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

2015

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions); 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 (employer, if for a single-employer plan)
Mailing address (include room, apt., suite no. and street, or P.O. Box)
City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)
HFT HOLDINGS, INC.

26541 AGOURA ROAD
CALABASAS, CA 91302

2b Employer Identification Number (EIN)
27-2501498

2c Plan 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.	10/14/2016	TOMAS P KOKKO
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/14/2016	HFT HOLDINGS
	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)

Preparer's telephone number

3a	Plan administrator's name and address [X] Same as Plan Sponsor	**3b**	Administrator's EIN
		3c	Administrator's telephone number
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:	**4b**	EIN
a	Sponsor's name	**4c**	PN

5	Total number of participants at the beginning of the plan year	**5**	10625
6	Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**).		
a(1)	Total number of active participants at the beginning of the plan year	**6a(1)**	9329
a(2)	Total number of active participants at the end of the plan year	**6a(2)**	9652
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	290
d	Subtotal. Add lines **6a(2)**, **6b**, and **6c**.	**6d**	9942
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	0
f	Total. Add lines **6d** and **6e**.	**6f**	9942
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	2123
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	30
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)	[X]	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)	[X]	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)	[X]	**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)	[X]	**H** (Financial Information)
(2)	[ ]	**I** (Financial Information – Small Plan)
(3)	[ ]	**A** (Insurance Information)
(4)	[X]	**C** (Service Provider Information)
(5)	[X]	**D** (DFE/Participating Plan Information)
(6)	[ ]	**G** (Financial Transaction Schedules)

Part III **Form M-1 Compliance Information (to be completed by welfare benefit plans)**

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ……..... ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2015 Form M-1 annual report. If the plan was not required to file the 2015 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code_____

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.**	**2015** **This Form is Open to Public Inspection.**

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

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

AMERICAN FUNDS

95-1411037

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

WILMINGTON MUTUAL FUNDS

51-0055023

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

RELIANCE

58-1428631

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

EAGLE FUNDS

59-2385219

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

HARBOR

04-2679462

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

IVY FUNDS

04-6006759

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

JOHN HANCOCK

04-3483032

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

MFS

04-2747644

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

VANGUARD

23-1945930

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

VICTORY

13-2700161

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

METROPOLITAN WEST

95-4597302

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

DAILY ACCESS CORPORATION

63-1156117

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)

WELLS FARGO BANK, N.A.

94-1347393

(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 21 49 50 52 62 63 64 37	SERVICE PROVIDER	136709	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [ ] No [X]

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

CAP TRUST

26-0058143

(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	13000	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [ ] No [X]

(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 [ ]

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
(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.	

(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

(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

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

(complete as many entries as needed)

a Name: HOLTHOUSE CARLIN & VAN TRIGT, LLP

b EIN: 95-4345526

c Position: AUDITOR

d Address: 400 W. VENTURA BOULEVARD,
SUITE 250
CAMARILLO, CA 93010

e Telephone: 805-413-1728

Explanation: CHANGE IN AUDITOR DUE TO RFP

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 D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

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.**

OMB No. 1210-0110

2015

This Form is Open to Public Inspection.

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

A Name of plan
HARBOR FREIGHT TOOLS RETIREMENT SAVINGS PLAN

B Three-digit plan number (PN) ▶ 002

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

D Employer Identification Number (EIN)
27-2501498

Part I **Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)**
(Complete as many entries as needed to report all interests in DFEs)

a Name of MTIA, CCT, PSA, or 103-12 IE: WELLS FARGO STABLE RETURN FUND N

b Name of sponsor of entity listed in (a): WELLS FARGO BANK, N.A.

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
52-2251407-001	C	73916

a Name of MTIA, CCT, PSA, or 103-12 IE: RELIANCE TRUST CO./NY LF ANCHOR S

b Name of sponsor of entity listed in (a): RELIANCE TRUST CO

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
46-6350416-001	C	212564

a Name of MTIA, CCT, PSA, or 103-12 IE: WILMINGTON TR. CO. AGGRESSIVE MANAG

b Name of sponsor of entity listed in (a): WILMINGTON TRUST CO

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
46-3787800-184	C	4780464

a Name of MTIA, CCT, PSA, or 103-12 IE: WILMINGTON TR. CO CONSER MANAGED

b Name of sponsor of entity listed in (a): WILMINGTON TRUST CO

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
46-3750663-181	C	9641817

a Name of MTIA, CCT, PSA, or 103-12 IE: WILMINGTON TR. CO. GR MANAGED ACCT.

b Name of sponsor of entity listed in (a): WILMINGTON TRUST CO

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
46-3773972-183	C	8653971

a Name of MTIA, CCT, PSA, or 103-12 IE: WILMINGTON TR. CO. IN MANAGED ACCT.

b Name of sponsor of entity listed in (a): WILMINGTON TRUST CO

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
46-3745190-180	C	1551165

a Name of MTIA, CCT, PSA, or 103-12 IE: WILMINGTON TR. CO. MODERATE MANAGED

b Name of sponsor of entity listed in (a): WILMINGTON TRUST CO

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
46-3768480-182	C	10905481

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

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a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

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

2015

This Form is Open to Public Inspection

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

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		
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)	1387283	1478622
(9) Value of interest in common/collective trusts	1c(9)	39394007	35819378
(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)	1687878	5406468
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		1190

			(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	42469168	42705658
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i		
j	Other liabilities	1j		
k	Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	42469168	42705658

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)	1000425	
	(B) Participants	2a(1)(B)	4917221	
	(C) Others (including rollovers)	2a(1)(C)	829437	
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		6747083
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)	62008	
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		62008
	(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)	65370	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		65370
	(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)		-251016
(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)		-137113
c Other income	2c		-3780
d Total income. Add all **income** amounts in column (b) and enter total	2d		6482552
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	6094926	
(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)		6094926
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		527
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	150609	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		150609
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		6246062
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		236490
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: MILLER KAPLAN ARASE LLP **(2)** EIN: 95-2036255

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	N/A	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	N/A	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			1000000
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				
o	Did the plan trust incur unrelated business taxable income?	4o				
p	Were in-service distributions made during the plan year?	4p				

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

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

6c Name of trustee or custodian	**6d** Trustee's or custodian's telephone number

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

2015

This Form is Open to Public Inspection.

