

Form CRS – Client Relationship Summary

As of June 30, 2020

Introduction

Hallador Investment Advisors, Inc. (“HIA”) <http://www.hallador.com> is registered with the U.S. Securities and Exchange Commission (“SEC”) as an Investment Adviser. Brokerage and investment advisory services and fees differ. It is important for a retail investor to understand the differences. There are free tools available for investors to research firms and financial professionals at www.investor.gov/CRS. This site also provides educational materials about broker-dealers, investment advisers, and investing.

What Investment Services and advice can you provide me?

We offer investment advisory services to retail investors. These services include advice about buying and selling individual stocks, mutual funds and exchange-traded funds. Our firm offers advisory services to: separately managed accounts and pooled investment vehicles that are private investment funds. Our services include periodic review of your investment portfolio as part of regular services. We will manage your account(s) with discretionary authority. This means that we will be authorized by you to make investment recommendations for your account(s) and will buy and sell the securities we have recommended to you without contacting you in advance.

We limit our recommendations to separately managed accounts to those security types that are discussed personally between each retail investor and HIA. Such separately managed accounts typically own a small number of individual securities and may also include index fund or mutual fund holdings. We do not require a specific account minimum to open a separately managed account. However, our pooled investment vehicles have minimum investment levels outlined in their offering documents. For more detailed information about our services, refer to our Form ADV 2A <https://hallador.com/form-adv-2a/>.

Conversation Starters. Ask your financial professional...

- *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?*

What fees will I pay?

We charge retail clients fees based on the value of the assets in the account and these fees are assessed according to the following schedule:

Account Assets	Annual Rate
Up to \$25 million	0.60%
Above \$25 million	0.50%

Fees for separately managed accounts are calculated as a percentage of the account value on the last trading day of each calendar quarter and payable at the end of each quarter. For accounts that start or terminate mid-quarter, the fee is pro-rated. Since we are an investment adviser which charges an asset-based fee, the more assets there are in a retail investor’s account, the more a retail investor will pay in fees, and HIA therefore has an incentive to encourage a retail investor to increase the assets in his or her account.

Other fees that may be charged to you depending on your account or custodian are fees paid to the custodian, fees related to exchange traded funds, as well as other transaction fees, brokerage fees and commissions, retirement plan administration fees, odd-lot differentials, transfer taxes and other fees and taxes on brokerage accounts and securities transactions. For investors in our proprietary private funds, specific fee and related expense information can be found in the offering documents for each of our proprietary funds.

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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.

The fees for investment advisory services are described in further detail in our ADV Part 2A Items 5.A., B., C., and D. <https://hallador.com/form-adv-2a/>.

Conversation Starter. Ask your financial professional...

- *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 for me?*

What are your legal obligations to me when providing recommendations? 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 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.

We serve as the investment manager to proprietary private funds. You may, but are not required to invest in these proprietary funds. Specific fee and related expense information can be found in the offering documents, prospectus, and statement of additional information for each of our proprietary funds.

When you are charged an asset-based fee for your separately managed account with HIA, the more assets there are in your account, the more you will pay in fees. It will benefit us to recommend that you increase the assets in your account, and make IRA rollovers from 401(k) plans to accounts managed by us.

Conversation Starter. Ask your financial professional...

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

For more detailed information regarding conflicts of interest, please see our Form ADV, Part 2A <https://hallador.com/form-adv-2a/>.

How do your financial professionals make money?

At HIA, our financial professionals are paid a salary and annual retirement plan contributions. All of our financial professionals earn a discretionary bonus that is based on the financial results of the firm and individual job performance. In addition, financial professionals are eligible to receive a portion of performance-based fees that are charged by certain proprietary private funds. The investment strategies of private funds with performance-based fees differ from those provided by HIA to its retail clients.

Do your financial professionals have legal or disciplinary history?

Our financial professionals do not have any legal or disciplinary history to disclose.

Please see <http://www.investor.gov/CRS> for a free search tool to research HIA and our financial professionals.

Conversation Starter. Ask your financial professional...

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

Additional Information

If you would like additional, up-to-date information or a copy of this disclosure, please call (775) 548-1730.

Conversation Starter. Ask your financial professional...

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