NEW ACCOUNT APPLICATION

FAIRHOLME
Ignore the crowd.

Please read carefully and complete all four pages of this application.

The minimum investment required to open a Fairholme Fund account is $10,000; the minimum subsequent investment is $1,000. The minimum investment required to open a Fairholme Focused Income Fund or Fairholme Allocation Fund account is $25,000; the minimum subsequent investment is $2,500.

Mail this application with a check payable to The Fairholme Fund, The Fairholme Focused Income Fund, or The Fairholme Allocation Fund. If paying by wire, call *Shareholder Services at 1.866.202.2263* for instructions and to obtain an account number prior to sending funds. Use the separate IRA application for IRA accounts, which can be requested through *Shareholder Services* or downloaded from *www.fairholmefunds.com.*

INITIAL INVESTMENT

Check the appropriate Fund(s):	Amount of initial investment
☐ The Fairholme Fund *($10,000 minimum investment)*	$
☐ The Fairholme Focused Income Fund *($25,000 minimum investment)*	$
☐ The Fairholme Allocation Fund *($25,000 minimum investment)*	$

INDIVIDUAL(S)

Owner

NAME *(FIRST, MIDDLE, LAST)* | SOCIAL SECURITY NUMBER | DATE OF BIRTH *(M-D-YY)*

☐ US Citizen or US Resident ☐ Non-US Citizen* Country of Citizenship *(if not US):*

**Non-US Citizens must include Proof of Identity and IRS Form W-8 (download from irs.gov)*

Joint Owner**

NAME *(FIRST, MIDDLE, LAST)* | SOCIAL SECURITY NUMBER | DATE OF BIRTH *(M-D-YY)*

☐ US Citizen or US Resident ☐ Non-US Citizen* Country of Citizenship *(if not US):*

**Non-US Citizens must include Proof of Identity and IRS Form W-8 (download from irs.gov)*
***Joint tenancy with right of survivorship unless you indicate otherwise*

Gifts / Transfers to Minors

CUSTODIAN'S NAME *(FIRST, MIDDLE, LAST)* | CUSTODIAN'S SOCIAL SECURITY NUMBER | CUSTODIAN'S DATE OF BIRTH *(M-D-YY)*

MINOR'S NAME *(FIRST, MIDDLE, LAST)* | MINOR'S SOCIAL SECURITY NUMBER | MINOR'S DATE OF BIRTH *(M-D-YY)*

ORGANIZATIONS: CORPORATIONS, PARTNERSHIPS, LIMITED LIABILITY COMPANIES, TRUSTS OR OTHER FIDUCIARIES

Please include:

- Articles of Incorporation / Formation / Organization
- Partnership Agreement
- Entire Trust Agreement
- Other official documents

NAME OF CORPORATION, PARTNERSHIP, LLC, TRUST, GOVERNMENT ENTITY OR OTHER ORGANIZATION OR ENTITY | EIN/TAX ID OR SOCIAL SECURITY # | DATE OF TRUST INSTRUMENT/FORMATION *(M-D-YY)*

NAME OF TRUSTEE OR PERSON AUTHORIZED TO ACT ON BEHALF OF THIS ACCOUNT *(FIRST, MIDDLE, LAST)* | SOCIAL SECURITY # | DATE OF BIRTH *(M-D-YY)*

NAME OF TRUSTEE OR PERSON AUTHORIZED TO ACT ON BEHALF OF THIS ACCOUNT *(FIRST, MIDDLE, LAST)* | SOCIAL SECURITY # | DATE OF BIRTH *(M-D-YY)*

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ORGANIZATIONS: CORPORATIONS, PARTNERSHIPS, LIMITED LIABILITY COMPANIES, TRUSTS OR OTHER FIDUCIARIES

Partnerships and Limited Liability Companies

Check the appropriate box:

☐ Tax- Exempt ☐ Non-US Entity *(Additional documentation may be required)* ☐ Onmibus Account

Corporations

"Corporation" includes any for-profit or non-profit entity that is incorporated.

Check the appropriate box:

☐ Corporation (includes LLC's Taxed as a Corporation) ☐ Partnership (includes LLC's Taxed as a Partnership)

Must Select one for Corporations: ☐ C-Corp ☐ S-Corp ☐ Disregarded Entity

Type of Entity under State Law, if different: ____________________

Organization Description

Check the appropriate box:

☐ Broker-Dealer ☐ Government agency or instrumentality ☐ National Bank ☐ State Regulated Bank

☐ Mutual Fund ☐ Publicly traded on the Nasdaq *(except small-cap issues), NYSE, or NYSE Arca* Ticker Symbol: ____________

Trusts or Other Fiduciaries

Check the appropriate box:

☐ Estate ☐ Trust ☐ Guardian

☐ Other Entity *(please list)*: ____________________

CONTACT INFORMATION

MAILING ADDRESS	CITY / STATE OR PROVINCE	ZIP OR POSTAL CODE	COUNTRY

Residency Address Information ☐ Check here if your legal address is the same as your mailing address above.