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

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): 41-6257133

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):

Part VII IRS Compliance Questions

20a Is the plan a 401(k) plan?	☐ Yes	☐ No
20b If "Yes," how does the 401(k) plan satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under sections 401(k)(3) and 401(m)(2)?	☐ Design-based safe harbor method	☐ ADP/ACP test
20c If the ADP/ACP test is used, did the 401(k) plan perform ADP/ACP testing for the plan year using the "current year testing method" for nonhighly compensated employees (Treas. Reg sections 1.401(k)-2(a)(2)(ii) and 1.401(m)-2(a)(2)(ii))?	☐ Yes	☐ No
21a Check the box to indicate the method used by the plan to satisfy the coverage requirements under section 410(b):	☐ Ratio percentage test	☐ Average benefit test
21b Does the plan satisfy the coverage and nondiscrimination tests of sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules?	☐ Yes	☐ No
22a Has the plan been timely amended for all required tax law changes?	☐ Yes	☐ No ☐ N/A

22b Date the last plan amendment/restatement for the required tax law changes was adopted ____/____/____. Enter the applicable code _____ (See instructions for tax law changes and codes).

22c If the plan sponsor is an adopter of a pre-approved master and prototype (M&P) or volume submitter plan that is subject to a favorable IRS opinion or advisory letter, enter the date of that favorable letter _____/_____/_____ and the letter's serial number _____.

22d If the plan is an individually-designed plan and received a favorable determination letter from the IRS, enter the date of the plan's last favorable determination letter _____/_____/_____.

23 Is the Plan maintained in a U.S. territory (i.e., Puerto Rico (if no election under ERISA section 1022(i)(2) has been made), American Samoa, Guam, the Commonwealth of the Northern Mariana Islands or the U.S. Virgin Islands)?	☐ Yes	☐ No

HARBOR FREIGHT TOOLS RETIREMENT SAVINGS PLAN

FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND 2014

HARBOR FREIGHT TOOLS RETIREMENT
SAVINGS PLAN

I N D E X

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MKA MILLER KAPLAN ARASE LLP
CERTIFIED PUBLIC ACCOUNTANTS SINCE 1941

INDEPENDENT AUDITORS' REPORT

Plan Committee
Harbor Freight Tools Retirement Savings Plan
26541 Agoura Road
Calabasas, California 91302

Members of the Committee:

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 statement of net assets available for benefits as of December 31, 2015, and the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Plan 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 5, which was certified by Wells Fargo Bank, N.A., 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 and for the year ended December 31, 2015, that the information provided to the plan administrator by the trustee is complete and accurate.

Mannon Kaplan, CPA
George Nadel Rivin, CPA
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Kenneth R. Holmer, CPA
Douglas S. Waite, CPA
Donald G. Garrett, CPA
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Vincent Leoni, CPA
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INTERNATIONAL

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 on the 2015 financial statements. Accordingly, we do not express an opinion on the 2015 financial statements.

Other Matter – Supplemental Schedule

The supplemental schedule of assets (held at end of year) as of December 31, 2015 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.

Other Matter – 2014 Financial Statements

The financial statements of the Plan as of December 31, 2014, were audited by predecessor auditors. 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 (ERISA), the plan administrator instructed the predecessor auditors not to perform and they did not perform, any auditing procedures with respect to the information certified by Wells Fargo Bank, N.A., the trustee of the Plan. Their report, dated October 13, 2015, indicated that (a) because of the significance of the information that they did not audit, they were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, they did not express an opinion on the financial statements (b) the form and content of the information included in the financial statements other than that derived from the information certified by the trustee, were presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Report on Form and Content in Compliance With DOL Rules and Regulations 2015

The form and content of the information included in the 2015 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 the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Miller Kaplan Arase LLP

MILLER KAPLAN ARASE LLP
North Hollywood, California
October 7, 2016

EXHIBIT "A"

HARBOR FREIGHT TOOLS RETIREMENT SAVINGS PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	December 31, 2015	December 31, 2014
ASSETS		
INVESTMENTS, AT FAIR VALUE	$ 41,227,036	$ 41,081,885
RECEIVABLES		
Employer Contributions	336,074	323,114
Notes Receivable from Participants	1,478,622	1,387,283
TOTAL RECEIVABLES	1,814,696	1,710,397
TOTAL ASSETS	43,041,732	42,792,282
LIABILITIES		
Excess Contributions Payable	50,129	638,808
NET ASSETS AVAILABLE FOR BENEFITS	$ 42,991,603	$ 42,153,474

(Attached notes are an integral part of these financial statements)

EXHIBIT "B"

HARBOR FREIGHT TOOLS RETIREMENT SAVINGS PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
JANUARY 1, 2015 TO DECEMBER 31, 2015

ADDITIONS		
INVESTMENT INCOME (LOSS)		
Interest and Dividends	$ 65,370	
Net (Depreciation) of Investments	(412,399)	
TOTAL INVESTMENT (LOSS)		$ (347,029)
CONTRIBUTIONS AND OTHER ADDITIONS		
Employer Contributions	$ 1,325,802	
Employee Contributions	4,865,325	
Rollovers	829,437	
Other Income	26,155	
Interest on Notes Receivable from Participants	62,008	
TOTAL CONTRIBUTIONS AND OTHER ADDITIONS		7,108,727
TOTAL ADDITIONS		6,761,698
DEDUCTIONS		
Benefits	$ 5,772,926	
Administrative Expenses	150,643	
TOTAL DEDUCTIONS		5,923,569
NET INCREASE		838,129
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of Year		42,153,474
End of Year		$ 42,991,603

(Attached notes are an integral part of these financial statements)

NOTE 1 - DESCRIPTION OF THE PLAN

The Harbor Freight Tools Retirement Savings Plan (the "Plan") is a defined contribution plan established on August 1, 1984 to provide tax-deferred savings opportunities to eligible employees, as defined in the Plan, of HFT Holdings, Inc. and affiliates (the "Company"). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The assets of the Plan are held in a trust by Wells Fargo Bank, N.A., the trustee of the Plan (Note 5).

THE PLAN DOCUMENT INCLUDES DETAILED RULES FOR EACH SITUATION. PARTICIPANTS AND OTHER INTERESTED PARTIES SHOULD REFER TO THE PLAN AGREEMENT AND ANY AMENDMENTS REGARDING SPECIFIC PROVISIONS OF THE PLAN.

