Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2013

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [ ] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
HARBOR FREIGHT TOOLS RETIREMENT SAVINGS PLAN

1b Three-digit plan number (PN) ▶ 002

1c Effective date of plan 08/01/1984

2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan)

HFT HOLDINGS, INC.

26541 AGOURA RD
CALABASAS, CA 91302

2b Employer Identification Number (EIN)
27-2501498

2c Sponsor's telephone number
818-836-5001

2d Business code (see instructions)
453990

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	08/29/2014	TOMAS KOKKO
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)

Preparer's telephone number (optional)

3a Plan administrator's name and address ☐ Same as Plan Sponsor Name ☐ Same as Plan Sponsor Address

HFT HOLDINGS, INC.

26541 AGOURA RD
CALABASAS, CA 91302

3b Administrator's EIN: 27-2501497

3c Administrator's telephone number: 818-836-5001

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:

a Sponsor's name

4b EIN

4c PN

5	Total number of participants at the beginning of the plan year	**5**	8032
6	Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**).		
a	Active participants	**6a**	7501
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	1382
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	8883
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	1
f	Total. Add lines **6d** and **6e**.	**6f**	8884
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	2539
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	85
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
2E 2F 2G 2J 2K 2T 3D 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply)

(1)	☐	Insurance
(2)	☐	Code section 412(e)(3) insurance contracts
(3)	☒	Trust
(4)	☐	General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)	☐	Insurance
(2)	☐	Code section 412(e)(3) insurance contracts
(3)	☒	Trust
(4)	☐	General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

(1)	☒	**R** (Retirement Plan Information)
(2)	☐	**MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
(3)	☐	**SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

(1)	☒		**H** (Financial Information)
(2)	☐		**I** (Financial Information – Small Plan)
(3)	☐	0	**A** (Insurance Information)
(4)	☒		**C** (Service Provider Information)
(5)	☐		**D** (DFE/Participating Plan Information)
(6)	☐		**G** (Financial Transaction Schedules)

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2013** **This Form is Open to Public Inspection.**

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

A Name of plan
HARBOR FREIGHT TOOLS RETIREMENT SAVINGS PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
HFT HOLDINGS, INC.

D Employer Identification Number (EIN)
27-2501498

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . [X] Yes [ ] No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

DAILYACCESS CORPORATION

63-1156117

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

DAILYACCESS CORPORATION

63-1156117

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 16 37 50 59 64 70	RECORDKEEPER	167548	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

RELIANCE TRUST COMPANY

58-1428634

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
19 62 21 25	TRUSTEE	0	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

LINSCO/PRIVATE LEDGER

290 MAPLE COURT
SUITE 168
VENTURA, CA 93003

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27 63	INVESTMENT ADVISOR	0	Yes [X] No [ ]	Yes [ ] No [X]	0	Yes [X] No [ ]

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
LINSCO/PRIVATE LEDGER	27 63	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
AMERICAN FUNDS PO BOX 2280 NORFOLK, VA 23501	.25%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

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Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2013

This Form is Open to Public Inspection

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

A Name of plan
HARBOR FREIGHT TOOLS RETIREMENT SAVINGS PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
HFT HOLDINGS, INC.

D Employer Identification Number (EIN)
27-2501498

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	20799	36054
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	1279969	1216428
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	29465451	36442100
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)		
	(2) Employer real property	1d(2)		
e	Buildings and other property used in plan operation	1e		
f	Total assets (add all amounts in lines 1a through 1e)	1f	30766219	37694582
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i		
j	Other liabilities	1j	17902	0
k	Total liabilities (add all amounts in lines 1g through1j)	1k	17902	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	30748317	37694582