LEGAL ADDRESS *(CANNOT BE A POST OFFICE BOX)*	CITY / STATE OR PROVINCE	ZIP OR POSTAL CODE	COUNTRY

DAYTIME TELEPHONE #	EVENING TELEPHONE #	E-MAIL ADDRESS ***(REQUIRED)***

COST BASIS ELECTION

The Fairholme Funds are responsible for tracking and reporting to the IRS your realized gains and losses on covered shares. In general, these are shares acquired on or after Jan. 1, 2012.
Cost basis reporting does not apply to C-corporation or exempt organization accounts.

The Fairholme Funds' **default** tax lot identification method is **Average Cost,** which means shares are depleted on a first in/first out basis with the cost basis calculated by taking the shares redeemed multiplied by the average cost per share. You may elect an alternative method below.

Note: IRS Regulations do not permit the change of the method on a settled trade.

☐ I elect the Funds' default method of **Average Cost**

☐ I elect a method other than Average Cost:

☐ First in, First Out - **FI** ☐ Last in, First Out - **LI**

☐ High Cost, First Out - **HI** ☐ Lowest Cost, First Out - **LO**

☐ Highest Cost Long Term, First Out - **H1** ☐ Highest Cost Short Term, First Out - **H2**

☐ Lowest Cost Long Term, First Out - **L1** ☐ Lowest Cost Short Term, First Out - **L2**

☐ Specific Lot Depletion - **SL**

For additional information regarding descriptions of cost basis elections, please visit www.fairholmefunds.com. If no option is selected above, your account will use the Funds' default of Average Cost. We strongly encourage that you consult your tax adviser if you have any questions about cost basis reporting options.

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DISTRIBUTION OPTION

Dividends and Capital Gains will be reinvested unless you indicate otherwise.

☐ Pay dividends to me: Send by check ☐ Pay capital gains to me: Send by check

AUTOMATIC INVESTMENT PLAN

Check below to have contributions drawn directly from your account and invested in your Fund account. Please withdraw *($250 minimum)* from my bank checking/savings account to purchase shares as indicated below:

☐ 5th of the Month ☐ 20th of the Month Payment Amount $ ____________________

MUST ATTACH A VOIDED CHECK *from your checking account or a savings account deposit slip to ensure proper processing. Your bank must be a member of the Automated Clearing House (ACH).*

Co-Signer Authorization

Any co-signer of the checking/savings account must authorize this service by signing below:

CO-SIGNER NAME SIGNATURE DATE *(M-D-YY)*

TELEPHONE AND ONLINE OPTIONS

☐ **Telephone and Online Redemption** ***(Check all that apply)***

- ☐ CHECK: Proceeds mailed to Address of Record
- ☐ ACH: Proceeds deposited via Automated Clearing House to your bank account. *(MUST ATTACH A VOIDED CHECK)*
- ☐ WIRE: Proceeds deposited via Federal Wire to your bank account, $15.00 fee applies. *(MUST ATTACH A VOIDED CHECK)*

☐ **Telephone and Online Purchases**

Allows for the purchase of additional shares by phone ($1,000 minimum for Fairholme Fund, $2,500 minimum for Fairholme Focused Income Fund or Fairholme Allocation Fund). Funds will be automatically withdrawn from your bank account. *(MUST ATTACH A VOIDED CHECK)*

☐ **Telephone and Online Exchanges**

• A Medallion Signature Guarantee is required for all redemptions in excess of $50,000.

eDELIVERY

For security and convenience, you will automatically be enrolled in electronic delivery of certain account documents. These include account statements, prospectuses and shareholder reports. In addition, as other documents become available, we will deliver them to you electronically instead of by U.S. mail.

By executing this application, I hereby consent to electronic delivery of such account documents.