A. Eligibility

The Plan covers all eligible employees of the Company, except union members and nonresident aliens.

Company employees are eligible to participate in the Plan upon completion of 6 months of service and attaining age 21.

B. Benefits

Benefits under the Plan begin when a participant retires, becomes disabled, dies or ceases to be an employee, whichever applies. Normal retirement age is 65. Hardship withdrawals are permitted.

C. Vesting

Participants are immediately vested in their voluntary contributions, rollover contributions, and earnings thereon. Company contributions are vested as follows:

Vesting Service (Years)	Vesting Percentage (%)
Less than 1	0
1	33
2	66
3	100

D. Contributions

Plan participants may defer up to 100% of their pretax annual compensation, as defined in the Plan, subject to certain limitations under the Internal Revenue Code (the "Code"). The Plan was restated effective December 2, 2014, to limit highly compensated participants to contribute up to a maximum of two percent of pretax annual compensation, as defined in the Plan. 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.

The Company's matching contribution is at a discretionary rate to be determined by the Company's Board of Directors, paid to participants who were employed on the last day of the quarter. For the year ended December 31, 2015, the Company matched participant deferrals at a rate of 30 percent up to 10 percent of eligible compensation.

NOTE 1 - DESCRIPTION OF THE PLAN (Continued)

D. Contributions (Continued)

The Company may also make a discretionary nonelective contribution, as determined by the Board of Directors. The Company did not make any discretionary nonelective contributions to the Plan for the year ended December 31, 2015.

E. 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 nonelective 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.

F. Notes Receivable from Participants

The Plan permits participants to borrow from their accounts. The loans may not exceed the lesser of 50% of a participant's vested account balance or $50,000, reduced by the highest outstanding loan balance of the participant from the Plan during the one-year period ending on the day before the date on which the loan was made. The loans bear interest at a fixed rate based on the prime rate at the date of the loan, plus 1%. Loans for active participants are repaid through payroll withholdings, generally over five years, although participants may select a shorter term. The Plan provides for longer maturities if the loan is used to acquire the principal residence of the participant. The number of loans per participant is limited to one.

G. Forfeitures

When a participant terminates employment for reasons other than retirement, disability, or death, the nonvested portion of his or her Company contributions will be forfeited and will be used to pay Plan administrative expenses or reduce future Company contributions. Forfeitures of $303,521 were utilized during the year ended December 31, 2015. As of December 31, 2015, forfeitures totaling $18,513 were available for future use.

H. 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.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

The accounts of the Plan are maintained on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP").

B. Estimates

The preparation of financial statements in conformity with GAAP requires the plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Risks and Uncertainties

Plan investments are exposed to various risks such as interest rate, market fluctuations and credit risks. Due to the level of risk associated with investment securities, it is at least reasonably possible that changes in the value of investment securities in the near term could materially affect the amounts reported in the statements of net assets available for benefits and statement of changes in net assets available for benefits.

D. Payments of Benefits

Benefits are recorded when paid.

E. Investment Valuation and Income Recognition

The participants select how their share of plan assets will be invested among those investment vehicles made available.

GAAP establishes a fair value hierarchy that prioritizes valuation inputs into three levels based on the extent to which inputs used in measuring fair value are observable in the market:

Level 1 – Inputs are based on quoted prices in an active market.

Level 2 – Inputs are based on quoted prices for similar instruments and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data.

Level 3 – Inputs are generally unobservable and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability.

The following tables summarize the Plan's investments at December 31, 2015 and 2014 based on the inputs used to value them:

	December 31, 2015			
	Level 1	Level 2	Level 3	Total
Common/Collective Trusts-				
Fixed Funds	$ -	$ 286,480	$ -	$ 286,480
Collective Investment Trusts:				
Growth Funds	-	33,981,736	-	33,981,736
Value Fund	-	1,551,165	-	1,551,165
Self-Directed Brokerage Accounts -				
Money Market	73	-	-	73
Common Stock:				
Petroleum	532	-	-	532
Gas and Oil	585	-	-	585
Mutual Funds:				
Growth Funds	2,157,562	-	-	2,157,562
Blend Funds	2,025,348	-	-	2,025,348
Value Funds	887,658	-	-	887,658
Fixed Income Fund	335,897	-	-	335,897
	$ 5,407,655	$ 35,819,381	$ -	$ 41,227,036

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Investment Valuation and Income Recognition (Continued)

	December 31, 2014			
	Level 1	Level 2	Level 3	Total
Common/Collective Trusts -				
Fixed Funds	$ -	$ 247,452	$ -	$ 247,452
Collective Investment Trusts:				
Growth Funds	-	37,511,209	-	37,511,209
Value Fund	-	1,635,346	-	1,635,346
Mutual Funds:				
Growth Funds	527,914	-	-	527,914
Blend Funds	609,837	-	-	609,837
Value Funds	431,069	-	-	431,069
Fixed Income Fund	119,058	-	-	119,058
	$ 1,687,878	$ 39,394,007	$ -	$ 41,081,885

Level 1 investments consist of mutual funds, money market funds and common stock, all of which are valued based on quoted market prices in active markets.

Level 2 investments consist of common/collective trusts ("CCT") and collective investment trusts ("CIT") valued at the net asset value ("NAV") of units of a bank collective trust. The NAV, as provided by the funds' trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. CITs invest in a set of underlying collective trust funds representing various fixed income and equity based mutual funds and are stated at estimated fair value based on NAV. Participant-directed redemptions can be made on any business day and do not have a redemption notice period.

Purchases and sales of investments are reported on a trade-date basis. Interest and dividends are reported on the accrual basis.

