purchase, redemption and exchange orders to Harbor Funds. Harbor Funds will not correct transactions that are submitted to Harbor Funds in error by the intermediary unless the intermediary has notified Harbor Funds of the error by 9:00 a.m. Eastern time on the following business day or prior to the deadline established between Harbor and the intermediary (i.e., on a trade date plus one [T+1] basis).

# Your Harbor Funds Account

## HOW TO EXCHANGE SHARES

An exchange is a redemption of shares from one Harbor fund and a purchase of shares into another Harbor fund and may be subject to a redemption fee. Please refer to "How to Sell Shares" for a description of the redemption fee.

Exchanges are taxable transactions for shareholders that are subject to tax, and you may realize a gain or a loss.

Class-to-class exchanges within the same Fund, however, are generally not taxable.

All orders to exchange shares received in good order by Harbor Funds or its agent before the close of regular trading on the NYSE, usually 4:00 p.m. Eastern time, will receive that day's share price. Orders received in good order after the close of the NYSE will receive the next day's share price. All exchanges are subject to acceptance by Harbor Funds.

The exchange privilege is not intended as a means for short-term or excessive trading. Harbor Funds at all times reserves the right to reject the purchase portion of any exchange transaction for any reason without prior notice if Harbor Funds determines that a shareholder or client of an intermediary has engaged in excessive short-term trading that Harbor Funds believes may be harmful to the Fund involved. For more information about Harbor Funds' policy on excessive trading, see "*Excessive Trading/Market Timing.*"

Exchanges must meet the applicable minimum initial investment amounts for each class of shares of each Fund. You should consider the differences in investment objectives and expenses of a Fund before making an exchange.

Harbor Funds may change or terminate its exchange policy on 60 days' prior notice.

### INSTITUTIONAL CLASS SHAREHOLDERS

This class of shares is available to both individual and institutional investors who meet the minimum investment requirement.

If you are an original shareholder (a shareholder of any Harbor fund as of October 31, 2002), you may exchange your Institutional Class shares for Institutional Class shares of any Harbor fund.

If you are not an original shareholder, you must meet the minimum initial investment requirements for each Fund.

In addition, you may exchange your shares of the Institutional Class for shares of the Retirement Class of another Harbor fund subject to the eligibility and minimum investment requirements for the Fund to be acquired.

### ADMINISTRATIVE CLASS SHAREHOLDERS

You may exchange your shares of the Administrative Class for Administrative Class shares of any other Harbor fund available through your retirement plan or financial intermediary. In addition, you may exchange your shares of the Administrative Class for shares of either the Institutional or Investor Class of another Harbor fund if such class of shares is available through your retirement plan or financial intermediary.

### INVESTOR CLASS SHAREHOLDERS

If you are an Investor Class shareholder, you may exchange your shares for Investor Class shares of another Harbor fund and for Institutional Class shares of any Harbor fund that does not currently offer Investor Class shares. Your exchanges out of any Harbor fund that does not currently offer Investor Class shares into another Harbor fund would be subject to the eligibility and minimum investment requirements for the Fund and class to be acquired.

### RETIREMENT CLASS SHAREHOLDERS

The Retirement Class of shares is available to both individual and institutional investors who meet the minimum investment and other eligibility requirements.

You may exchange your shares of the Retirement Class for Retirement Class shares of any other Harbor fund. In addition, you may exchange your shares of the Retirement Class for shares of the Institutional, Administrative or Investor Class of another Harbor fund subject to the eligibility and minimum investment requirements for the Fund and class to be acquired.

## By Mail

### First class mail to:

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

### Express or registered mail to:

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

You may mail an exchange request to Shareholder Services. Indicate the name of the Fund, the share class, the number of shares or dollar amount to be exchanged and the account number. Sign the request exactly as the name(s) appear on the account registration.

Harbor Funds and Shareholder Services are not responsible for any mail that is lost or misdirected by the U.S. Postal Service or any other delivery service.

# Your Harbor Funds Account

## HOW TO EXCHANGE SHARES

### By Telephone

Call Harbor Funds at:  
800-422-1050

Please make note of your confirmation number when transacting via the telephone.

If your account has telephone exchange privileges, you may submit an order to exchange shares via our automated telephone service 24 hours a day or by contacting a Shareholder Services Representative during normal business hours. If your order is submitted on a day that the NYSE is not open for regular trading, or if it is submitted after the close of regular trading on the NYSE, it will be effected, subject to acceptance, with the next business day's share price.

If you are unable to access our automated telephone service or reach a Shareholder Services Representative by telephone (for example, during unusual market activity), you may send the exchange request by mail or via our website.

### By Internet

Visit our website at:  
harborfunds.com

Please make note of your confirmation number when transacting via the Internet.

If your account has Internet exchange privileges, you may submit an order to exchange shares via our website 24 hours a day. If your order is submitted on a day that the NYSE is not open for regular trading, or if it is submitted after the close of regular trading on the NYSE, it will be effected, subject to acceptance, with the next business day's share price.

If you are unable to access our website (for example, during unusual market activity), you may call a Shareholder Services Representative during normal business hours, use our automated telephone service 24 hours a day or send the exchange request by mail.

### Through A Financial Intermediary

You may exchange Fund shares through an intermediary, such as a broker-dealer, bank or other financial institution, or an organization that provides recordkeeping and consulting services to 401(k) plans or other employee benefit plans. These intermediaries may charge you a fee for this service and may have different requirements than Harbor Funds. They also may impose other charges or restrictions in addition to those applicable to shareholders who invest in Harbor Funds directly.

The Distributor and Shareholder Services have contracted with certain intermediaries to accept and forward exchange orders to the Funds on your behalf. Your exchange order must be received in good order by these intermediaries before the close of regular trading on the NYSE to receive that day's share price.

The Distributor, Shareholder Services and/or the Adviser or their affiliates may compensate, out of their own assets, certain unaffiliated financial intermediaries for distribution of Institutional, Administrative and/or Investor Classes of shares of the Funds and for providing shareholder recordkeeping, subaccounting and other similar services to shareholders who hold their Institutional, Administrative and/or Investor Classes of shares of the Funds through accounts that are maintained by the financial intermediaries. As a result, these unaffiliated financial intermediaries could be incentivized to recommend shares of Harbor Funds over shares of another mutual fund that either does not compensate the financial intermediary or compensates the intermediary at lower levels. No compensation may be paid by the Distributor, Shareholder Services and/or the Adviser or their affiliates to unaffiliated financial intermediaries for distribution of the Retirement Class of shares of the Funds or for providing shareholder recordkeeping, subaccounting and other similar services to shareholders who hold their Retirement Class of shares of the Funds through accounts that are maintained by the financial intermediaries.

Harbor Funds, the Distributor, and Shareholder Services are not responsible for the failure of any intermediary to carry out its obligations to its customers, including any errors made by the intermediary when submitting purchase, redemption and exchange orders to Harbor Funds. Harbor Funds will not correct transactions which are submitted to Harbor Funds in error by the intermediary unless the intermediary has notified Harbor Funds of the error by 9:00 a.m. Eastern time on the following business day (i.e., on a trade date plus one [T+1] basis).

# Your Harbor Funds Account

## HOW TO SELL SHARES

Redemptions are taxable transactions for shareholders that are subject to tax, and you may realize a gain or a loss. Certain shareholders may be subject to backup withholding.

Harbor Funds and Shareholder Services do not pay interest on redemption proceeds.

A Medallion signature guarantee may be required. See “Shareholder and Account Policies” for more information.

All orders to sell shares received in good order by Harbor Funds or its agent before the close of regular trading on the NYSE, usually 4:00 p.m. Eastern time, will receive that day’s share price. Orders received in good order after the close of the NYSE will receive the next business day’s share price. Harbor Funds has the right to suspend redemptions of shares and to postpone payment of proceeds for up to seven days, as permitted by law. Proceeds of the redemption (reduced by the amount of any tax withholding, if applicable) will be mailed by check payable to the shareholder of record at the address of record, wired or sent via Automated Clearing House (“ACH”) to the current banking instructions already on file.

***If withholding information on IRA redemption requests is not specified, Harbor Funds will withhold the mandatory federal amount (currently 10%) and any applicable state amount.***

For information about Harbor Funds’ policy on excessive trading, see “Excessive Trading/Market Timing.”

Redemption proceeds, except for IRA redemption proceeds, sent by check that are not cashed within 180 days may be reinvested (without interest), in your account in the same Fund from which they were redeemed at the current day’s net asset value (“NAV”). Redemption proceeds that are reinvested are subject to the risk of loss like any Fund investment. Additionally, if redemption checks are not cashed within 180 days, your account options will be changed to have future dividend and capital gains distributions reinvested.

### REDEMPTION FEE

Harbor Convertible Securities Fund and Harbor High-Yield Bond Fund each charge a 1% redemption fee on shares that are redeemed before they have been held for 90 days.

These fees also apply when shares are redeemed by exchange to another Harbor fund. The redemption fee is paid directly to the Fund to offset the transaction costs of frequent trading and to protect long-term shareholders of the Fund. The fee ensures that short-term investors pay their share of the Fund’s transaction costs and that long-term investors do not subsidize the activities of short-term traders.

The redemption fee is applicable to all short-term redemptions or exchanges of shares. However, the redemption fee does not apply to certain types of accounts, including: (i) certain plan-sponsored retirement plans that do not have or report to the Funds sufficient information to impose a redemption fee on their participants’ accounts; (ii) certain broker wrap-fee and other fee-based programs; (iii) certain omnibus accounts where the omnibus account holder does not have the capability to impose a redemption fee on its underlying customers’ accounts; and (iv) certain intermediaries that do not have or report to the Funds sufficient information to impose a redemption fee on their customers’ accounts.