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

	Income		(a) Amount	(b) Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	1423938	
	(B) Participants	2a(1)(B)	3464066	
	(C) Others (including rollovers)	2a(1)(C)	416305	
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		5304309
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
	(B) U.S. Government securities	2b(1)(B)		
	(C) Corporate debt instruments	2b(1)(C)		
	(D) Loans (other than to participants)	2b(1)(D)		
	(E) Participant loans	2b(1)(E)	51542	
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		51542
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
	(B) Common stock	2b(2)(B)		
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	1402868	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		1402868
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0
	(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
	(B) Other	2b(5)(B)		
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		5333123
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		12091842
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	4956962	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		4956962
f Corrective distributions (see instructions)	2f		21067
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)	167548	
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		167548
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		5145577
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		6946265
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [ ] Unqualified **(2)** [ ] Qualified **(3)** [X] Disclaimer **(4)** [ ] Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [X] Yes [ ] No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: HOLTHOUSE CARLIN & VAN TRIGT LLP **(2)** EIN: 95-4345526

d The opinion of an independent qualified public accountant is **not attached** because:

(1) [ ] This form is filed for a CCT, PSA, or MTIA. **(2)** [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	

			Yes	No	Amount
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		3000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If "Yes," enter the amount of any plan assets that reverted to the employer this year..... ☐ **Yes** ☒ **No** **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ..... ☐ Yes ☐ No ☐ Not determined

Part V Trust Information (optional)

6a Name of trust	**6b** Trust's EIN

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2013

This Form is Open to Public Inspection.

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

A Name of plan
HARBOR FREIGHT TOOLS RETIREMENT SAVINGS PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
HFT HOLDINGS, INC.

D Employer Identification Number (EIN)
27-2501498

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1** 0

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 58-1428634

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year **3**

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☒ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 a Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	**14a**	
b The plan year immediately preceding the current plan year	**14b**	
c The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

HCVT CERTIFIED PUBLIC ACCOUNTANTS
HOLTHOUSE CARLIN & VAN TRIGT LLP

HARBOR FREIGHT TOOLS RETIREMENT SAVINGS PLAN

FINANCIAL STATEMENTS,
SUPPLEMENTAL SCHEDULE,
AND
INDEPENDENT AUDITOR'S REPORT
DECEMBER 31, 2013

HARBOR FREIGHT TOOLS RETIREMENT SAVINGS PLAN

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All other schedules required by ERISA have been omitted as not applicable.

HCVT CERTIFIED PUBLIC ACCOUNTANTS | HOLTHOUSE CARLIN & VAN TRIGT LLP

Independent Auditor's Report

To the Plan Committee of the
Harbor Freight Tools Retirement Savings Plan:

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Harbor Freight Tools Retirement Savings Plan (the "Plan"), which comprise the statements of net assets available for plan benefits as of December 31, 2013 and 2012, and the related statement of changes in net assets available for plan benefits for the year ended December 31, 2013, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the *Basis for Disclaimer of Opinion* paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 7, which was certified by Reliance Trust Company, the Trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the Trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the Trustee as of December 31, 2013 and 2012, and for the year ended December 31, 2013, that the information provided to the plan administrator by the Trustee is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Report on Supplemental Schedule

The supplemental Schedule of Assets (Held at End of Year) as of December 31, 2013 is required by the Department of Labor's ("DOL") Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we do not express an opinion on this supplemental schedule.

Report on Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the Trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with DOL Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.



Camarillo, California
July 24, 2014

HARBOR FREIGHT TOOLS RETIREMENT SAVINGS PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR PLAN BENEFITS

DECEMBER 31, 2013 AND 2012

	2013	2012
Assets:		
Investments:		
Participant-directed investments, at fair value	$ 36,478,154	$ 29,486,250
Receivables:		
Company contribution	241,568	724,246
Notes receivable from participants	1,216,428	1,279,969
Total receivables	1,457,996	2,004,215
Total assets	37,936,150	31,490,465
Liabilities:		
Corrective distributions	84,612	17,902
Net assets available for plan benefits	$ 37,851,538	$ 31,472,563

See notes to financial statements.