F. New Accounting Pronouncements

The Financial Accounting Standards Board (FASB) recently issued the following Accounting Standards Updates (ASU):

ASU 2015-07, *Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)* provides that entities measuring investments at net asset value per share (NAV) as a practical expedient are no longer required to categorize such investments within the fair value hierarchy. The investments should still be included in the total column of the entity's ACS 820 disclosure to permit reconciliation to amounts presented in the financial statements. Certain disclosures continue to be required for each class of investment measured using the practical expedient to enable users to understand the nature and risks of investments measured at NAV. ASU 2015-07 is effective for fiscal years beginning after December 15, 2015. Earlier application is permitted.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. New Accounting Pronouncements (Continued)

ASU 2015-12 *Plan Accounting: Topic 960, Defined Benefit Pension Plans; Topic 962, Defined Contribution Pension Plans; Topic 965, Health and Welfare Benefit Plans* includes three parts. Part I designates contract value as the only required measure for fully benefit-responsive investment contracts. Part II eliminates the requirement to disclose individual investments that represent 5% or more of net assets available for benefits and the requirement to disclose net appreciation (depreciation) in fair value of investments by general type of investment. In addition, Part II provides for employee benefit plan investments to be grouped and presented by general type and eliminates the requirement to disaggregate investments in multiple ways. Part III provides a practical expedient that permits employee benefit plans to measure investments and investment-related accounts as of a month-end date that is closest to the plan's fiscal year-end when the fiscal period does not coincide with a month end. ASU 2015-12 is effective for fiscal years beginning after December 15, 2015. Earlier application is permitted. Parts I and II are applied retrospectively for all periods presented; Part III is applied prospectively.

Adoption of these pronouncements will affect certain plan investment disclosures, but will not change the presentation of total net assets available for benefits. The plan administrator is currently evaluating the impact of this guidance.

NOTE 3 - INCOME TAX STATUS

The Company adopted a volume submitter profit sharing plan which is the subject of a favorable tax opinion letter from the Internal Revenue Service, dated March 31, 2014. 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 Code and, accordingly, the plan administrator believes that the Plan is exempt from income taxes.

GAAP requires management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken a tax position that more likely that not would not be sustained upon examination by a tax authority. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

NOTE 4 - PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100% vested in their accounts and Plan assets would be distributed based upon the participants' account balances at that time.

NOTE 5 - FINANCIAL INFORMATION 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's Rules and Regulations for Reporting and Disclosure under ERISA. Information regarding investments held at December 31, 2015 and investment income (loss) for the year ended December 31, 2015 that is disclosed in the accompanying financial statements and supplemental schedule was obtained or derived from information supplied to the plan administrator and certified as complete and accurate by Wells Fargo Bank, N.A., the trustee of the Plan.

NOTE 6 - 5% INVESTMENTS

The following investments represent 5% or more of the Plan's net assets available for benefits as of December 31, 2015:

Description	Fair Value
Wilmington Trust Conservative Managed Account Portfolio	$ 9,641,817
Wilmington Trust Moderate Managed Account Portfolio	10,905,482
Wilmington Trust Growth Managed Account Portfolio	8,653,972
Wilmington Trust Aggressive Managed Account Portfolio	4,780,465

NOTE 7 - RELATED PARTY TRANSACTIONS

Certain investments held by the Plan are issued and managed by the trustee or its affiliates. Transactions related to these investments qualify as party-in-interest transactions; however, they are exempt from the prohibition under ERISA.

NOTE 8 - NET (DEPRECIATION) OF INVESTMENTS

Net (depreciation) of investments by investment type is as follows for 2015:

Common/Collective Trusts and Collective Investment Trusts	$ (249,249)
Mutual Funds	(152,874)
Self-Directed Brokerage Accounts	(10,276)
	$ (412,399)

NOTE 9 - RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

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

	December 31, 2015	December 31, 2014
Net Assets Available for Benefits Per Financial Statements	$ 42,991,603	$ 42,153,474
Add: Excess Contributions Payable	50,129	638,808
Less: Employer Contributions Receivable	(336,074)	(323,114)
Net Assets Per the Form 5500	$ 42,705,658	$ 42,469,168

The following is a reconciliation of the net increase per the financial statements to the Form 5500:

	January 1, 2015 to December 31, 2015
Net Increase per Financial Statements	$ 838,129
Less: Changes in Employer Contributions Receivable	(12,960)
Changes in Excess Contributions Payable	(588,679)
Net Income Per the Form 5500	$ 236,490

NOTE 10 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through October 7, 2016, the date on which the financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosures in these financial statements.

SUPPLEMENTAL SCHEDULE

SCHEDULE 1

HARBOR FREIGHT TOOLS RETIREMENT SAVINGS PLAN
FORM 5500
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
E.I.N. 27-2501498; PLAN NO. 002
DECEMBER 31, 2015

	Identity of Issuer	Description	Fair Value
*	Wells Fargo Stable Return Fund	Common/Collective Trust	$ 73,916
	Reliance Trust NY Life Anchor Account	Common/Collective Trust	212,564
	Wilmington Trust Income Managed Account Portfolio	Collective Investment Trust	1,551,165
	Wilmington Trust Conservative Managed Account Portfolio	Collective Investment Trust	9,641,817
	Wilmington Trust Moderate Managed Account Portfolio	Collective Investment Trust	10,905,482
	Wilmington Trust Growth Managed Account Portfolio	Collective Investment Trust	8,653,972
	Wilmington Trust Aggressive Managed Account Portfolio	Collective Investment Trust	4,780,465
	John Hancock Disciplined Value Fund	Mutual Fund	444,018
	Vanguard 500 Index Fund	Mutual Fund	1,748,623
	Harbor Capital Appreciation Fund	Mutual Fund	777,297
	MFS Mid Cap Value Fund	Mutual Fund	252,957
	Vanguard Extended Market Index Fund	Mutual Fund	368,824
	Ivy Mid Cap Growth Fund	Mutual Fund	245,423
	Vanguard Total International Stock Index Fund	Mutual Fund	276,722
	American Funds EuroPacific Growth Fund	Mutual Fund	340,901
	Victory Integrity Small Cap Value Fund	Mutual Fund	190,685
	Eagle Small Cap Growth Fund	Mutual Fund	425,117
	Metropolitan West Total Return Bond Fund	Mutual Fund	153,073
	Vanguard Total Bond Market Index Fund	Mutual Fund	182,825
	Plan Participants	Self-Directed Brokerage Accounts	1,190
*	Participant Loans	4.25% to 8.25% Secured Maturities through 2043	1,478,622
			$ 42,705,658

* Party-in-Interest

HARBOR FREIGHT TOOLS RETIREMENT SAVINGS PLAN

FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND 2014

HARBOR FREIGHT TOOLS RETIREMENT
SAVINGS PLAN

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MKA MILLER KAPLAN ARASE LLP
CERTIFIED PUBLIC ACCOUNTANTS SINCE 1941

INDEPENDENT AUDITORS' REPORT

Plan Committee
Harbor Freight Tools Retirement Savings Plan
26541 Agoura Road
Calabasas, California 91302

Members of the Committee:

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 statement of net assets available for benefits as of December 31, 2015, and the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Plan 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 5, which was certified by Wells Fargo Bank, N.A., 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 and for the year ended December 31, 2015, that the information provided to the plan administrator by the trustee is complete and accurate.