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SIGNATURES

I have received and understand the Prospectus of the Fairholme Fund, the Fairholme Focused Income Fund or the Fairholme Allocation Fund ("the Fund"), whichever applies to this application. I understand the Fund's investment objectives, risks and policies and agree to be bound by the terms of the Prospectus. I agree to notify the Fund of any errors or discrepancies within 45 days after the date of the statement confirming a transaction. The statement will be deemed to be correct, and the Fund and its transfer agent shall not be liable if I fail to notify the fund within such time period. I certify that I am of legal age and have legal capacity to make this purchase. The Fund and its transfer agent, officers, directors, employees, or agents of these entities will not be responsible for banking system delays beyond their control. By completing the Automatic Investment Plan ("AIP") and/or Telephone and Online Options sections, I authorize my bank to honor all entries to my bank account initiated through Bank of New York Mellon, on behalf of the Fund. The Fund will not be liable for acting upon instructions believed to be genuine and in accordance with the procedures described in the Prospectus or the rules of the Automated Clearing House. When AIP or Telephone and Online Purchase transactions are initiated, sufficient funds must be in my account to pay them. I agree that my bank's treatment and rights to respect each entry shall be the same as if it were signed by me personally. I agree that if any such entries are dishonored with good or sufficient cause, my bank shall be under no liability whatsoever. I further agree that any such authorization, unless previously terminated by my bank in writing, is to remain in effect until the Fund's transfer agent receives and has had a reasonable amount of time to act upon a written notice of revocation.

The Internal Revenue Service ("IRS") requires Form W-9 in order to certify a shareholder's taxpayer identification number related to their mutual fund account. If a shareholder does not furnish a completed Form W-9 to Bank of New York Mellon, their account will be subject to backup withholding at a rate of 28% on all tax reportable distributions; e.g. dividends, capital gains, redemptions and exchanges.

If an older version of Form W-9 is received to certify a business, BNY Mellon will default the entity to an S-Corporation and will be subject to tax reporting for redemptions and exchanges. In this scenario, BNY Mellon will re-solicit the entity with the newest release of Form W-9 to properly determine account status.

Notice Regarding Unclaimed Property: If no activity occurs in your account within the time period specified by the applicable law, your property may be transferred to the appropriate state.

Under penalty of perjury, I certify that (1) the Social Security number or taxpayer identification number shown on this application is my correct taxpayer identification number, (2) I am not subject to backup withholding either as a result of a failure to report all interest or dividends, or the IRS has notified me that I am no longer subject to backup withholding, and (3) I am a U.S. person (including U.S. resident alien). The Internal Revenue Service (IRS) does not require your consent to any provision of this document other than the certifications required to avoid backup withholding. If you are a non-U.S. citizen please check here ☐ and include an IRS form W-8 with this application (Form W-8 may be downloaded from www.irs.gov).

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account.

As requested on the account application (the "Application"), you must supply your full name, date of birth, social security number or taxpayer identification number and permanent street address. Mailing addresses containing only a P.O. Box will not be accepted. For certain entities opening an account, such as trusts, estates, corporations, partnerships or other organizations, identifying documentation is required. If you need additional assistance when completing your Application, please call 1.866.202.2263 and a representative from Shareholder Services will help you.

The Fund may accept or reject an account without explanation. If the Fund has questions about your identity or the identity of any entity seeking to open an account, it may disallow transactions for the account until confirming information is received. The Fund reserves the right to close any account within five business days if requested information/documentation is not received or if your identity is not verified. The Fund will not be responsible for any losses or damages (including but not limited to lost opportunities) resulting from any restriction placed upon your account or for closing your account. By opening an account you signify you agree to these procedures and accept responsibility for any losses or damages resulting from their implementation.

SIGNER AUTHORIZATION ______________________ DATE *(M-D-YY)* __________

CO-SIGNER AUTHORIZATION ______________________ DATE *(M-D-YY)* __________

INVESTMENT INSTRUCTIONS

Fairholme Fund minimum investment is $10,000.
Fairholme Focused Income Fund and Fairholme Allocation Fund minimum investment is $25,000.

☐ Payment by CHECK ☐ Payment by WIRE

Check Instructions: Make check payable to "The Fairholme Fund," "The Fairholme Focused Income Fund,"or "The Fairholme Allocation Fund."

Wire Instructions: If paying by wire, please call Shareholder Services at *1.866.202.2263* for instructions and to obtain an account number prior to sending funds. We accept bank to bank transfers only - not Western Union or other moneygrams.

MAILING ADDRESSES

Send completed application via regular mail to:

Fairholme Funds, Inc.
P.O. Box 9692
Providence, RI 02940-9692

Send completed application via overnight/courier mail to:

Fairholme Funds, Inc.
4400 Computer Drive
Westborough, MA 01581-1722