HARBOR FREIGHT TOOLS RETIREMENT SAVINGS PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR PLAN BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 2013

Additions:		
Company contributions	$	969,465
Participants' contributions		3,375,739
Participants' rollover contributions		416,305
Interest income on investments		6,847
Dividend income on investments		1,494,469
Interest income on notes receivable from participants		52,989
Net appreciation of investments		5,190,836
Total additions		11,506,650
Deductions:		
Benefits paid to participants		4,960,127
Administrative expenses		167,548
Total deductions		5,127,675
Net increase		6,378,975
Net assets available for plan benefits:		
Beginning of year		31,472,563
End of year	$	37,851,538

See notes to financial statements.

NOTE 1. PLAN DESCRIPTION

The following description of the Harbor Freight Tools Retirement Savings Plan (the "Plan") provides only general information. Participants and other interested parties should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan covering all eligible employees of HFT Holdings, Inc, Harbor Freight Tools USA, Central Purchasing, LLC, and Harbor Freight Tools Texas LP (collectively referred to as the "Company" or the "Plan Sponsor") who have completed six months of service and have attained age 21, as defined in the Plan document. Contributions to the Plan are authorized under Section 401(k) of the Internal Revenue Code ("IRC"). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

Participant Contributions

Each year, participants may contribute from one percent to 100 percent of pretax annual compensation, as defined in the Plan and subject to certain limitations under the IRC. Participants may also make Roth elective deferrals to the Plan and catch-up contributions for individuals over age 50. Participants may contribute amounts representing distributions from other eligible retirement plans, as defined in the Plan.

Company Contributions

The Company may match up to 100 percent of participant contributions at a discretionary rate to be determined by the Company's Board of Directors to participants who were employed on the last day of the quarter. For the year ended December 31, 2013, the Company matched participant deferrals at a rate of 30 percent up to 10 percent of eligible compensation for total Company matching contributions of $969,465.

The Company may also make a discretionary non-elective contribution as determined by the Board of Directors. The Company did not make any discretionary non-elective contributions to the Plan for the year ended December 31, 2013.

Participant Accounts

Each participant's account is credited with the participant's contributions and Company matching contributions, as well as allocations of the Company's discretionary non-elective contributions, if any, and Plan earnings, and charged with any withdrawals or distributions requested by the participant, investment gains and losses and allocation of administrative expenses, if applicable. Allocations are based on the participant's earnings or account balances, as defined by the Plan. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

NOTE 1. PLAN DESCRIPTION (Continued)

Vesting

Participants are 100 percent vested in their own contributions at all times. Participants vest in their portion of accrued benefits provided by Company contributions at the rate of 10 percent per year for the first two years of credited service, as defined, and 20 percent per year for the following four years. A participant is fully vested after six years of credited service.

Forfeitures

Forfeitures of nonvested Company contributions are used to pay Plan administrative expenses or reduce future Company contributions. During the year ended December 31, 2013, the Company utilized $4,621 to pay Plan administrative expenses. As of December 31, 2013, forfeitures of $90,210 were available for future use.

Payment of Benefits

When eligible, participants may elect to receive a lump sum distribution for the value of the vested interest in his or her account, as permitted under the Plan. At death, benefits shall be paid to the surviving beneficiary, in the form selected by the participant or beneficiary, as applicable.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements of the Plan have been prepared on the accrual basis of accounting in accordance with auditing standards generally accepted in the United States of America, primary from information provided by Reliance Trust Company (the "Trustee").

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and the accompanying notes. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

All Plan investments are reported at fair value. The investments and changes therein of the funds have been reported to the Plan by the Trustee using fair value.

Investments are valued daily. Interest income is recorded on an accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Concentration of Risk

The Plan's investments have exposure to risk to the extent that the investments are subject to market and interest rate fluctuations that may materially affect the value of the investment balances.

Administrative Expenses

Certain administrative expenses incidental to the administration of the Plan, including fees of the Trustee and independent public accountants may be paid by the Plan. Administrative expenses not paid by the Company are paid by the Plan.

Most investment options have fees which reduce the overall return on assets. The net appreciation of investments is reflected net of these fees.