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INTERNATIONAL

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 on the 2015 financial statements. Accordingly, we do not express an opinion on the 2015 financial statements.

Other Matter – Supplemental Schedule

The supplemental schedule of assets (held at end of year) as of December 31, 2015 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.

Other Matter – 2014 Financial Statements

The financial statements of the Plan as of December 31, 2014, were audited by predecessor auditors. 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 (ERISA), the plan administrator instructed the predecessor auditors not to perform and they did not perform, any auditing procedures with respect to the information certified by Wells Fargo Bank, N.A., the trustee of the Plan. Their report, dated October 13, 2015, indicated that (a) because of the significance of the information that they did not audit, they were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, they did not express an opinion on the financial statements (b) the form and content of the information included in the financial statements other than that derived from the information certified by the trustee, were presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Report on Form and Content in Compliance With DOL Rules and Regulations 2015

The form and content of the information included in the 2015 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 the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Miller Kaplan Arase LLP

MILLER KAPLAN ARASE LLP
North Hollywood, California
October 7, 2016

EXHIBIT "A"

HARBOR FREIGHT TOOLS RETIREMENT SAVINGS PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	December 31, 2015	December 31, 2014
ASSETS		
INVESTMENTS, AT FAIR VALUE	$ 41,227,036	$ 41,081,885
RECEIVABLES		
Employer Contributions	336,074	323,114
Notes Receivable from Participants	1,478,622	1,387,283
TOTAL RECEIVABLES	1,814,696	1,710,397
TOTAL ASSETS	43,041,732	42,792,282
LIABILITIES		
Excess Contributions Payable	50,129	638,808
NET ASSETS AVAILABLE FOR BENEFITS	$ 42,991,603	$ 42,153,474

(Attached notes are an integral part of these financial statements)

EXHIBIT "B"

HARBOR FREIGHT TOOLS RETIREMENT SAVINGS PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
JANUARY 1, 2015 TO DECEMBER 31, 2015

ADDITIONS		
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TOTAL ADDITIONS		6,761,698
DEDUCTIONS		
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NET INCREASE		838,129
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of Year		42,153,474
End of Year		$ 42,991,603

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NOTE 1 - DESCRIPTION OF THE PLAN (Continued)

D. Contributions (Continued)

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F. Notes Receivable from Participants

The Plan permits participants to borrow from their accounts. The loans may not exceed the lesser of 50% of a participant's vested account balance or $50,000, reduced by the highest outstanding loan balance of the participant from the Plan during the one-year period ending on the day before the date on which the loan was made. The loans bear interest at a fixed rate based on the prime rate at the date of the loan, plus 1%. Loans for active participants are repaid through payroll withholdings, generally over five years, although participants may select a shorter term. The Plan provides for longer maturities if the loan is used to acquire the principal residence of the participant. The number of loans per participant is limited to one.

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Level 2 – Inputs are based on quoted prices for similar instruments and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data.

Level 3 – Inputs are generally unobservable and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability.

The following tables summarize the Plan's investments at December 31, 2015 and 2014 based on the inputs used to value them:

	December 31, 2015			
	Level 1	Level 2	Level 3	Total
Common/Collective Trusts-				
Fixed Funds	$ -	$ 286,480	$ -	$ 286,480
Collective Investment Trusts:				
Growth Funds	-	33,981,736	-	33,981,736
Value Fund	-	1,551,165	-	1,551,165
Self-Directed Brokerage Accounts -				
Money Market	73	-	-	73
Common Stock:				
Petroleum	532	-	-	532
Gas and Oil	585	-	-	585
Mutual Funds:				
Growth Funds	2,157,562	-	-	2,157,562
Blend Funds	2,025,348	-	-	2,025,348
Value Funds	887,658	-	-	887,658
Fixed Income Fund	335,897	-	-	335,897
	$ 5,407,655	$ 35,819,381	$ -	$ 41,227,036

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Investment Valuation and Income Recognition (Continued)

	December 31, 2014			
	Level 1	Level 2	Level 3	Total
Common/Collective Trusts -				
Fixed Funds	$ -	$ 247,452	$ -	$ 247,452
Collective Investment Trusts:				
Growth Funds	-	37,511,209	-	37,511,209
Value Fund	-	1,635,346	-	1,635,346
Mutual Funds:				
Growth Funds	527,914	-	-	527,914
Blend Funds	609,837	-	-	609,837
Value Funds	431,069	-	-	431,069
Fixed Income Fund	119,058	-	-	119,058
	$ 1,687,878	$ 39,394,007	$ -	$ 41,081,885

Level 1 investments consist of mutual funds, money market funds and common stock, all of which are valued based on quoted market prices in active markets.

Level 2 investments consist of common/collective trusts ("CCT") and collective investment trusts ("CIT") valued at the net asset value ("NAV") of units of a bank collective trust. The NAV, as provided by the funds' trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. CITs invest in a set of underlying collective trust funds representing various fixed income and equity based mutual funds and are stated at estimated fair value based on NAV. Participant-directed redemptions can be made on any business day and do not have a redemption notice period.

Purchases and sales of investments are reported on a trade-date basis. Interest and dividends are reported on the accrual basis.