In addition, the redemption fee does not apply to (i) premature distributions from retirement accounts due to the disability or health of the shareholder; (ii) minimum required distributions from retirement accounts; (iii) return of excess contributions in retirement accounts where the excess is reinvested into the Funds; (iv) redemptions resulting in the settlement of an estate due to the death of the shareholder; (v) shares acquired through reinvestment of distributions (dividends and capital gains); (vi) redemptions initiated through an automatic withdrawal plan; (vii) redemptions pursuant to an automatic rebalancing or asset allocation program established with Harbor; (viii) transactions involving shares transferred from one account to another account in the same Fund and shares converted from one class to another class in the same Fund; (ix) transactions initiated by a plan sponsor (x) a redemption of shares effected to correct an error on the part of the account owner made when purchasing those shares (e.g., the account owner purchased into the wrong fund), provided the account owner notifies Harbor Funds promptly of the error and Harbor Funds determines the error is bonafide.

Some intermediaries have agreed to charge redemption fees on transactions in their customer accounts in accordance with the intermediary’s own policy, which may differ from the applicable Harbor Funds’ policy in terms of the amount of the fee, the holding period and the types of transactions which could trigger the fee. Harbor Funds may allow the intermediary to apply its own redemption fee policy to its customer accounts in place of Harbor Funds’ redemption fee policy if Harbor determines the intermediary’s policy is reasonably designed to discourage short-term trading.

For purposes of applying the redemption fee, Harbor Funds will always redeem your “oldest” shares first. In addition, in the event that you transfer your shares to a different account registration (or convert them to a different share class), the shares will retain their redemption fee status. If you transfer (or convert) less than 100% of your account, the Funds will carry over the redemption fee status of your shares. From time to time, the Funds may waive or modify redemption fees for certain categories of investors. Other than as set forth above with respect to Harbor Money Market Fund’s ability to impose liquidity fees and/or redemption gates, each Fund may modify its redemption policies at any time without giving advance notice to shareholders.

# Your Harbor Funds Account

## HOW TO SELL SHARES

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### By Mail

**First class mail to:**  
Harbor Funds  
P.O. Box 804660  
Chicago, IL 60680-4108

You may mail a written redemption request to Shareholder Services. State the name of the Fund, the class of shares and number of shares or dollar amount to be sold and the account number. Sign the request exactly as the name or names (if more than one name) appear on the account registration.

Harbor Funds and Shareholder Services are not responsible for any mail that is lost or misdirected by the U.S. Postal Service or any other delivery service.

**Express or registered mail to:**  
Harbor Funds  
111 South Wacker Drive  
34th Floor  
Chicago, IL 60606-4302

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### By Telephone

**Call Harbor Funds at:**  
800-422-1050

Please make note of your confirmation number when transacting via the telephone.

If your account has telephone redemption privileges, you may submit an order to redeem shares via our automated telephone service 24 hours a day or by contacting a Shareholder Services Representative during normal business hours. If your order is submitted on a day that the NYSE is not open for regular trading, or if it is submitted after the close of regular trading on the NYSE, it will be effected, subject to acceptance, with the next business day's share price.

Redemptions via the telephone will be paid by check, wire or ACH transfer only to the address or bank account of record.

Shares purchased via the telephone may be sold on any business day, subject to any applicable redemption fee, but the proceeds may not be available for up to 3 business days after the purchase of such shares to make sure the funds from your account have cleared.

If you are unable to access our automated telephone service or reach a Shareholder Services Representative by telephone (for example, during unusual market activity), you may send the redemption request by mail or via our website.

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### By Internet

**Visit our website at:**  
[harborfunds.com](http://harborfunds.com)

Please make note of your confirmation number when transacting via the Internet.

If your account has Internet redemption privileges, you may submit an order to redeem shares via our website 24 hours a day. If your order is submitted on a day that the NYSE is not open for regular trading, or if it is submitted after the close of regular trading on the NYSE, it will be effected, subject to acceptance, with the next business day's share price.

Redemptions through the Internet will be paid by check, wire or ACH transfer only to the address or bank account of record.

Shares purchased through the Internet may be sold on any business day, subject to any applicable redemption fee, but the proceeds may not be available for up to 3 business days after the purchase of such shares to ensure the funds from your account have cleared.

If you are unable to access our website (for example, during unusual market activity), you may call a Shareholder Services Representative during normal business hours, use our automated telephone service 24 hours a day or send the redemption request by mail.

# Your Harbor Funds Account

## HOW TO SELL SHARES

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### Through A Financial Intermediary

You may redeem Fund shares through an intermediary, such as a broker-dealer, bank or other financial institution, or an organization that provides recordkeeping and consulting services to 401(k) plans or other employee benefit plans. These intermediaries may charge you a fee for this service. They may also impose other charges or restrictions in addition to those applicable to shareholders who invest in Harbor Funds directly.

The Distributor and Shareholder Services have contracted with certain intermediaries to accept and forward redemption requests to the Funds on your behalf. Your redemption request must be received in good order by these intermediaries before the close of regular trading on the NYSE to receive that day's share price.

The Distributor, Shareholder Services and/or the Adviser or their affiliates may compensate, out of their own assets, certain unaffiliated financial intermediaries for distribution of Institutional, Administrative and/or Investor Classes of shares of the Funds and for providing shareholder recordkeeping, subaccounting and other similar services to shareholders who hold their Institutional, Administrative and/or Investor Classes of shares of the Funds through accounts that are maintained by the financial intermediaries. As a result, these unaffiliated financial intermediaries could be incentivized to recommend shares of Harbor Funds over shares of another mutual fund that either does not compensate the financial intermediary or compensates the intermediary at lower levels. No compensation may be paid by the Distributor, Shareholder Services and/or the Adviser or their affiliates to unaffiliated financial intermediaries for distribution of the Retirement Class of shares of the Funds or for providing shareholder recordkeeping, subaccounting and other similar services to shareholders who hold their Retirement Class of shares of the Funds through accounts that are maintained by the financial intermediaries.

Harbor Funds, the Distributor, and Shareholder Services are not responsible for the failure of any intermediary to carry out its obligations to its customers, including any errors made by the intermediary when submitting purchase, redemption and exchange orders to Harbor Funds. Harbor Funds will not correct transactions which are submitted to Harbor Funds in error by the intermediary unless the intermediary has notified Harbor Funds of the error by 9:00 a.m. Eastern time on the following business day (i.e., on a trade date plus one [T+1] basis).

# Shareholder and Account Policies

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## Transaction and Account Policies

### IMPORTANT INFORMATION ABOUT OPENING AN ACCOUNT

To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions, including Harbor Funds, to obtain, verify and record information that identifies each person who opens an account, and to determine whether such person's name appears on government lists of known or suspected terrorists and terrorist organizations. As a result, unless this information is collected by the broker/dealer or other financial intermediary pursuant to an agreement, Harbor Funds must obtain the following information for each person that opens a new account:

- Name;
- Date of birth (for individuals);
- Residential or business street address (although post office boxes may be used as a mailing address); and
- Social Security number, taxpayer identification number or other identifying number.

You may also be asked for a copy of your driver's license, passport or other identifying document in order to verify your identity. In addition, it may be necessary to verify your identity by cross-referencing your identification information with a consumer report or other electronic database. Additional information may be required to open accounts for corporations and other entities.

Federal law prohibits Harbor Funds and other financial institutions from opening a new account unless they receive the minimum identifying information listed above. After an account is opened, Harbor Funds may restrict your ability to purchase additional shares until your identity is verified. Harbor Funds may close your account or take other appropriate action if they are unable to verify your identity within a reasonable time. If your account is closed for this reason, your shares will be redeemed at the NAV next calculated after the account is closed. If the NAV on the redemption date is lower than the NAV on your original purchase date, you will receive less than your original investment amount when the account is closed.

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### RIGHTS RESERVED BY HARBOR FUNDS

Harbor Funds reserves the following rights: (1) to accept initial purchases by telephone, the Internet or mail; (2) to refuse any purchase or exchange order for any reason; (3) to cancel or rescind a purchase order for non-payment; (4) to cease offering a Fund's shares at any time to all or certain groups of investors; (5) to freeze any account and suspend account services when notice has been received of a dispute between the registered or beneficial account owners or there is reason to believe a fraudulent transaction may occur; (6) to otherwise modify the conditions of purchases and any services at any time; (7) to act on instructions reasonably believed to be genuine; and (8) to involuntarily redeem your account at the net asset value calculated the day the account is redeemed if a Fund or its agent is unable to verify the identity of the person(s) or entity opening an account or becomes aware of information regarding a shareholder or shareholder's account which indicates that the identity of the shareholder can no longer be verified.

These actions will be taken when, in the sole discretion of management, they are deemed to be in the best interest of the Fund or if required by law.

If the NYSE is closed because of inclement weather, technology problems or any other reason on a day it would normally be open for business, or the NYSE has an unscheduled early closing on a day it has opened for business, Harbor Funds reserves the right to treat such day as a business day and accept purchase and redemption orders until (and calculate a Fund's NAV as of) the normally scheduled close of regular trading on the NYSE for that day.