According to the agreement between the Company and Daily Access Corporation ("DAC") the recordkeeper, DAC is required to make contributions to a Revenue Holding Account ("RHA"). The funds in the RHA may be used to pay Plan administrative expenses. During the year ended December 31, 2013, DAC contributed $98,448 to the RHA and $118,220 was utilized to pay Plan administrative expenses. As of December 31, 2013, there was $18,390 available in the RHA.

Benefits Payable to Participants

Benefits are recorded when paid.

Fair Value

The Plan accounts for its financial instruments using a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The fair value measurement hierarchy is based on three levels of inputs, of which the first two are considered observable and the last unobservable. The three levels of the fair value hierarchy are the following:

- Level 1 – Inputs to the valuation methodology that are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

- Level 2 – Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are inactive; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

- Level 3 – Inputs to the valuation that are unobservable and significant to the fair value measurement.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value (Continued)

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2013 and 2012.

Mutual Funds – This category consists of publicly traded funds of registered investment companies. The net asset value of the mutual fund's shares is quoted on the exchange where the fund is traded and therefore classified as Level 1 within the valuation hierarchy.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

All of the Plan's investments are Level 1 and the following table sets forth, by investment type, the Plan's investments at fair value as of December 31:

	2013	2012
Cash	$ 36,055	$ 20,799
Mutual funds:		
Blend funds	3,156,439	2,382,746
Fixed income funds	854,570	981,059
Growth funds	11,549,307	8,950,925
Money market funds	1,667,293	1,849,741
Target date funds	5,147,388	3,279,438
Value funds	14,067,102	12,021,542
Total mutual funds	36,442,099	29,465,451
Total investments at fair value	$ 36,478,154	$ 29,486,250

NOTE 3. NOTES RECEIVABLE FROM PARTICIPANTS

The Plan allows participants to borrow from their accounts in amounts limited to the lesser of $50,000 or 50 percent of the vested portion of the participant's account. The loan interest rate is set at one percent above the prime rate, as defined in the Plan. Loans are stated at the unpaid principal amount, secured by the balance in the participant's account. The interest rates on participant loans range from 4.25 percent to 9.25 percent. Principal and interest is paid ratably through payroll deductions. If a participant ceases to make loan repayments and the plan administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded.

NOTE 4. TAX STATUS

The Company adopted a prototype plan which is the subject of a favorable tax opinion letter from the IRS dated March 31, 2008. The Company routinely self reviews the administration of the Plan and self-corrects any compliance issues in accordance with the Employee Plans Compliance Resolution System. The Company believes that the Plan, as amended, currently is designed and being operated in compliance with the applicable requirements of the IRC and, accordingly, the plan administrator believes that the Plan is exempt from income taxes.

Accounting principles generally accepted in the United States of America require Plan management to evaluate uncertain tax positions taken by the Plan. The financial statement effects of a tax position are recognized when the position is more likely than not, based on the technical merits, to be sustained upon examination by the IRS. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2013, there are no uncertain positions taken or expected to be taken. The Plan has recognized no interest or penalties related to uncertain tax positions. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2010.

NOTE 5. INVESTMENTS

Investment options are selected by the Plan Sponsor and are participant-directed. The participants have several investments they can choose from. See the attached Schedule of Assets (Held at End of Year) for a detailed listing of investments.

The following presents investments that represent five percent or more of the Plan's net assets at December 31:

	2013	2012
American Funds Money Market Fund	$ *	$ 1,849,741
American Funds AMCAP Fund	3,852,512	2,842,693
American Funds American Balanced Fund	3,021,504	2,453,030
American Funds American Mutual Fund	3,215,031	2,581,288
American Funds Capital Income Builder Fund	2,386,667	2,146,877
American Funds Capital World Growth & Income Fund	2,820,213	2,376,081
American Funds Growth Fund of America	2,284,503	1,585,532
American Funds Investment Company of America Fund	2,424,431	1,847,217
American Funds New Perspective Fund	2,590,827	2,218,742
American Funds Small Cap World Fund	2,578,581	2,122,746

* Less than five percent of net assets at December 31.

For the year ended December 31, 2013, net appreciation of investments in registered investment companies (mutual funds) was $5,190,836.