F. New Accounting Pronouncements

The Financial Accounting Standards Board (FASB) recently issued the following Accounting Standards Updates (ASU):

ASU 2015-07, *Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)* provides that entities measuring investments at net asset value per share (NAV) as a practical expedient are no longer required to categorize such investments within the fair value hierarchy. The investments should still be included in the total column of the entity's ACS 820 disclosure to permit reconciliation to amounts presented in the financial statements. Certain disclosures continue to be required for each class of investment measured using the practical expedient to enable users to understand the nature and risks of investments measured at NAV. ASU 2015-07 is effective for fiscal years beginning after December 15, 2015. Earlier application is permitted.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. New Accounting Pronouncements (Continued)

ASU 2015-12 *Plan Accounting: Topic 960, Defined Benefit Pension Plans; Topic 962, Defined Contribution Pension Plans; Topic 965, Health and Welfare Benefit Plans* includes three parts. Part I designates contract value as the only required measure for fully benefit-responsive investment contracts. Part II eliminates the requirement to disclose individual investments that represent 5% or more of net assets available for benefits and the requirement to disclose net appreciation (depreciation) in fair value of investments by general type of investment. In addition, Part II provides for employee benefit plan investments to be grouped and presented by general type and eliminates the requirement to disaggregate investments in multiple ways. Part III provides a practical expedient that permits employee benefit plans to measure investments and investment-related accounts as of a month-end date that is closest to the plan's fiscal year-end when the fiscal period does not coincide with a month end. ASU 2015-12 is effective for fiscal years beginning after December 15, 2015. Earlier application is permitted. Parts I and II are applied retrospectively for all periods presented; Part III is applied prospectively.

Adoption of these pronouncements will affect certain plan investment disclosures, but will not change the presentation of total net assets available for benefits. The plan administrator is currently evaluating the impact of this guidance.

NOTE 3 - INCOME TAX STATUS

The Company adopted a volume submitter profit sharing plan which is the subject of a favorable tax opinion letter from the Internal Revenue Service, dated March 31, 2014. 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 Code and, accordingly, the plan administrator believes that the Plan is exempt from income taxes.

GAAP requires management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken a tax position that more likely that not would not be sustained upon examination by a tax authority. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

NOTE 4 - PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100% vested in their accounts and Plan assets would be distributed based upon the participants' account balances at that time.

NOTE 5 - FINANCIAL INFORMATION 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's Rules and Regulations for Reporting and Disclosure under ERISA. Information regarding investments held at December 31, 2015 and investment income (loss) for the year ended December 31, 2015 that is disclosed in the accompanying financial statements and supplemental schedule was obtained or derived from information supplied to the plan administrator and certified as complete and accurate by Wells Fargo Bank, N.A., the trustee of the Plan.

NOTE 6 - 5% INVESTMENTS

The following investments represent 5% or more of the Plan's net assets available for benefits as of December 31, 2015:

Description	Fair Value
Wilmington Trust Conservative Managed Account Portfolio	$ 9,641,817
Wilmington Trust Moderate Managed Account Portfolio	10,905,482
Wilmington Trust Growth Managed Account Portfolio	8,653,972
Wilmington Trust Aggressive Managed Account Portfolio	4,780,465

NOTE 7 - RELATED PARTY TRANSACTIONS

Certain investments held by the Plan are issued and managed by the trustee or its affiliates. Transactions related to these investments qualify as party-in-interest transactions; however, they are exempt from the prohibition under ERISA.

NOTE 8 - NET (DEPRECIATION) OF INVESTMENTS

Net (depreciation) of investments by investment type is as follows for 2015:

Common/Collective Trusts and Collective Investment Trusts	$ (249,249)
Mutual Funds	(152,874)
Self-Directed Brokerage Accounts	(10,276)
	$ (412,399)

NOTE 9 - RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

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

	December 31, 2015	December 31, 2014
Net Assets Available for Benefits Per Financial Statements	$ 42,991,603	$ 42,153,474
Add: Excess Contributions Payable	50,129	638,808
Less: Employer Contributions Receivable	(336,074)	(323,114)
Net Assets Per the Form 5500	$ 42,705,658	$ 42,469,168

The following is a reconciliation of the net increase per the financial statements to the Form 5500:

	January 1, 2015 to December 31, 2015
Net Increase per Financial Statements	$ 838,129
Less: Changes in Employer Contributions Receivable	(12,960)
Changes in Excess Contributions Payable	(588,679)
Net Income Per the Form 5500	$ 236,490

NOTE 10 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through October 7, 2016, the date on which the financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosures in these financial statements.

SUPPLEMENTAL SCHEDULE

SCHEDULE 1

HARBOR FREIGHT TOOLS RETIREMENT SAVINGS PLAN
FORM 5500
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
E.I.N. 27-2501498; PLAN NO. 002
DECEMBER 31, 2015

	Identity of Issuer	Description	Fair Value
*	Wells Fargo Stable Return Fund	Common/Collective Trust	$ 73,916
	Reliance Trust NY Life Anchor Account	Common/Collective Trust	212,564
	Wilmington Trust Income Managed Account Portfolio	Collective Investment Trust	1,551,165
	Wilmington Trust Conservative Managed Account Portfolio	Collective Investment Trust	9,641,817
	Wilmington Trust Moderate Managed Account Portfolio	Collective Investment Trust	10,905,482
	Wilmington Trust Growth Managed Account Portfolio	Collective Investment Trust	8,653,972
	Wilmington Trust Aggressive Managed Account Portfolio	Collective Investment Trust	4,780,465
	John Hancock Disciplined Value Fund	Mutual Fund	444,018
	Vanguard 500 Index Fund	Mutual Fund	1,748,623
	Harbor Capital Appreciation Fund	Mutual Fund	777,297
	MFS Mid Cap Value Fund	Mutual Fund	252,957
	Vanguard Extended Market Index Fund	Mutual Fund	368,824
	Ivy Mid Cap Growth Fund	Mutual Fund	245,423
	Vanguard Total International Stock Index Fund	Mutual Fund	276,722
	American Funds EuroPacific Growth Fund	Mutual Fund	340,901
	Victory Integrity Small Cap Value Fund	Mutual Fund	190,685
	Eagle Small Cap Growth Fund	Mutual Fund	425,117
	Metropolitan West Total Return Bond Fund	Mutual Fund	153,073
	Vanguard Total Bond Market Index Fund	Mutual Fund	182,825
	Plan Participants	Self-Directed Brokerage Accounts	1,190
*	Participant Loans	4.25% to 8.25% Secured Maturities through 2043	1,478,622
			$ 42,705,658

* Party-in-Interest

HARBOR FREIGHT TOOLS RETIREMENT SAVINGS PLAN

FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND 2014

HARBOR FREIGHT TOOLS RETIREMENT
SAVINGS PLAN

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MKA MILLER KAPLAN ARASE LLP
CERTIFIED PUBLIC ACCOUNTANTS SINCE 1941

INDEPENDENT AUDITORS' REPORT

Plan Committee
Harbor Freight Tools Retirement Savings Plan
26541 Agoura Road
Calabasas, California 91302

Members of the Committee:

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 statement of net assets available for benefits as of December 31, 2015, and the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Plan 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 5, which was certified by Wells Fargo Bank, N.A., 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 and for the year ended December 31, 2015, that the information provided to the plan administrator by the trustee is complete and accurate.