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### IMPORTANT INFORMATION REGARDING STATE ESCHEATMENT LAWS

**Mutual fund accounts can be considered abandoned property.** States increasingly are looking at inactive mutual fund accounts as possible abandoned or unclaimed property. Under certain circumstances, Harbor Funds may be legally obligated to escheat (or transfer) an investor's account to the appropriate state's unclaimed property administrator. Harbor Funds will not be liable to investors or their representatives for good faith compliance with state unclaimed or abandoned property (escheatment) laws. If you invest in a Fund through a financial intermediary, we encourage you to contact the financial intermediary regarding applicable state escheatment laws.

Escheatment laws vary by state, and states have different criteria for defining inactivity and abandoned property. Generally, a mutual fund account may be subject to "escheatment" (i.e., considered to be abandoned or unclaimed property) if the account owner has not initiated any activity in the account or contacted a Fund for an "inactivity period" as specified in applicable state laws. If a Fund is unable to establish contact with an investor, the Fund will determine whether the investor's account must legally be considered abandoned and whether the assets in the account must be transferred to the appropriate state's unclaimed property administrator. Typically, an investor's last known address of record determines the state that has jurisdiction.

## Shareholder and Account Policies

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We strongly encourage you to contact us at least once every year, or sooner, to review your account information. Below are ways in which you can assist us in safeguarding your Fund investments.

- If you have established online access for your account, log in to your account at *harborfunds.com* to view your account information. Please note, simply visiting our public website may not establish contact with us under state escheatment laws.
- Call one of our Shareholder Services Representatives at 800-422-1050 Monday through Friday from 8:00 am to 6:00 pm Eastern time.
- Take action on letters received in the mail from Harbor Funds concerning account inactivity, outstanding checks and/or escheatment or abandoned property and follow the directions in these letters. To avoid escheatment, we advise that you promptly respond to any such letters.

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### EXCESSIVE TRADING/MARKET-TIMING

Some investors try to profit from a strategy called market-timing – moving money into mutual funds for the short-term when they expect prices to rise and taking money out when they expect prices to fall. The Harbor Funds are intended for long-term investment purposes only. Harbor Funds has taken reasonable steps to identify and seek to discourage excessive short-term trading.

Excessive short-term trading into and out of a Fund can disrupt portfolio investment strategies and may increase expenses, and negatively impact investment returns, for all shareholders, including long-term shareholders who do not generate these costs. Certain Funds invest a significant portion of their assets in small cap stocks, stocks of emerging market companies or high-yield bonds. Some of these holdings may not trade every day or may not trade frequently throughout a trading day. As a result, these Funds may be more susceptible to a short-term trading strategy by which an investor seeks to profit based upon the investor's belief that the values of a Fund's portfolio securities, as reflected by the Fund's net asset value on any given day, do not fully reflect the current fair market value of such securities. In the case of Funds that invest primarily in foreign securities, some investors may also seek to profit from the fact that foreign markets or exchanges normally close earlier in the day than do U.S. markets or exchanges. These investors may seek to take advantage of information that becomes available after the close of the foreign markets or exchanges, but before a Fund prices its shares, which may affect the prices of the foreign securities held by the Fund. If those investors are successful, long-term shareholders could experience dilution in the value of their shares.

The Board of Trustees has adopted policies and procedures and authorized Harbor Funds to take the following actions to discourage excessive short-term trading activity in the Funds.

You may make up to four round trips in the same Fund in a 12-month period. A "round trip" is a purchase into a Fund followed by a redemption out of the same Fund (including by exchange) or a redemption out of a Fund (including by exchange) followed by a purchase into the same Fund within a 30-day period. When a purchase or redemption transaction is paired with another transaction to make one round trip, neither of those transactions is paired with a third transaction to make a second round trip. For example, if a shareholder purchases shares of a Fund on May 1, redeems those same shares on May 15 and then purchases shares in the same Fund again on June 5, the shareholder would have engaged in one round trip. The purchase on May 1 would be paired with the redemption on May 15 because the transactions occurred within a 30-day period. However, the redemption on May 15 would not be paired with the purchase on June 5 to create a second round trip because the May 15 redemption already constituted part of the earlier round trip. Different restrictions may apply if you invest through an intermediary.

Harbor Funds will limit, for a period of 60 days, future purchases into a Fund by any investor who makes more than four round trips in the same Fund in a 12-month period. Harbor Funds monitors trading activity in all accounts maintained directly with Harbor Funds. If Harbor Funds discovers what it believes is excessive trading or market timing activity in any Fund, it may limit future purchases or terminate the exchange privilege on a temporary or permanent basis at any time, including after one round trip. Harbor Funds also may ban a shareholder from opening new accounts or adding to existing accounts in any Harbor fund. Funds at greater risk for frequent trading activity impose a redemption fee on shares redeemed within short periods of time. As described under "*Pricing of Fund Shares*," Harbor Funds has also implemented fair value pricing procedures, which may have the effect of reducing market timing activity in some Funds. In addition, the Funds reserve the right to reject any purchase request (including the purchase portion of any exchange) by any investor or group of investors for any reason without prior notice, including, in particular, if they believe the trading activity in the account(s) would be harmful or disruptive to a Fund. For example, a Fund may refuse a purchase order if the Fund's portfolio manager believes he or she would be unable to invest the money effectively in accordance with the Fund's investment policies or the Fund would otherwise be adversely affected due to the size of the transaction, frequency of trading or other factors. Purchases placed (directly or through a financial intermediary) in violation of the Funds' exchange limits or excessive trading policy may be rejected by a Fund.

The four round trip limitation imposed under the excessive trading policy does not apply to (i) minimum required distributions from retirement accounts; (ii) return of excess contributions in retirement accounts



## Shareholder and Account Policies

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where the excess is reinvested into the Funds; (iii) purchases of shares in retirement accounts with participant payroll or employer contributions or loan repayments; (iv) transaction requests submitted by mail to Harbor Funds from shareholders who hold their accounts directly with Harbor Funds (transactions submitted by fax or wire are not considered mail transactions); (v) transactions involving the reinvestment of distributions (dividends and capital gains); (vi) transactions initiated through an automatic investment, exchange or withdrawal plan; (vii) transactions pursuant to an automatic rebalancing or asset allocation program established with Harbor; (viii) transactions involving shares transferred from one account to another account in the same Fund and shares converted from one class to another class in the same Fund; (ix) transactions initiated by a plan sponsor; (x) Section 529 College Savings Plans; (xi) Harbor funds that invest in other Harbor funds; (xii) involuntary redemptions of shares to pay Fund or account fees; (xiii) transactions below a dollar amount applicable to all accounts in a Fund that Harbor has determined, in its sole discretion, are not likely to adversely effect the management of the Fund; and (xiv) omnibus accounts maintained by financial intermediaries.

When financial intermediaries establish omnibus accounts with Harbor Funds, Harbor Funds monitors trading activity in the account at the omnibus level. Because activity in the omnibus account represents the aggregate trading activity of the intermediary's underlying customers, Harbor Funds monitors trading activity in omnibus accounts in a different manner than it does in accounts which Harbor Funds believes are owned directly by the investor. If Harbor Funds detects what it believes may be excessive short-term trading or market timing activity in an omnibus account, Harbor Funds will seek to investigate and take appropriate action. This may include requesting that the intermediary provide its customers' underlying transaction information so that Harbor Funds can assess whether an underlying customer's transaction activity was reflective of excessive short-term trading or market timing activity. If necessary, Harbor Funds may limit or prohibit additional purchases of Fund shares by an intermediary or by certain of the intermediary's customers. Because Harbor Funds normally monitors trading activity at the omnibus account level, Harbor Funds may not be able to detect or prevent excessive short-term trading or market timing activity at the underlying customer level.

In addition, some financial intermediaries may impose their own restrictions on short-term trading that may differ from Harbor Funds'. Harbor Funds may choose to rely on the intermediary's restrictions on short-term trading in place of its own only if Harbor Funds determines, in its discretion, that the intermediary's restrictions provide reasonable protection for the Funds from excessive short-term trading activity.

For those Funds that charge a redemption fee, Harbor Funds seeks to apply its redemption fee policy to all accounts except those accounts identified as exempt in the respective Fund's prospectus under "*Redemption Fees*." In some cases, Harbor Funds permits financial intermediaries to charge redemption fees in accordance with their own policies in place of Harbor Funds' when Harbor Funds determines that the intermediary's redemption fee policy is reasonably designed to discourage short-term trading. Redemption fees withheld by the intermediary are paid back to the respective Fund. Certain intermediaries are not subject to the redemption fee policy because they do not have the capability to apply the redemption fee to their underlying customers' accounts. There is no assurance that Harbor Funds will successfully identify all intermediaries that are subject to the redemption fee policy and no assurance that intermediaries that do assess redemption fees will do so properly or consistently.

The trading history of accounts under common ownership or control within any of the Harbor funds may be considered in enforcing these policies. Transactions placed through the same financial intermediary on an omnibus basis may be deemed a part of a group for purposes of this policy and may be rejected in whole or in part by a Fund.

The Funds' exchange limits and excessive trading policies generally do not apply to Harbor Money Market Fund, although the Fund at all times reserves the right to reject any purchase request (including exchange purchases) for any reason without prior notice.

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### PORTFOLIO HOLDINGS DISCLOSURE POLICY

Each Fund's (except Harbor Money Market Fund) full portfolio holdings are published quarterly on the 15th day following quarter end on *harborfunds.com* and Harbor Money Market Fund's full portfolio holdings are published monthly on the 5th business day following each month end. In addition, the Funds' top ten portfolio holdings as a percent of its total net assets will be published quarterly on the 10th day following quarter end on *harborfunds.com*. This information is available on Harbor Funds' website for the entire quarter.

