

Citadel Investment Advisory, Inc.
Client Relationship Summary - Form CRS – March 17, 2023

Introduction - Who are we?

Citadel Investment Advisory, Inc. is registered with the Securities and Exchange Commission as an investment adviser. Brokerage and investment advisory services and fees differ. It is important for you to understand the differences. Free and simple tools are available to research firms and financial professionals at <https://www.investor.gov/CRS>, which also provides educational materials about broker-dealers, investment advisers, and investing.

Relationship and Services - What investment services and advice can you provide me?

We offer our fee-based, separate discretionary account investment advisory services primarily to retail investors. A discretionary account is an account that gives us the authority to make individual equity trades without your consent. We do not limit our investment offerings or our concentration within any one company or industry. We do not have any minimum account size. We monitor accounts daily. Your account will be managed within the parameters of our strategy but the execution of long-term equity commitments will be very much dependent on where we judge the overall stock market's valuation. Your funds may not be invested in equities for a prolonged period of time but instead be parked in short-term Treasury bills waiting for opportunity. This is all offered as part of our standard service. We allow only very limited investment restrictions on specific securities or industry sectors. Our authority begins as soon as you enter into an investment advisory agreement with us and lasts until you notify us of your intention to terminate the relationship. Further explanation of our approach can be found within our article called The Citadel Strategy – The Short Story (which was provided when our advisory relationship was established and is available upon request) and our Form ADV - Part 2A Brochure's item 4 and item 7. Our brochure can be found at <https://adviserinfo.sec.gov/firm/summary/110540>.

Conversation Starters

Given my financial situation, should I choose an investment advisory service? Why or Why not?

How will you choose investments to recommend to me?

What is your relevant experience, including your licenses, education and other qualifications?

What do these qualifications mean?

Fees, Costs, Conflicts and Standard of Conduct - What fees will I pay?

We charge a quarterly fee based on a percentage of the assets. The more assets there are in your advisory account, the more you will pay in fees, and we may have an incentive to encourage you to increase the assets in your account. Other fees may be assessed by custodian, such as commissions, mark-up, reorganization fees and margin interest or the fees levied within mutual funds. You will pay fees and costs whether you make or lose money on your investments. These 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. (See Form ADV Part 2A Brochure item 5 for further details with link provided above).

Conversation Starters

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 cost, and how much will be invested for me?

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

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 is an example to help you understand what this means. When you add funds to your portfolio our management fees increase. We invest solely in publically traded securities, so you will not pay any hidden fees on the purchase or sale of these securities that might provide additional compensation to us. We have no proprietary products, third party payments, revenue sharing, or principal trading, all of which can create a conflict of interest. For more detailed information about our fees and costs please refer to our Form ADV Part 2A Brochure (specifically the section on fees and compensation).

Conversation Starters

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

How do your financial professionals make money?

Employee(s) are compensated through a base salary and discretionary bonuses. Compensation is not tied to assets serviced or portfolio performance.

Disciplinary History - Do you or your financial professionals have legal or disciplinary history?

No. Investors looking for a way to investigate broker/dealers or investment advisors can search for disciplinary history through an online search by visiting <https://www.investor.gov/crs>.

Conversation Starters

As a financial professional, do you have any disciplinary history? For what type of conduct?

Additional Information - Where do I get additional Information of your firm?

For a review of Citadel, simply select search to "firm" and type in CRD number 110540 at <https://www.investor.gov/crs>. All investment advisers and principals of the firm have a CRD numbers. Also, direct requests for information to include ADV Part 2, Citadel's Policies and Procedures, client relationship summary are available by calling us at 440.942.8877. Citadel's point of contact for public inquiry is Kurt T. Liedtke.

Conversation Starter

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?