NOTE 6. PLAN TERMINATION

The Company has the right under the Plan to discontinue its contributions at any time and to amend or terminate the Plan, subject to the provisions of ERISA. In the event of Plan termination, the rights of all participants to their interests in the Plan will become fully vested and non-forfeitable.

NOTE 7. FINANCIAL DATA CERTIFIED BY THE TRUSTEE

The plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the following information was certified by the Trustee and was not subjected to any auditing procedures performed by the independent public accountants:

a. Participant-directed investments as shown in the accompanying statements of net assets available for plan benefits of $36,478,154 and $29,486,250 as of December 31, 2013 and 2012, respectively.

b. Net appreciation of investments of $5,190,836, and interest and dividend income on investments of $6,847 and $1,494,469, respectively, as shown in the accompanying statement of changes in net assets available for plan benefits for the year ended December 31, 2013.

c. Investments as of December 31, 2013 as listed in the accompanying Schedule of Assets (Held at End of Year).

NOTE 8. PARTY-IN-INTEREST TRANSACTIONS

Certain Plan investments are managed by the Trustee. Transactions with the Trustee qualify as party-in-interest transactions for which exemptions exist. In addition, DAC received $44,707 paid by the participants through the Plan for loan and other participant directed transactions. The Plan also paid DAC $122,841 for recordkeeping expenses. The Plan has a broker/advisor that is compensated on a formula basis at a rate of 0.25 percent of investment asset balances.

NOTE 9. RECONCILIATION TO FORM 5500

The following is a reconciliation of net assets available for plan benefits per the financial statements to the Form 5500 as of December 31:

	2013	2012
Net assets available for plan benefits per the financial statements	$ 37,851,538	$ 31,472,563
Corrective distributions	84,612	-
Company contribution receivable	(241,568)	(724,246)
Net assets available for plan benefits per the Form 5500	$ 37,694,582	$ 30,748,317

NOTE 9. RECONCILIATION TO FORM 5500 (Continued)

The following is a reconciliation of the net increase in net assets available for plan benefits per the financial statements to the Form 5500 as of December 31, 2013:

Net increase in net assets available for plan benefits per the financial statements	$	6,378,975
Change in Company contribution receivable		482,678
Corrective distributions		84,612
Net increase in net assets available for plan benefits per the Form 5500	$	6,946,265

NOTE 10. SUBSEQUENT EVENTS

The Company has evaluated subsequent events through July 24, 2014, which is the date that the financial statements were available to be issued, and determined that there were no subsequent events or transactions that required recognition or disclosure in the financial statements, except as disclosed below.

Effective January 1, 2014, the Plan's vesting provision was amended that participants vest in their portion of accrued benefits provided by Company contributions at the rate of 33 percent per year for the first two years of credited service, as defined, and 34 percent for the third year. A participant is fully vested after three years of credited service.

Attachment to Form 5500
Schedule C, Part I - Line 2(h) - Formula Description

Plan Sponsor's Name:	**HFT Holdings, Inc.**
Employer Identification Number:	**27-2501498**
Name of Plan:	**Harbor Freight Tools Retirement Savings Plan**
Three-digit plan number:	**002**
Plan Year Beginning:	**January 1, 2013**
Plan Year Ending:	**December 31, 2013**

Financial advisor indirect compensation is paid per investment option prospectus or contract and may include finder's fees of 1% on new purchases in addition to the distribution fee rates listed below.