Additional information about Harbor Funds' portfolio holdings disclosure policy is available in the *Statement of Additional Information*.

# Shareholder and Account Policies

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## PRICING OF FUND SHARES

Each Fund's share price, called its net asset value (NAV) per share, is generally calculated each day the NYSE is open for trading as of the close of regular trading on the NYSE, generally 4:00 p.m. Eastern time. The NAV per share for each class of shares outstanding is computed by dividing the net assets of the Fund attributable to that class by the number of Fund shares outstanding for that class. On holidays or other days when the NYSE is closed, the NAV is generally not calculated and the Funds generally do not transact purchase or redemption requests. However, on those days the value of a Fund's assets may be affected to the extent that the Fund holds foreign securities that trade on foreign markets that are open.

If the NYSE is closed because of inclement weather, technology problems or any other reason on a day it would normally be open for business, or the NYSE has an unscheduled early closing on a day it has opened for business, Harbor Funds reserves the right to treat such day as a business day and accept purchase and redemption orders until, and calculate a Fund's NAV as of, the normally scheduled close of regular trading on the NYSE for that day, so long as the Adviser believes there generally remains an adequate market to obtain reliable and accurate market quotations. Harbor Funds may elect to remain open and price Fund shares on days when the NYSE is closed but the primary securities markets on which the Funds' securities trade remain open.

Harbor Money Market Fund has adopted a policy to invest 99.5% or more of the Fund's total assets in cash, "government securities" and/or repurchase agreements that are "collateralized fully" (*i.e.*, collateralized by cash or government securities) so as to qualify as a "government money market fund" under Rule 2a-7 of the Investment Company Act. As a "government money market fund" under Rule 2a-7, the Fund is permitted to seek to maintain a stable \$1.00 share price by valuing its securities using the amortized cost method of valuation, which the Adviser has determined, pursuant to the Board of Trustees' authorization, approximates fair value. Each of the other Funds generally values portfolio securities and other assets for which market quotes are readily available at market value for purposes of calculating the Fund's NAV. In the case of equity securities, market value is generally determined on the basis of last reported sales prices, or if no sales are reported, on quotes obtained from a quotation reporting system, established market makers, or independent pricing vendors. In the case of fixed income securities and non-exchange traded derivative instruments, market value is generally determined using prices provided by independent pricing vendors. The prices provided by independent pricing vendors reflect the pricing vendor's assessment using various market inputs of what it believes are the fair market values of the securities at the time of pricing. Those market inputs include recent transaction prices and dealer quotations for the securities, transaction prices for what the independent pricing vendor believes are similar securities and various relationships between factors such as interest rate changes and security prices that are believed to affect the prices of individual securities. Because many fixed income securities trade infrequently, the independent pricing vendor often does not have as a market input, current transaction price information when determining a price for a particular security on any given day. When current transaction price information is available, it is one input into the independent pricing vendor's evaluation process, which means that the price supplied by the pricing vendor may differ from that transaction price. Short-term fixed income investments having a maturity of 60 days or less are generally valued at amortized cost, which approximates fair value. Exchange-traded options, futures and options on futures are generally valued at the settlement price determined by the relevant exchange.

Investments initially valued in currencies other than the U.S. dollar are converted to the U.S. dollar using exchange rates obtained from independent pricing vendors. As a result, the NAV of a Fund's shares may be affected by changes in the value of currencies in relation to the U.S. dollar. The value of securities traded in markets outside the United States or denominated in currencies other than the U.S. dollar may be affected significantly on a day that the NYSE is closed and an investor is not able to purchase, redeem or exchange shares.

When reliable market quotations or prices supplied by an independent pricing vendor are not readily available or are not believed to accurately reflect fair value, securities are generally priced at their fair value, determined according to fair value pricing procedures adopted by the Board of Trustees. A Fund may also use fair value pricing if the value of some or all of the Fund's securities have been materially affected by events occurring before the Fund's pricing time but after the close of the primary markets or exchanges on which the security is traded. This most commonly occurs with foreign securities, but may occur with other securities as well. When fair value pricing is employed, the prices of securities used by a Fund to calculate its NAV may differ from market quotations, official closing prices or prices supplied by an independent pricing vendor for the same securities. This means the Fund may value those securities higher or lower than another given fund that uses market quotations, official closing prices or prices supplied by an independent pricing vendor. The fair value prices used by a Fund may also differ from the prices that the Fund could obtain for those securities if the Fund were to sell those securities at the time the Fund determines its NAV.

Harbor Funds' valuation procedures permit the Funds to use a variety of valuation methodologies, consider a number of subjective factors, analyze applicable facts and circumstances and, in general, exercise judgment,

# Shareholder and Account Policies

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when valuing Fund investments. The methodology used for a specific type of investment may vary based on the circumstances and relevant considerations, including available market data. As a general matter, accurately fair valuing investments is difficult and can be based on inputs and assumptions that may not always be correct.

Current day share prices are normally available after 7:00 p.m. Eastern time by calling our automated telephone service at 800-422-1050 or visiting [harborfunds.com](http://harborfunds.com).

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## PAYING FOR SHARES BY CHECK

If you purchase Fund shares by check:

- Make your check payable to: “Harbor Funds.”
- No third-party checks, starter checks, money orders, cashier’s checks, official checks, credit card convenience checks, traveler’s checks or checks drawn on banks outside the U.S. are accepted.
- If your check does not clear for any reason, Shareholder Services will cancel your purchase and deduct \$25 from your Harbor Funds account. You also may be prohibited from future purchases.
- Although you can redeem shares at any time, proceeds may not be made available to you until the Fund collects payment for your purchase. This may take up to 10 business days for shares purchased by check, up to 3 business days for shares purchased by ACH or up to 1 business day for shares purchased by wire.

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## IN-KIND REDEMPTIONS

Harbor Funds agrees to redeem shares of each Fund solely in cash up to the lesser of \$250,000 or 1% of the NAV of the Fund during any 90-day period for any one shareholder. Harbor Funds reserves the right to pay redemptions exceeding \$250,000 or 1% of the NAV of the redeeming Fund, either totally or partially, by an in-kind redemption of securities (instead of cash) from the applicable Fund. The securities redeemed in-kind would be valued for this purpose by the same method as is used to calculate the Fund’s NAV per share. Redemptions, whether made in cash or in-kind, are taxable transactions for shareholders who are subject to tax. If you receive an in-kind redemption, you should expect to incur transaction costs and may incur additional tax liability upon the disposition of the securities received in the redemption.

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## ACCOUNTS BELOW SHARE CLASS MINIMUMS

If your account balance falls below the required minimum investment due to redemptions and/or exchanges out of the class of shares in which you are invested, Shareholder Services may request that the account balance be increased or the account will be liquidated. If your account balance is not increased within 60 days, Harbor Funds reserves the right to redeem your account in full at the then current NAV. If you are a Retirement Class investor and do not maintain the required \$1,000,000 minimum investment, Harbor Funds reserves the right to exchange your Retirement Class shares at the then current NAV for shares of that Fund’s Institutional Class.

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## STATEMENTS AND REPORTS

You will receive a confirmation statement from Harbor Funds after each transaction affecting your account unless your account is maintained by a financial intermediary. Shareholders participating in an automatic plan, however, will receive only quarterly confirmations for all transactions occurring during the relevant quarter. Dividend information will be confirmed quarterly. You should verify the accuracy of your confirmation statements immediately after you receive them and contact a Shareholder Services Representative regarding any errors or discrepancies.

Each Fund produces financial reports, which includes a list of the Fund’s portfolio holdings semi-annually, and updates its prospectus at least annually.

Unless you instruct Harbor Funds otherwise by contacting a Shareholder Services Representative, Harbor Funds will mail only one financial report, prospectus or proxy statement to shareholders with the same last name in your household, even if more than one person in your household has a Harbor Funds account. This process is known as “householding.” Please call a Shareholder Services Representative at 800-422-1050 if you would like to receive additional copies of these documents. Individual copies will be sent within 30 days after Shareholder Services receives your instructions. Your consent to householding is considered valid until revoked.

# Shareholder and Account Policies

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## **SIGNATURE GUARANTEES**

Harbor Funds believes that certain redemption instructions may involve a greater risk of potential fraud. In seeking to ensure that the redemption instructions are genuine, Harbor Funds requires that the shareholder obtain and provide a Medallion signature guarantee to Harbor Funds with the instructions. A Medallion signature guarantee assures that a signature is genuine and protects shareholders from unauthorized account transfers.

A Medallion signature guarantee is required if any of the following are applicable:

- You would like a check made payable to anyone other than the shareholder(s) of record.
- You would like a check mailed to an address that has been changed within 10 business days of the redemption request.
- You would like a check mailed to an address other than the address of record.
- You would like your redemption proceeds sent by wire or ACH to a bank account that has been changed on Harbor Funds' records within 10 business days of the redemption request or to an account other than a bank account of record.

Harbor Funds may waive or require a Medallion signature guarantee under certain circumstances at Harbor Funds' sole discretion. Harbor Funds may also accept or require a Signature Validation stamp (SVP) under certain circumstances at Harbor Funds' sole discretion.

A Medallion signature guarantee may be refused if any of the following are applicable:

- It does not appear valid or in good form.
- The transaction amount exceeds the surety bond limit of the Medallion guarantee.
- The guarantee stamp has been reported as stolen, missing or counterfeit.

### **How to Obtain a Medallion Signature Guarantee**

A Medallion signature guarantee may be obtained from a domestic bank or trust company, broker, dealer, clearing agency, savings association, or other financial institution which participates in a Medallion program recognized by the Securities Transfer Association. Signature guarantees from financial institutions that do not participate in a Medallion program will not be accepted. A signature guarantee cannot be provided by a notary public.