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Kami B. Cohen, CPA
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BAKER TILLY
INTERNATIONAL

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 on the 2015 financial statements. Accordingly, we do not express an opinion on the 2015 financial statements.

Other Matter – Supplemental Schedule

The supplemental schedule of assets (held at end of year) as of December 31, 2015 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.

Other Matter – 2014 Financial Statements

The financial statements of the Plan as of December 31, 2014, were audited by predecessor auditors. 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 (ERISA), the plan administrator instructed the predecessor auditors not to perform and they did not perform, any auditing procedures with respect to the information certified by Wells Fargo Bank, N.A., the trustee of the Plan. Their report, dated October 13, 2015, indicated that (a) because of the significance of the information that they did not audit, they were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, they did not express an opinion on the financial statements (b) the form and content of the information included in the financial statements other than that derived from the information certified by the trustee, were presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Report on Form and Content in Compliance With DOL Rules and Regulations 2015

The form and content of the information included in the 2015 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 the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Miller Kaplan Arase LLP

MILLER KAPLAN ARASE LLP
North Hollywood, California
October 7, 2016

EXHIBIT "A"

HARBOR FREIGHT TOOLS RETIREMENT SAVINGS PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	December 31, 2015	December 31, 2014
ASSETS		
INVESTMENTS, AT FAIR VALUE	$ 41,227,036	$ 41,081,885
RECEIVABLES		
Employer Contributions	336,074	323,114
Notes Receivable from Participants	1,478,622	1,387,283
TOTAL RECEIVABLES	1,814,696	1,710,397
TOTAL ASSETS	43,041,732	42,792,282
LIABILITIES		
Excess Contributions Payable	50,129	638,808
NET ASSETS AVAILABLE FOR BENEFITS	$ 42,991,603	$ 42,153,474

(Attached notes are an integral part of these financial statements)

EXHIBIT "B"

HARBOR FREIGHT TOOLS RETIREMENT SAVINGS PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
JANUARY 1, 2015 TO DECEMBER 31, 2015

ADDITIONS		
INVESTMENT INCOME (LOSS)		
Interest and Dividends	$ 65,370	
Net (Depreciation) of Investments	(412,399)	
TOTAL INVESTMENT (LOSS)		$ (347,029)
CONTRIBUTIONS AND OTHER ADDITIONS		
Employer Contributions	$ 1,325,802	
Employee Contributions	4,865,325	
Rollovers	829,437	
Other Income	26,155	
Interest on Notes Receivable from Participants	62,008	
TOTAL CONTRIBUTIONS AND OTHER ADDITIONS		7,108,727
TOTAL ADDITIONS		6,761,698
DEDUCTIONS		
Benefits	$ 5,772,926	
Administrative Expenses	150,643	
TOTAL DEDUCTIONS		5,923,569
NET INCREASE		838,129
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of Year		42,153,474
End of Year		$ 42,991,603

(Attached notes are an integral part of these financial statements)

NOTE 1 - DESCRIPTION OF THE PLAN

The Harbor Freight Tools Retirement Savings Plan (the "Plan") is a defined contribution plan established on August 1, 1984 to provide tax-deferred savings opportunities to eligible employees, as defined in the Plan, of HFT Holdings, Inc. and affiliates (the "Company"). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The assets of the Plan are held in a trust by Wells Fargo Bank, N.A., the trustee of the Plan (Note 5).

THE PLAN DOCUMENT INCLUDES DETAILED RULES FOR EACH SITUATION. PARTICIPANTS AND OTHER INTERESTED PARTIES SHOULD REFER TO THE PLAN AGREEMENT AND ANY AMENDMENTS REGARDING SPECIFIC PROVISIONS OF THE PLAN.

A. Eligibility

The Plan covers all eligible employees of the Company, except union members and nonresident aliens.

Company employees are eligible to participate in the Plan upon completion of 6 months of service and attaining age 21.

B. Benefits

Benefits under the Plan begin when a participant retires, becomes disabled, dies or ceases to be an employee, whichever applies. Normal retirement age is 65. Hardship withdrawals are permitted.

C. Vesting

Participants are immediately vested in their voluntary contributions, rollover contributions, and earnings thereon. Company contributions are vested as follows:

Vesting Service (Years)	Vesting Percentage (%)
Less than 1	0
1	33
2	66
3	100

D. Contributions

Plan participants may defer up to 100% of their pretax annual compensation, as defined in the Plan, subject to certain limitations under the Internal Revenue Code (the "Code"). The Plan was restated effective December 2, 2014, to limit highly compensated participants to contribute up to a maximum of two percent of pretax annual compensation, as defined in the Plan. 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.

The Company's matching contribution is at a discretionary rate to be determined by the Company's Board of Directors, paid to participants who were employed on the last day of the quarter. For the year ended December 31, 2015, the Company matched participant deferrals at a rate of 30 percent up to 10 percent of eligible compensation.

NOTE 1 - DESCRIPTION OF THE PLAN (Continued)

D. Contributions (Continued)

The Company may also make a discretionary nonelective contribution, as determined by the Board of Directors. The Company did not make any discretionary nonelective contributions to the Plan for the year ended December 31, 2015.

E. 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 nonelective 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.

F. Notes Receivable from Participants

The Plan permits participants to borrow from their accounts. The loans may not exceed the lesser of 50% of a participant's vested account balance or $50,000, reduced by the highest outstanding loan balance of the participant from the Plan during the one-year period ending on the day before the date on which the loan was made. The loans bear interest at a fixed rate based on the prime rate at the date of the loan, plus 1%. Loans for active participants are repaid through payroll withholdings, generally over five years, although participants may select a shorter term. The Plan provides for longer maturities if the loan is used to acquire the principal residence of the participant. The number of loans per participant is limited to one.