Source of Indirect Compensation	Fund ID	Fund Name	Distribution Fee Formula
American Funds	ABALX	American AM Balanced A	0.25 %
American Funds	AMCPX	American AM Cap A	0.25 %
American Funds	ABNDX	American Bond Fund of America - A	0.25 %
American Funds	CAIBX	American Capital Income Builder A	0.25 %
American Funds	CWBFX	American Capital World Bond A	0.25 %
American Funds	CWGIX	American Capital World Growth & Income A	0.25 %
American Funds	AEPGX	American Europacific Growth - A	0.25 %
American Funds	AAATX	American Funds 2010 Target Retire - A	0.25 %
American Funds	AABTX	American Funds 2015 Target Retire - A	0.25 %
American Funds	AACTX	American Funds 2020 Target Retire - A	0.25 %
American Funds	AADTX	American Funds 2025 Target Retire - A	0.25 %
American Funds	AAETX	American Funds 2030 Target Retire - A	0.25 %
American Funds	AAFTX	American Funds 2035 Target Retire - A	0.25 %
American Funds	AAGTX	American Funds 2040 Target Retire - A	0.25 %
American Funds	AAHTX	American Funds 2045 Target Retire - A	0.25 %
American Funds	AALTX	American Funds 2050 Target Retire - A	0.25 %
American Funds	AAMTX	American Funds 2055 Target Retire - A	0.25 %
American Funds	AFAXX	American Funds Money Market - A	0.25 %
American Funds	AGTHX	American Growth Fund A	0.25 %
American Funds	AMECX	American Income Funds A	0.25 %
American Funds	AIVSX	American Investment Co - A	0.25 %
American Funds	AMRMX	American Mutual A	0.25 %
American Funds	ANWPX	American New Perspective - A	0.25 %
American Funds	NEWFX	American New World - A	0.25 %
American Funds	SMCWX	American Small Cap World - A	0.25 %
American Funds	AMUSX	American US Government Securities A	0.25 %

HARBOR FREIGHT TOOLS RETIREMENT SAVINGS PLAN

EIN 27-2501498 PLAN #002

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

DECEMBER 31, 2013

	Identity of issue	Description of investment		Current value
	Cash	Cash	$	36,054
	American Funds Money Market Fund	Money Market Mutual Fund		1,667,293
	American Funds Target Date Retirement 2010 Fund	Asset Allocation Mutual Fund		50,731
	American Funds Target Date Retirement 2015 Fund	Asset Allocation Mutual Fund		140,849
	American Funds Target Date Retirement 2020 Fund	Asset Allocation Mutual Fund		493,199
	American Funds Target Date Retirement 2025 Fund	Asset Allocation Mutual Fund		531,951
	American Funds Target Date Retirement 2030 Fund	Asset Allocation Mutual Fund		1,097,357
	American Funds Target Date Retirement 2035 Fund	Asset Allocation Mutual Fund		734,664
	American Funds Target Date Retirement 2040 Fund	Asset Allocation Mutual Fund		685,454
	American Funds Target Date Retirement 2045 Fund	Asset Allocation Mutual Fund		512,829
	American Funds Target Date Retirement 2050 Fund	Asset Allocation Mutual Fund		717,415
	American Funds Target Date Retirement 2055 Fund	Asset Allocation Mutual Fund		182,940
	American Funds AMCAP Fund	Mutual Fund		3,852,512
	American Funds American Balanced Fund	Mutual Fund		3,021,504
	American Funds American Mutual Fund	Mutual Fund		3,215,031
	American Funds Capital Income Builder Fund	Mutual Fund		2,386,667
	American Funds Capital World Growth & Income Fund	Mutual Fund		2,820,213
	American Funds EuroPacific Growth Fund	Mutual Fund		732,008
	American Funds Growth Fund of America	Mutual Fund		2,284,503
	American Funds Income Fund of America	Mutual Fund		1,187,799
	American Funds Investment Company of America Fund	Mutual Fund		2,424,431
	American Funds New Perspective Fund	Mutual Fund		2,590,827
	American Funds New World Fund	Mutual Fund		242,884
	American Funds Small Cap World Fund	Mutual Fund		2,578,581
	American Funds U.S. Government Securities Fund	Mutual Fund		687,007
	American Funds Bond Fund of America	Mutual Fund		1,435,888
	American Funds Capital World Bond Fund	Mutual Fund		167,563
	Total participant-directed investments			36,478,154
*	Participant Loans	Interest from 4.25% to 9.25%, maturity dates range from 2014 to 2043		1,216,428
			$	37,694,582

* Indicates a party-in-interest to the Plan.

See notes to financial statements and accompanying independent auditor's report.