If you are a Harbor Funds shareholder and are visiting outside the United States, a foreign bank properly authorized to do business in that country or a U.S. consulate may be able to authenticate your signature. In its discretion, Shareholder Services may accept such an authentication in lieu of a Medallion signature guarantee.

# Shareholder and Account Policies

You may receive dividends and capital gains distributions in cash or reinvest them. Dividends and capital gains distributions will be reinvested in additional shares of the same Fund unless you elect otherwise.

This Prospectus provides general tax information only. You should consult your tax adviser about particular federal, state, local or foreign taxes that may apply to you. If you are investing through a tax-deferred retirement account, such as an IRA, special tax rules apply.

## DIVIDENDS, DISTRIBUTIONS AND TAXES

Each Fund expects to distribute all or substantially all of its net investment income and realized capital gains, if any, each year. Each Fund, except Harbor Money Market Fund, declares and pays any capital gains annually in December. Harbor Convertible Securities Fund, Harbor High-Yield Bond Fund, Harbor Bond Fund, and Harbor Real Return Fund declare and pay any dividends from net investment income quarterly. Harbor Money Market Fund declares any dividends from net investment income daily and pays the dividends monthly. Each Fund may also pay dividends and capital gain distributions at other times if necessary to avoid federal income or excise tax. Harbor Convertible Securities Fund, Harbor High-Yield Bond Fund, Harbor Bond Fund and Harbor Real Return Fund expect distributions, if any, to be from capital gains and/or net investment income. Harbor Money Market Fund expects distributions, if any, to be primarily from net investment income.

For U.S. federal income tax purposes, distributions of net long-term capital gains are taxable as long-term capital gains which may be taxable at different rates depending on their source and other factors. Distributions of net short-term capital gains are taxable as ordinary income. Dividends from net investment income are taxable either as ordinary income or, if so reported by a Fund and certain other conditions (including holding period requirements) are met by the Fund and the shareholder, as “qualified dividend income” (“QDI”). QDI is taxable to individual shareholders at a maximum 15% or 20% for U.S. federal income tax purposes (depending on whether the individual’s income exceeds certain threshold amounts). More information about QDI is included in the Funds’ *Statement of Additional Information*. Since the Funds’ income is derived primarily from sources that do not pay “qualified dividend income,” dividends from the Funds generally will not qualify for taxation at the maximum 15% or 20% U.S. federal income tax rate available to individuals on qualified dividend income. Dividends and capital gains distributions are taxable whether you receive them in cash or reinvest them in additional Fund shares.

Generally, you should avoid investing in a Fund shortly before an anticipated dividend or capital gain distribution. If you purchase shares of a Fund just before the distribution, you will pay the full price for the shares and receive a portion of the purchase price back as a taxable distribution. Dividends paid to you may be included in your gross income for tax purposes, even though you may not have participated in the increase in the NAV of the Fund. This is referred to as “buying a dividend.” For example: On December 15, you invest \$5,000, buying 250 shares for \$20 each. If the Fund pays a distribution of \$1 per share on December 16, the Fund’s share price will drop to \$19 (excluding any market value change). You would still have an investment worth only \$5,000 (250 shares x \$19 = \$4,750 in share value, plus 250 shares x \$1 = \$250 in distributions), but you would owe tax on the \$250 distribution you received – even if you reinvest the distribution in more shares.

When you sell or exchange Fund shares, you generally will recognize a capital gain or capital loss in an amount equal to the difference between the net amount of the sale proceeds (or in the case of an exchange, the fair market value of the shares) you receive and your tax basis for the shares that you sell or exchange. Early each year, each Fund will send you information about each Fund’s dividends and distributions and any shares you sold during the previous calendar year unless your account is maintained by a financial intermediary.

An additional 3.8% Medicare tax is imposed on certain net investment income (including ordinary dividends and capital gains distributions received from a Fund and net gains from redemptions or other taxable dispositions of Fund shares) earned by U.S. individuals, estates and trusts to the extent that such person’s “modified adjusted gross income” (in the case of an individual) or “adjusted gross income” (in the case of an estate or trust) exceeds a threshold amount.

If you do not provide Harbor Funds with your correct social security number or other taxpayer identification number, along with certifications required by the Internal Revenue Service (“IRS”), you may be subject to a backup withholding tax, currently at a rate of 28%, on any dividends and capital gain distributions, redemptions, exchanges and any other payments to you. Investors other than U.S. persons may be subject to different U.S. federal income tax treatment, including withholding tax at the rate of 30% on amounts treated as ordinary dividends or otherwise “withholdable payments” from a Fund, as discussed in more detail in the Funds’ *Statement of Additional Information*.

Each Fund will send dividends and capital gain distributions elected to be received as cash to the address of record or bank of record on the account. Your distribution option will automatically be converted to having all dividends and other distributions reinvested in additional shares if any of the following occur:

- Postal or other delivery service is unable to deliver checks to the address of record;
- Dividends and capital gains distributions are not cashed within 180 days; or
- Bank account of record is no longer valid.

Dividends and capital gains distribution checks that are not cashed within 180 days may be reinvested in your account in the same Fund that was the source of the payments at the current day’s NAV. When reinvested, those amounts are subject to the risk of loss like any investment.

Harbor Funds and Shareholder Services do not have any obligation, under any circumstances, to pay interest on dividends or capital gains distributions sent to a shareholder.

# Shareholder and Account Policies

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## **COST BASIS**

Beginning with tax reporting for calendar year 2012, Harbor Funds is required to report cost basis information to you and to the IRS on Form 1099-B for shares acquired after January 1, 2012. Shares acquired after January 1, 2012 are called “covered” shares. Shares acquired prior to January 1, 2012 are called “noncovered” shares, and cost basis information for noncovered shares will not be reported to the IRS. Covered and noncovered shares will each have their own cost basis.

Harbor Funds offers average cost basis information to shareholders for noncovered shares, as a courtesy, on the 1099-B form in addition to the required cost basis information for covered shares. The average cost method calculates your gain or loss on shares sold based on the average cost per share. We have been providing average cost information to you for informational purposes on your Form 1099-B for several years.

Under the 2012 regulations, you can select a different cost basis method for the covered shares in your Harbor Funds account. You can do this in one of three ways: (1) log into your Harbor Funds account online and follow the menu steps to select a different cost basis method, (2) download the Cost Basis Election Form and return that form to Harbor Funds by mail or by fax, or (3) contact Harbor Funds at 800-422-1050 to request that a copy of the Cost Basis Election Form be mailed to you for completion and return to Harbor Funds by mail or fax.

If you do not elect a cost basis method, Harbor Funds will use the average cost method for calculating cost basis of your covered shares.

For more information on cost basis and which method is right for you, please contact your tax advisor.

# Investor Services

Harbor Funds provides a variety of services to manage your account

If you already have a Harbor Funds account, call a Shareholder Services Representative at 800-422-1050 to request an Account Services form to add these features or you may download the form from our website at [harborfunds.com](http://harborfunds.com).

## ONLINE SERVICES HARBORFUNDS.COM

Our website provides to you, 24 hours a day, access to your account information, the ability to submit transactions, the option to request forms and applications, and offers additional information on each of the Harbor funds.

In order to submit orders for transactions via the Internet, you must authorize us to transmit account information online and accept online instructions (go to [harborfunds.com](http://harborfunds.com) and follow the instructions accordingly).

When you establish an account, you will automatically be granted Internet transaction privileges, unless you decline them on the application.

Transactions submitted through the Internet are subject to the same minimums and terms as other transactions.

Shareholder Services uses procedures designed to confirm that instructions communicated via the Internet are genuine, including requiring certain identifying information, prior to acting upon instructions and sending written confirmation of Internet transactions. To the extent that Shareholder Services uses reasonable procedures to confirm that instructions received through the Internet are genuine, Harbor Funds, Shareholder Services and the Distributor are not liable for acting on these instructions.

## TELEPHONE SERVICES 800-422-1050

Our automated telephone service is normally available 24 hours a day. It provides you the ability to submit transactions, access your account information, request forms and applications, and obtain information on each of the Harbor funds. Retirement Class accounts are not eligible for automated telephone services.

When you establish an account, you will be granted telephone transaction privileges unless you specifically instruct us otherwise in writing.

Telephone transactions are subject to the same minimums and terms as other transactions.

Procedures designed to confirm that instructions communicated by telephone are genuine, including requiring certain identifying information prior to acting upon instructions, recording all telephone instructions and sending written confirmation of telephone instructions, are used by Shareholder Services. To the extent that reasonable procedures are used to confirm that instructions given by telephone are genuine, Harbor Funds, Shareholder Services, or the Distributor will not be liable for acting in accordance with these instructions.

## RETIREMENT ACCOUNTS

For information on establishing retirement accounts, please call 800-422-1050 or visit our website at [harborfunds.com](http://harborfunds.com).

