

Harbor Advisory Corporation
also dba Harbor Advisory
500 Market Street – Suite 11, Portsmouth, NH
(603) 431-5740 www.harboradvisory.com

Part 3 of Form ADV - Form CRS
March 31, 2024

Harbor Advisory Corporation (“Harbor” also doing business as “Harbor Advisory”, “us” or “we”) is registered as an investment advisor with the Securities and Exchange Commission (“SEC”). Additional information about Harbor is available on the SEC’s website at www.adviserinfo.sec.gov. Brokerage and investment advisory fees differ and it is important for the retail investor to understand the differences. Free and simple tools are available to research firms and financial professionals at www.investor.gov/crs, which also provides educational materials about broker-dealers, investment advisors and investing.

What investment services and advice can you provide me?

Harbor serves as an investment advisor to retail investors, families, individuals, pensions and profit-sharing plans, trusts, estates, foundations, charitable organizations and corporations. The great majority of Harbor’s client base consists of families and related accounts. Harbor offers discretionary investment management of equity, balanced and fixed income portfolios. Investment management clients can expect Harbor to offer advice on retirement planning, estate planning, educational funding, insurance issues, debt management and tax planning as they relate to client portfolios.

Harbor renders discretionary portfolio management services by working with each client to develop an individualized asset allocation plan based on each client’s risk profile and individual needs, including the extent and nature of the client’s assets, tax and estate needs, and other considerations. Harbor is a discretionary investment advisor operating under a limited power of attorney. This means that Harbor has full power to purchase, sell, trade, invest, hold, exchange, convert, tender, or otherwise acquire or dispose of any securities and assets in a client’s account, in such amounts, at such prices, and in such manner as Harbor determines and without providing prior notice to the client. Clients wishing to impose restrictions on investing in certain securities or types of securities can instruct their portfolio manager to avoid or eliminate these investments from their portfolio.

Harbor’s portfolio managers review client accounts on a regular and frequent basis. This is offered as part of our standard services. Harbor does not participate in wrap fee programs. Harbor does not offer proprietary products.

Conversation Starters: You may want to ask financial professionals the following questions to start a conversation about the relationships and services you will receive:

- *Given my financial situation, should I choose an investment advisory service? Why or why not?*
- *How will you choose investments you recommend to me?*
- *What is your relevant experience including licenses, education and other qualifications? What do these qualifications mean?*

What fees will I pay?

Harbor charges a fee based on assets under management – 1.1% of first \$1,000,000, plus .7% of assets between \$1,000,000 - \$5,000,000, plus .6% of assets between \$5,000,000 - \$10,000,000, plus .5% of assets between \$10,000,000 - \$20,000,000 plus negotiated fees over \$20,000,000. Harbor reserves the right to negotiate a lower fee under certain circumstances. Fees are paid quarterly in advance. Clients may be responsible for any custodial or brokerage fees in connection with Harbor’s investment management services. Harbor may also charge additional fees on an hourly basis or fixed fee basis for services requested in addition to advisory services such as trustee services. Clients may also pay separate fees for separately managed accounts or pooled investment vehicles such as ETF’s, mutual funds or alternative investments. You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount

of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.

Conversation Starter: You may want to ask financial professionals the following question to start a conversation about the impact of fees and costs on your investments:

- *Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs and how much will be invested?*

What are your legal obligations to me when acting as my investment advisor? How else does your firm make money and what conflicts of interest do you have?

Harbor is a Registered Investment Advisor and we are, therefore, held to a ‘fiduciary’ standard of putting your interests above our own. This means that when we act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means. Harbor makes money by charging clients an investment advisory fee that is based on assets under management. The more assets there are in a client’s account, the more the client will pay in fees. This presents a conflict because we receive a higher fee the more money you entrust to us to manage, which means that we have an incentive to encourage a client to increase the assets in his or her account. In addition, clients may ask Harbor to perform non-investment management services for an hourly fee. This presents a conflict because we have an incentive to encourage clients to hire us to perform services in addition to advisory services.

Conversation Starter: You may want to ask financial professionals the following question to start a conversation about conflicts of interest:

- *How might your conflicts of interest affect me and how will you address them?*

How do your financial professionals make money?

Harbor pays its financial professionals a salary based on the fees Harbor receives from our clients after costs incurred. Harbor’s principals set salaries at a level they deem appropriate given the overall profitability of the firm and the services provided by the individual. Neither Harbor nor any of its financial professionals accepts sales charges or service fees.

Do you or your financial professionals have a legal or disciplinary history?

Disciplinary history – no.

Legal history – no.

Investors can visit www.investor.gov/crs for a free and simple search tool to research our financial professionals.

Conversation Starter: You may want to ask financial professionals the following questions to start a conversation about the financial professional’s disciplinary history:

- *As a professional do you have any disciplinary history? For what kind of conduct?*

Retail investors can find additional information about Harbor Advisory Corporation on our website at: www.harboradvisory.com. Retail investors can call Harbor at (603) 431-5740 for a copy of Form CRS.

Conversation Starter: You may want to ask financial professionals the following questions to start a conversation about their point of contact and who to talk to if they have a complaint:

- *Who is my primary contact person? Is he or she a representative of an investment advisor or a broker dealer? Who can I talk to if I have concerns about how this person is treating me?*