G. Forfeitures

When a participant terminates employment for reasons other than retirement, disability, or death, the nonvested portion of his or her Company contributions will be forfeited and will be used to pay Plan administrative expenses or reduce future Company contributions. Forfeitures of $303,521 were utilized during the year ended December 31, 2015. As of December 31, 2015, forfeitures totaling $18,513 were available for future use.

H. 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.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

The accounts of the Plan are maintained on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP").

B. Estimates

The preparation of financial statements in conformity with GAAP requires the plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Risks and Uncertainties

Plan investments are exposed to various risks such as interest rate, market fluctuations and credit risks. Due to the level of risk associated with investment securities, it is at least reasonably possible that changes in the value of investment securities in the near term could materially affect the amounts reported in the statements of net assets available for benefits and statement of changes in net assets available for benefits.

D. Payments of Benefits

Benefits are recorded when paid.

E. Investment Valuation and Income Recognition

The participants select how their share of plan assets will be invested among those investment vehicles made available.

GAAP establishes a fair value hierarchy that prioritizes valuation inputs into three levels based on the extent to which inputs used in measuring fair value are observable in the market:

Level 1 – Inputs are based on quoted prices in an active market.

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	Level 1	Level 2	Level 3	Total
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Common Stock:				
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Gas and Oil	585	-	-	585
Mutual Funds:				
Growth Funds	2,157,562	-	-	2,157,562
Blend Funds	2,025,348	-	-	2,025,348
Value Funds	887,658	-	-	887,658
Fixed Income Fund	335,897	-	-	335,897
	$ 5,407,655	$ 35,819,381	$ -	$ 41,227,036

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Investment Valuation and Income Recognition (Continued)

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	Level 1	Level 2	Level 3	Total
Common/Collective Trusts -				
Fixed Funds	$ -	$ 247,452	$ -	$ 247,452
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Value Fund	-	1,635,346	-	1,635,346
Mutual Funds:				
Growth Funds	527,914	-	-	527,914
Blend Funds	609,837	-	-	609,837
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NOTE 3 - INCOME TAX STATUS

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Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100% vested in their accounts and Plan assets would be distributed based upon the participants' account balances at that time.

NOTE 5 - FINANCIAL INFORMATION 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's Rules and Regulations for Reporting and Disclosure under ERISA. Information regarding investments held at December 31, 2015 and investment income (loss) for the year ended December 31, 2015 that is disclosed in the accompanying financial statements and supplemental schedule was obtained or derived from information supplied to the plan administrator and certified as complete and accurate by Wells Fargo Bank, N.A., the trustee of the Plan.

NOTE 6 - 5% INVESTMENTS

The following investments represent 5% or more of the Plan's net assets available for benefits as of December 31, 2015:

Description	Fair Value
Wilmington Trust Conservative Managed Account Portfolio	$ 9,641,817
Wilmington Trust Moderate Managed Account Portfolio	10,905,482
Wilmington Trust Growth Managed Account Portfolio	8,653,972
Wilmington Trust Aggressive Managed Account Portfolio	4,780,465

NOTE 7 - RELATED PARTY TRANSACTIONS

Certain investments held by the Plan are issued and managed by the trustee or its affiliates. Transactions related to these investments qualify as party-in-interest transactions; however, they are exempt from the prohibition under ERISA.

NOTE 8 - NET (DEPRECIATION) OF INVESTMENTS

Net (depreciation) of investments by investment type is as follows for 2015:

Common/Collective Trusts and Collective Investment Trusts	$ (249,249)
Mutual Funds	(152,874)
Self-Directed Brokerage Accounts	(10,276)
	$ (412,399)

NOTE 9 - RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

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

	December 31, 2015	December 31, 2014
Net Assets Available for Benefits Per Financial Statements	$ 42,991,603	$ 42,153,474
Add: Excess Contributions Payable	50,129	638,808
Less: Employer Contributions Receivable	(336,074)	(323,114)
Net Assets Per the Form 5500	$ 42,705,658	$ 42,469,168

The following is a reconciliation of the net increase per the financial statements to the Form 5500:

	January 1, 2015 to December 31, 2015
Net Increase per Financial Statements	$ 838,129
Less: Changes in Employer Contributions Receivable	(12,960)
Changes in Excess Contributions Payable	(588,679)
Net Income Per the Form 5500	$ 236,490

NOTE 10 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through October 7, 2016, the date on which the financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosures in these financial statements.

SUPPLEMENTAL SCHEDULE

SCHEDULE 1

HARBOR FREIGHT TOOLS RETIREMENT SAVINGS PLAN
FORM 5500
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
E.I.N. 27-2501498; PLAN NO. 002
DECEMBER 31, 2015

	Identity of Issuer	Description	Fair Value
*	Wells Fargo Stable Return Fund	Common/Collective Trust	$ 73,916
	Reliance Trust NY Life Anchor Account	Common/Collective Trust	212,564
	Wilmington Trust Income Managed Account Portfolio	Collective Investment Trust	1,551,165
	Wilmington Trust Conservative Managed Account Portfolio	Collective Investment Trust	9,641,817
	Wilmington Trust Moderate Managed Account Portfolio	Collective Investment Trust	10,905,482
	Wilmington Trust Growth Managed Account Portfolio	Collective Investment Trust	8,653,972
	Wilmington Trust Aggressive Managed Account Portfolio	Collective Investment Trust	4,780,465
	John Hancock Disciplined Value Fund	Mutual Fund	444,018
	Vanguard 500 Index Fund	Mutual Fund	1,748,623
	Harbor Capital Appreciation Fund	Mutual Fund	777,297
	MFS Mid Cap Value Fund	Mutual Fund	252,957
	Vanguard Extended Market Index Fund	Mutual Fund	368,824
	Ivy Mid Cap Growth Fund	Mutual Fund	245,423
	Vanguard Total International Stock Index Fund	Mutual Fund	276,722
	American Funds EuroPacific Growth Fund	Mutual Fund	340,901
	Victory Integrity Small Cap Value Fund	Mutual Fund	190,685
	Eagle Small Cap Growth Fund	Mutual Fund	425,117
	Metropolitan West Total Return Bond Fund	Mutual Fund	153,073
	Vanguard Total Bond Market Index Fund	Mutual Fund	182,825
	Plan Participants	Self-Directed Brokerage Accounts	1,190
*	Participant Loans	4.25% to 8.25% Secured Maturities through 2043	1,478,622
			$ 42,705,658

* Party-in-Interest