- Traditional IRA – An individual retirement account. You may make contributions up until the year you reach age 70 1/2 and you may be able to deduct the contribution from taxable income, thereby reducing your current income taxes. Taxes on investment earnings are deferred until the money is withdrawn. Withdrawals are taxed as additional ordinary income when received. Non-deductible contributions, if any, are withdrawn tax-free. Withdrawals before age 59 1/2 are assessed a 10% premature withdrawal penalty in addition to income tax, unless an exception applies. You are required to begin taking withdrawals from your Traditional IRA after you reach age 70 1/2.
- Roth IRA – An individual retirement account. Your contributions are never tax deductible; however, all earnings in the account are tax-free. You do not pay income taxes on qualified withdrawals from your Roth IRA if certain requirements are met. There is no age limitation on making contributions to Roth IRAs and there is no requirement that you begin making minimum withdrawals at any age.
- SEP IRA – A type of Traditional IRA funded by employer contributions. A Harbor Funds Traditional IRA may be used in connection with a Simplified Employee Pension (SEP) plan maintained by your employer. Assets grow tax-deferred and distributions are taxable as income.
- Other Retirement Plans – The Harbor funds may be used as an investment option in many other kinds of employer-sponsored retirement plans. All of these accounts need to be established by the trustee of the plan.
- SIMPLE IRA – A Savings Incentive Match Plan for Employees IRA (SIMPLE IRA) is a plan that certain small employers can set up for the benefit of their employees. Harbor Funds does not offer SIMPLE IRAs.

## CHECKWRITING FOR HARBOR MONEY MARKET FUND

Harbor Funds offers a Checkwriting Privilege for shareholders in Harbor Money Market Fund. The Checkwriting Privilege is not available on IRA accounts. Individual checks must be for \$250 or more. All checks are presented to State Street Bank and Trust Company (“State Street”) for payment through normal banking channels. These checks may be used in the same manner as any other checks payable through State Street except that they may not be certified and are payable upon review.

You are not charged for redeeming by check. If you elect this option, you are subject to the procedures, rules and regulations established by State Street with respect to clearance and collection of checks. State Street will not honor checks that are in amounts exceeding the available value of your account at the

## Investor Services

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time the check is presented for payment and will not honor checks drawn against uncollected funds. Since interest in Harbor Money Market Fund is accrued and declared as dividends daily, but dividends are paid monthly, the total value of the Fund may not be determined in advance. Therefore, you may not be able to close your account by check. The Checkwriting Privilege may be terminated at any time by Harbor Funds or State Street upon notice to you. Your cancelled checks will be returned monthly by State Street.

Call a Shareholder Services Representative at 800-422-1050 to request a signature card to add the Checkwriting Privilege to your account.



# Investor Services

Shareholders participating in an automatic investment, exchange or withdrawal plan, or dividend exchange plan will receive only quarterly confirmations of all transactions.

Harbor Funds may amend or terminate the automatic plans without notice to participating shareholders.

Your automatic investment plan, automatic exchange plan, automatic withdrawal plan, or dividend exchange plan may be suspended if postal or other delivery services are unable to deliver the transaction confirmation statements to you at the address of record. In case of a suspended dividend exchange plan, your distributions will be reinvested in the current Fund, and shares represented by such reinvested dividends will not be exchanged.

## **AUTOMATIC INVESTMENT PLAN**

You may direct Harbor Funds to purchase a specific dollar amount of one or more Funds on a scheduled basis through an ACH transaction by providing valid banking instructions on your account application or Automatic Transactions form.

If your ACH transaction does not clear, your purchase will be cancelled and \$25 will be deducted from your account. You may also be prohibited from future automatic investment plan purchases.

If you already have a Harbor Funds account, call a Shareholder Services Representative at 800-422-1050 to request an Automatic Transactions form, or you may download the form from our website at [harborfunds.com](http://harborfunds.com). Additionally, you may establish an automatic investment plan through our website by logging in to your account at [harborfunds.com](http://harborfunds.com).

By using the automatic investment or exchange plans, you are purchasing shares of a Fund on a scheduled basis without regard to fluctuations in NAV per share. Over time, your average cost per share may be higher or lower than if you tried to time the market. While regular investment plans do not guarantee a profit and will not protect you against loss in a declining market, they can be an excellent way to invest for retirement, a home, educational expenses, and other long-term financial goals. See “*Dividends, Distributions and Taxes*” regarding the potential adverse tax consequences of purchasing shares shortly before an anticipated dividend or capital gains distribution.

## **PAYROLL DEDUCTION PURCHASE ALLOCATIONS**

You may direct your employer to automatically deduct a specific dollar amount from your paycheck(s) and allocate to one or more Funds on a scheduled basis by completing the Payroll Deduction form. A payroll deduction must first be implemented by your employer before Harbor Funds can establish the purchase allocations.

## **AUTOMATIC EXCHANGE PLAN**

You may automatically exchange between Harbor funds monthly, every other month, quarterly or annually. The Fund being exchanged out of and the Fund being exchanged into must meet the minimum requirements for the respective class of shares. Exchanges may be taxable transactions depending on the type of account and you may realize a gain or a loss.

## **AUTOMATIC WITHDRAWAL PLAN**

You may direct Harbor Funds to withdraw a specific dollar amount on a scheduled basis during the year.

If automatic withdrawals continuously exceed reinvested dividends and capital gain distributions, the account will eventually be depleted. Withdrawals are redemptions of shares and therefore are taxable transactions depending on the type of account, and you may realize a gain or a loss. To understand how such withdrawals will affect you, you should consult your tax adviser.

## **DIVIDEND EXCHANGE PLAN**

You may invest dividends and capital gain distributions from one Fund in shares of another Fund, provided you have opened an account in the other Fund and have satisfied the applicable minimum investment requirements. When dividends and/or capital gain distributions from one Fund are used to purchase shares in another Fund, the shares are purchased on the date the dividends and/or capital gains would have otherwise been paid to you (the “ex-dividend date”) at the share price in effect as of the ex-dividend date. Purchases are credited to your account on the ex-dividend date.

# Financial Highlights

The financial highlights table is intended to help you understand the financial performance of each Fund. Certain information reflects financial results for a single Fund share. Total returns represent the rate that a shareholder would have earned/lost on an investment in a Fund (assuming reinvestment of all dividends and distributions).

HARBOR CONVERTIBLE SECURITIES FUND					
Year Ended October 31,	Institutional Class				
	2016	2015	2014	2013	2012
Net asset value beginning of period . . . . .	\$ 10.63	\$ 11.20	\$ 10.95	\$ 10.01	\$ 9.49
<b>Income from Investment Operations</b>					
Net investment income/(loss) <sup>a</sup> . . . . .	0.12 <sup>e</sup>	0.15 <sup>e</sup>	0.19	0.20	0.24
Net realized and unrealized gains/(losses) on investments . . . . .	0.19	(0.08)	0.38	0.96	0.52
Total from investment operations . . . . .	0.31	0.07	0.57	1.16	0.76
<b>Less Distributions</b>					
Dividends from net investment income . . . . .	(0.22)	(0.22)	(0.21)	(0.22)	(0.24)
Distributions from net realized capital gains <sup>1</sup> . . . . .	(0.19)	(0.42)	(0.11)	—	—
Total distributions . . . . .	(0.41)	(0.64)	(0.32)	(0.22)	(0.24)
Proceeds from redemption fees . . . . .	—*	—*	—*	—*	—*
Net asset value end of period . . . . .	10.53	10.63	11.20	10.95	10.01
Net assets end of period (000s) . . . . .	\$421,671	\$373,421	\$353,370	\$267,251	\$113,898
<b>Ratios and Supplemental Data (%)</b>					
Total return <sup>b</sup> . . . . .	3.12%	0.72%	5.23%	11.80%	8.18%
Ratio of total expenses to average net assets <sup>2</sup> . . . . .	0.77	0.75	0.74	0.79	0.84
Ratio of net expenses to average net assets <sup>a</sup> . . . . .	0.76	0.75	0.74	0.79	0.83
Ratio of net investment income to average net assets <sup>a</sup> . . . . .	1.15	1.37	1.58	1.82	2.48
Portfolio turnover . . . . .	102	81	54	45	40

Year Ended October 31,	Investor Class				
	2016	2015	2014	2013	2012
Net asset value beginning of period . . . . .	\$ 10.61	\$ 11.18	\$ 10.94	\$ 10.00	\$ 9.48
<b>Income from Investment Operations</b>					
Net investment income/(loss) <sup>a</sup> . . . . .	0.08 <sup>e</sup>	0.11 <sup>e</sup>	0.11	0.16	0.20
Net realized and unrealized gains/(losses) on investments . . . . .	0.20	(0.08)	0.40	0.97	0.53
Total from investment operations . . . . .	0.28	0.03	0.51	1.13	0.73
<b>Less Distributions</b>					
Dividends from net investment income . . . . .	(0.18)	(0.18)	(0.16)	(0.19)	(0.21)
Distributions from net realized capital gains <sup>1</sup> . . . . .	(0.19)	(0.42)	(0.11)	—	—
Total distributions . . . . .	(0.37)	(0.60)	(0.27)	(0.19)	(0.21)
Proceeds from redemption fees . . . . .	—*	—*	—*	—*	—*
Net asset value end of period . . . . .	10.52	10.61	11.18	10.94	10.00
Net assets end of period (000s) . . . . .	\$ 2,039	\$ 1,861	\$ 1,941	\$ 2,452	\$ 2,015
<b>Ratios and Supplemental Data (%)</b>					
Total return <sup>b</sup> . . . . .	2.85%	0.35%	4.76%	11.41%	7.83%
Ratio of total expenses to average net assets <sup>2</sup> . . . . .	1.14	1.12	1.11	1.16	1.21
Ratio of net expenses to average net assets <sup>a</sup> . . . . .	1.13	1.12	1.11	1.16	1.20
Ratio of net investment income to average net assets <sup>a</sup> . . . . .	0.77	1.00	1.24	1.49	2.07
Portfolio turnover . . . . .	102	81	54	45	40

See page 53 for notes to the Financial Highlights.

This information has been audited by Ernst & Young LLP, an independent registered public accounting firm, whose report, along with the Funds' financial statements, are included in the Funds' most recent annual report to shareholders, which is available upon request.

<b>Administrative Class</b>				
<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
<b>\$10.62</b>	\$11.19	\$10.94	\$10.00	\$ 9.48
<b>0.09<sup>e</sup></b>	0.12 <sup>e</sup>	0.13	0.16	0.22
<b>0.20</b>	(0.08)	0.41	0.98	0.52
<b>0.29</b>	0.04	0.54	1.14	0.74
<b>(0.19)</b>	(0.19)	(0.18)	(0.20)	(0.22)
<b>(0.19)</b>	(0.42)	(0.11)	—	—
<b>(0.38)</b>	(0.61)	(0.29)	(0.20)	(0.22)
<b>—*</b>	<b>—*</b>	<b>—*</b>	<b>—*</b>	<b>—*</b>
<b>10.53</b>	10.62	11.19	10.94	10.00
<b>\$ 392</b>	<b>\$ 376</b>	<b>\$ 306</b>	<b>\$ 427</b>	<b>\$ 310</b>
<b>2.96%</b>	0.47%	4.97%	11.55%	7.93%
<b>1.02</b>	1.00	0.99	1.04	1.09
<b>1.01</b>	1.00	0.99	1.04	1.08
<b>0.90</b>	1.11	1.35	1.61	2.24
<b>102</b>	81	54	45	40

**Retirement Class**

<b>2016<sup>f</sup></b>
<b>\$ 9.78</b>
<b>0.08<sup>e</sup></b>
<b>0.75</b>
<b>0.83</b>
<b>(0.08)</b>
<b>—</b>
<b>(0.08)</b>
<b>—</b>
<b>10.53</b>
<b>\$2,215</b>
<b>8.51%<sup>c</sup></b>
<b>0.73<sup>d</sup></b>
<b>0.71<sup>d</sup></b>
<b>1.13<sup>d</sup></b>
<b>102</b>

# Financial Highlights

## HARBOR HIGH-YIELD BOND FUND

Year Ended October 31,	Institutional Class				
	2016	2015	2014	2013	2012
Net asset value beginning of period	\$ 10.00	\$ 10.85	\$ 11.19	\$ 11.15	\$ 10.86
<b>Income from Investment Operations</b>					
Net investment income/(loss) <sup>a</sup>	0.53 <sup>e</sup>	0.57 <sup>e</sup>	0.60	0.64	0.65
Net realized and unrealized gains/(losses) on investments	(0.02)	(0.66)	(0.05)	0.06	0.40
Total from investment operations	0.51	(0.09)	0.55	0.70	1.05
<b>Less Distributions</b>					
Dividends from net investment income	(0.52)	(0.54)	(0.62)	(0.64)	(0.64)
Distributions from net realized capital gains <sup>1</sup>	—	(0.22)	(0.27)	(0.02)	(0.12)
Total distributions	(0.52)	(0.76)	(0.89)	(0.66)	(0.76)
Proceeds from redemption fees	—*	—*	—*	—*	—*
Net asset value end of period	9.99	10.00	10.85	11.19	11.15
Net assets end of period (000s)	\$1,817,902	\$1,460,808	\$1,707,788	\$1,880,044	\$2,172,751
<b>Ratios and Supplemental Data (%)</b>					
Total return <sup>b</sup>	5.46%	(0.79)%	5.10%	6.55%	10.18%
Ratio of total expenses to average net assets <sup>2</sup>	0.70	0.69	0.68	0.68	0.68
Ratio of net expenses to average net assets <sup>a</sup>	0.66	0.65	0.64	0.64	0.64
Ratio of net investment income to average net assets <sup>a</sup>	5.43	5.51	5.43	5.56	6.06
Portfolio turnover	58	49	48	57	32

Year Ended October 31,	Investor Class				
	2016	2015	2014	2013	2012
Net asset value beginning of period	\$ 10.02	\$ 10.87	\$ 11.21	\$ 11.16	\$ 10.87
<b>Income from Investment Operations</b>					
Net investment income/(loss) <sup>a</sup>	0.49 <sup>e</sup>	0.53 <sup>e</sup>	0.59	0.66	0.61
Net realized and unrealized gains/(losses) on investments	(0.02)	(0.66)	(0.08)	0.01	0.40
Total from investment operations	0.47	(0.13)	0.51	0.67	1.01
<b>Less Distributions</b>					
Dividends from net investment income	(0.48)	(0.50)	(0.58)	(0.60)	(0.60)
Distributions from net realized capital gains <sup>1</sup>	—	(0.22)	(0.27)	(0.02)	(0.12)
Total distributions	(0.48)	(0.72)	(0.85)	(0.62)	(0.72)
Proceeds from redemption fees	—*	—*	—*	—*	—*
Net asset value end of period	10.01	10.02	10.87	11.21	11.16
Net assets end of period (000s)	\$ 87,155	\$ 96,957	\$ 100,194	\$ 114,564	\$ 154,604
<b>Ratios and Supplemental Data (%)</b>					
Total return <sup>b</sup>	5.02%	(1.15)%	4.70%	6.22%	9.77%
Ratio of total expenses to average net assets <sup>2</sup>	1.07	1.06	1.05	1.05	1.05
Ratio of net expenses to average net assets <sup>a</sup>	1.03	1.02	1.01	1.01	1.01
Ratio of net investment income to average net assets <sup>a</sup>	5.09	5.14	5.06	5.19	5.71
Portfolio turnover	58	49	48	57	32

See page 53 for notes to the Financial Highlights.

<b>Administrative Class</b>				
<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
<b>\$10.02</b>	\$10.87	\$11.21	\$11.16	\$10.87
<b>0.51<sup>e</sup></b>	0.55 <sup>e</sup>	0.60	0.70	0.62
<b>(0.02)</b>	(0.67)	(0.08)	(0.02)	0.40
<b>0.49</b>	(0.12)	0.52	0.68	1.02
<b>(0.50)</b>	(0.51)	(0.59)	(0.61)	(0.61)
<b>—</b>	(0.22)	(0.27)	(0.02)	(0.12)
<b>(0.50)</b>	(0.73)	(0.86)	(0.63)	(0.73)
<b>—*</b>	—*	—*	—*	—*
<b>10.01</b>	10.02	10.87	11.21	11.16
<b>\$4,631</b>	\$4,314	\$4,773	\$5,519	\$9,571
<b>5.18%</b>	(1.03)%	4.82%	6.33%	9.90%
<b>0.95</b>	0.94	0.93	0.93	0.93
<b>0.91</b>	0.90	0.89	0.89	0.89
<b>5.20</b>	5.26	5.18	5.32	5.81
<b>58</b>	49	48	57	32

**Retirement Class**

<b>2016<sup>f</sup></b>
<b>\$ 9.40</b>
<b>0.36<sup>e</sup></b>
<b>0.61</b>
<b>0.97</b>
<b>(0.37)</b>
<b>—</b>
<b>(0.37)</b>
<b>—*</b>
<b>10.00</b>
<b>\$1,828</b>
<b>10.49%<sup>c</sup></b>
<b>0.66<sup>d</sup></b>
<b>0.61<sup>d</sup></b>
<b>5.38<sup>d</sup></b>
<b>58</b>

# Financial Highlights

## HARBOR BOND FUND

Year Ended October 31,	Institutional Class				
	2016	2015	2014	2013	2012
Net asset value beginning of period	\$ 11.92	\$ 12.28	\$ 12.22	\$ 13.03	\$ 12.20
<b>Income from Investment Operations</b>					
Net investment income/(loss) <sup>a</sup>	0.37 <sup>e</sup>	0.34 <sup>e</sup>	0.25	0.30	0.36
Net realized and unrealized gains/(losses) on investments	0.16	(0.18)	0.16	(0.30)	0.76
Total from investment operations	0.53	0.16	0.41	—*	1.12
<b>Less Distributions</b>					
Dividends from net investment income	(0.48)	(0.41)	(0.35)	(0.30)	(0.27)
Distributions from net realized capital gains <sup>1</sup>	(0.09)	(0.11)	—	(0.51)	(0.02)
Total distributions	(0.57)	(0.52)	(0.35)	(0.81)	(0.29)
Proceeds from redemption fees	—	—	—	—	—*
Net asset value end of period	11.88	11.92	12.28	12.22	13.03
Net assets end of period (000s)	\$2,438,815	\$2,874,705	\$4,125,889	\$6,626,361	\$7,748,277
<b>Ratios and Supplemental Data (%)</b>					
Total return <sup>b</sup>	4.70%	1.32%	3.40%	(0.05)%	9.34%
Ratio of total expenses to average net assets <sup>2</sup>	0.60	0.58	0.56	0.56	0.57
Ratio of net expenses to average net assets <sup>a</sup>	0.53	0.52	0.54	0.53	0.54
Ratio of net expenses excluding interest expense to average net assets <sup>a</sup>	0.51	0.52	0.54	0.53	0.54
Ratio of net investment income to average net assets <sup>a</sup>	3.16	2.80	1.90	2.36	2.88
Portfolio turnover	592	586	439	446	473

## HARBOR REAL RETURN FUND

Year Ended October 31,	Institutional Class				
	2016	2015	2014	2013	2012
Net asset value beginning of period	\$ 9.15	\$ 10.18	\$ 10.41	\$ 11.54	\$ 11.38
<b>Income from Investment Operations</b>					
Net investment income/(loss) <sup>a</sup>	0.15 <sup>e</sup>	0.10 <sup>e</sup>	0.40	0.10	0.14
Net realized and unrealized gains/(losses) on investments	0.35	(0.43)	(0.20)	(0.84)	0.84
Total from investment operations	0.50	(0.33)	0.20	(0.74)	0.98
<b>Less Distributions</b>					
Dividends from net investment income	(0.17)	(0.70)	(0.03)	(0.18)	(0.26)
Distributions from net realized capital gains <sup>1</sup>	—	—	(0.40)	(0.21)	(0.56)
Total distributions	(0.17)	(0.70)	(0.43)	(0.39)	(0.82)
Net asset value end of period	9.48	9.15	10.18	10.41	11.54
Net assets end of period (000s)	\$ 108,890	\$ 130,467	\$ 169,969	\$ 404,689	\$ 507,576
<b>Ratios and Supplemental Data (%)</b>					
Total return <sup>b</sup>	5.55%	(3.32)%	2.07%	(6.67)%	9.19%
Ratio of total expenses to average net assets <sup>2</sup>	0.87	0.77	0.63	0.61	0.62
Ratio of net expenses to average net assets <sup>a</sup>	0.73	0.68	0.62	0.61	0.62
Ratio of net expenses excluding interest expense to average net assets <sup>a</sup>	0.55	0.58	0.60	0.59	0.59
Ratio of net investment income to average net assets <sup>a</sup>	1.63	1.06	1.91	0.92	1.43
Portfolio turnover	611	531	427	285	287

See page 53 for notes to the Financial Highlights.

<b>Administrative Class</b>				
<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
<b>\$ 11.93</b>	\$ 12.28	\$ 12.23	\$ 13.03	\$ 12.20
<b>0.34<sup>e</sup></b>	0.30 <sup>e</sup>	0.22	0.27	0.34
<b>0.16</b>	(0.16)	0.15	(0.29)	0.75
<b>0.50</b>	0.14	0.37	(0.02)	1.09
<b>(0.45)</b>	(0.38)	(0.32)	(0.27)	(0.24)
<b>(0.09)</b>	(0.11)	—	(0.51)	(0.02)
<b>(0.54)</b>	(0.49)	(0.32)	(0.78)	(0.26)
<b>—</b>	—	—	—	—*
<b>11.89</b>	11.93	12.28	12.23	13.03
<b>\$37,887</b>	\$57,874	\$102,591	\$138,575	\$165,468
<b>4.42%</b>	1.13%	3.05%	(0.23)%	9.06%
<b>0.85</b>	0.83	0.81	0.81	0.82
<b>0.78</b>	0.77	0.79	0.78	0.79
<b>0.76</b>	0.77	0.79	0.78	0.79
<b>2.89</b>	2.47	1.66	2.11	2.64
<b>592</b>	586	439	446	473

<b>Administrative Class</b>				
<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
<b>\$ 9.15</b>	\$ 10.17	\$ 10.41	\$ 11.55	\$ 11.40
<b>0.13<sup>e</sup></b>	0.08 <sup>e</sup>	0.21	0.06	0.10
<b>0.34</b>	(0.42)	(0.03)	(0.84)	0.85
<b>0.47</b>	(0.34)	0.18	(0.78)	0.95
<b>(0.16)</b>	(0.68)	(0.02)	(0.15)	(0.24)
<b>—</b>	—	(0.40)	(0.21)	(0.56)
<b>(0.16)</b>	(0.68)	(0.42)	(0.36)	(0.80)
<b>9.46</b>	9.15	10.17	10.41	11.55
<b>\$ 2,492</b>	\$ 3,174	\$ 3,481	\$ 3,542	\$ 4,968
<b>5.26%</b>	(3.47)%	1.81%	(6.94)%	8.88%
<b>1.12</b>	1.02	0.88	0.86	0.87
<b>0.98</b>	0.93	0.87	0.86	0.87
<b>0.80</b>	0.83	0.85	0.84	0.84
<b>1.38</b>	0.90	2.08	0.69	1.18
<b>611</b>	531	427	285	287

# Financial Highlights

## HARBOR MONEY MARKET FUND

Year Ended October 31,	Institutional Class				
	2016	2015	2014	2013	2012
Net asset value beginning of period . . . . .	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
<b>Income from Investment Operations</b>					
Net investment income/(loss) <sup>a</sup> . . . . .	—*, <sup>e</sup>	—*, <sup>e</sup>	—*	—*	—*
Net realized and unrealized gains/(losses) on investments . . . . .	—	—	—	—	—
Total from investment operations . . . . .	—*	—*	—*	—*	—*
<b>Less Distributions</b>					
Dividends from net investment income . . . . .	—*	—*	—*	—*	—*
Distributions from net realized capital gains <sup>1</sup> . . . . .	—	—	—	—	—
Total distributions . . . . .	—*	—*	—*	—*	—*
Net asset value end of period . . . . .	1.00	1.00	1.00	1.00	1.00
Net assets end of period (000s) . . . . .	\$136,986	\$176,781	\$157,801	\$137,042	\$133,308
<b>Ratios and Supplemental Data (%)</b>					
Total return <sup>b</sup> . . . . .	0.30%	0.08%	0.06%	0.09%	0.08%
Ratio of total expenses to average net assets <sup>2</sup> . . . . .	0.36	0.32	0.30	0.31	0.33
Ratio of net expenses to average net assets <sup>a</sup> . . . . .	—	—	—	—	—
Ratio of net investment income to average net assets <sup>a</sup> . . . . .	0.27	0.08	0.06	0.09	0.08

\* Less than \$0.01

1 Includes both short-term and long-term capital gains

2 Percentage does not reflect reduction for credit balance arrangements.

a Reflects the Adviser's waiver, if any, of its management fees and/or other operating expenses.

b The total returns would have been lower had certain expenses not been waived during the periods shown.

c Unannualized

d Annualized

e Amounts are allocated based upon average shares outstanding during the period.

f For the period March 1, 2016 (inception) through October 31, 2016.



<b>Administrative Class</b>				
<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
<b>\$ 1.00</b>	\$ 1.00	\$ 1.00	\$1.00	\$1.00
—*.e	—*.e	—*	—*	—*
—	—	—	—	—
—*	—*	—*	—*	—*
—*	—*	—*	—*	—*
—	—	—	—	—
—*	—*	—*	—*	—*
<b>1.00</b>	1.00	1.00	1.00	1.00
<b>\$2,267</b>	\$1,727	\$2,177	\$ 376	\$ 331
<b>0.30%</b>	0.08%	0.06%	0.09%	0.08%
<b>0.61</b>	0.57	0.55	0.56	0.58
—	—	—	—	—
<b>0.28</b>	0.07	0.06	0.09	0.08

## Harbor Fixed Income Funds Details

Share prices are available on our website at [harborfunds.com](http://harborfunds.com) or by calling 800-422-1050 after 7:00 p.m. Eastern time.

Other Harbor funds managed by the Adviser are offered by means of separate prospectuses. To obtain a prospectus for any of the Harbor Funds call 800-422-1050 or visit our website at [harborfunds.com](http://harborfunds.com).

	NUMBER	TICKER SYMBOL	CUSIP NUMBER
<b>FIXED INCOME FUNDS</b>			
<b>Harbor Convertible Securities Fund</b>			
Institutional Class	2034	HAC SX	411512734
Administrative Class	2234	HRC SX	411512726
Investor Class	2434	HIC SX	411512718
Retirement Class	2534	HNC VX	411512387
<b>Harbor High-Yield Bond Fund</b>			
Institutional Class	2024	HYF AX	411511553
Administrative Class	2224	HYF RX	411511546
Investor Class	2424	HYF IX	411511538
Retirement Class	2524	HNH YX	411512379
<b>Harbor Bond Fund</b>			
Institutional Class	2014	HAB DX	411511108
Administrative Class	2214	HRB DX	411511686
<b>Harbor Real Return Fund</b>			
Institutional Class	2025	HAR RX	411511520
Administrative Class	2225	HRR RX	411511512
<b>Harbor Money Market Fund</b>			
Institutional Class	2015	HAR XX	411511405
Administrative Class	2215	HRM XX	411511660

### Updates Available

For updates on the Harbor Funds following the end of each calendar quarter, please visit our website at [harborfunds.com](http://harborfunds.com).



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## For more information

For investors who would like more information about Harbor Funds, the following documents are available upon request:

### Annual/Semi-Annual Reports

Additional information about the Funds' investments is available in the Harbor Funds annual and semi-annual reports to shareholders. The annual report contains a discussion of the market conditions and investment strategies that significantly affected each Fund's performance during its last fiscal year.

### Statement of Additional Information (SAI)

The SAI provides more detailed information about the Funds and is incorporated into this prospectus by reference and therefore is legally part of this prospectus.

Free copies of the annual and semi-annual reports, the SAI, and other information and answers to questions about the Funds are available:

**On the Internet:** [harborfunds.com](http://harborfunds.com)  
**By Telephone:** 800-422-1050  
**By Mail:** Harbor Funds  
P.O. Box 804660  
Chicago, IL 60680-4108

Investors can review the Harbor Funds reports and SAI at the Public Reference Room of the Securities and Exchange Commission. Call 202-551-8090 for information on the operation of the Public Reference Room. Investors may get text-only copies:

**On the Internet:** [sec.gov](http://sec.gov)  
**By E-Mail (for a fee):** [publicinfo@sec.gov](mailto:publicinfo@sec.gov)  
**By Mail (for a fee):** Public Reference Room of the Commission  
Washington, D.C. 20549-1520

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