Client Relationship Summary – Form CRS

Is an Investment Advisory Account Right for You?

There are different ways you can get help with your investments. You should carefully consider which types of accounts and services are right for you.

Item 1. Introduction

Alaethes Wealth, LLC ("Alaethes", "Firm", "We", "Us", "Our") is an SEC registered investment advisor and provides advisory services for a fee rather than for brokerage commissions. As a retail investor, it is important to understand the differences between services and fees of an investment advisor and a broker-dealer. *Investor.gov/CRS* offers free and simple tools to research firms and financial professionals. Additionally, it also provides educational materials about broker-dealers, investment advisors, and investing.

Item 2. Relationships and Services

What investment services and advice can you provide me?

We offer the following investment advisory services to you:

Asset Management: We will offer you advice on a regular basis. We will discuss your investment goals, design with you a strategy to achieve your investment goals, and regularly monitor your account. We will monitor your account on a discretionary basis (we can buy and sell investments in your account without asking you in advance). We do not limit advisors to proprietary products or a limited menu of products and types of investments. This service will continue pursuant to the terms of the executed Advisory Agreement. We have a minimum of $3,000,000 to open an account.

Financial Planning: Services will be provided to you based on your selection on the Advisory Agreement and may include, but are not limited to, a review of investment accounts, including reviewing asset allocation and providing repositioning recommendations; strategic tax planning; a review of retirement accounts and plans that have recommendations; a review of insurance policies and recommendations for changes, if necessary; one or more retirement scenarios; estate planning review and recommendations; and education planning with funding recommendations. Services will be considered complete upon delivery of the plan.

ERISA Services: We serve as a limited scope ERISA 3(21) Fiduciary that can advise, help and assist plan sponsors with their investment decisions on a non-discretionary basis. Plans are monitored on an ongoing basis. We have a fiduciary duty to act in the best interest of the Client. The plan sponsor is still ultimately responsible for the decisions made in their plan, though using us can help the plan sponsor delegate liability by following a diligent process.

We act as an ERISA 3(38) Investment Manager where we offer discretionary management and control of a given retirement plan's assets. We are solely responsible and liable for the selection, monitoring and replacement of the plan's investment options on an ongoing basis.

Seminars and Workshops: We hold seminars and workshops to educate you on different types of investments and the different services we offer. The seminars are educational in nature and no specific investment or tax advice is given.

ONGOING STRATEGIC ADVISORY SERVICES: we offer ongoing strategic advisory services to clients with complex family, trust, business, real estate, estate-planning and financial circumstances. These services are separate from traditional investment management and financial planning services and are designed to provide high-level strategic oversight, coordination among the Client's professional advisers, identification of issues, recommendations and monitoring of significant matters.

Additional Information

For more information about our services, we recommended reading our ADV Part 2A Items 4, 5, and 10.

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?"

Item 3. Fees, Costs, Conflicts and Standard of Conduct

What fees will I pay?

We are paid for our services as follows:

Asset Management & ERISA Services: The amount paid to our firm and your financial professional generally does not vary based on the type of investments selected on your behalf. The asset-based fee reduces the value of your account and will be generally deducted from your account quarterly in advance. Some investments (such as mutual funds and variable annuities) impose additional fees that will reduce the value of

your investment over time. Also, with certain investments such as variable annuities, you may have to pay fees such as "surrender charges" to sell the investment. Fees are billed quarterly in advance. Our fees vary and are negotiable. Generally, the more assets you have in the advisory account, the more you will pay in total fees. We therefore have an incentive to increase the assets in your account in order to increase our fees. However we do offer "breakpoints" or a tiered fee structure starting at $10,000,000 (Ten Million) in managed assets. You may also pay a transaction fee when we buy and sell an investment for you. You will also pay fees to a broker-dealer or bank that will hold your assets (called "custody"). You pay our advisory fee even if there were not transactions within the account.

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. For more information regarding our fees and costs, review ADV Part 2A Item 5.

Financial Planning: We do not charge a separate fee for financial planning.

Seminar's and Workshops: We offer these seminars for a fee of $125 for the cost of books and materials presented.

ONGOING STRATEGIC ADVISORY SERVICES: We charge a fixed annual fee for ongoing strategic advisory services for a flat fee of $25,000 to $100,000 per year.

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 costs, 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.

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

Additional Information
For more information about our conflicts of interest, we recommend reading our ADV Part 2A, Items 4 and 10.

How do your financial professionals make money?
Our financial services professionals are compensated by a base salary and with discretionary bonuses. Salaried employees are not compensated based on factors such as amount of client assets they service; type of investment products recommended, or time and complexity required to meet a client's needs. Partners of the firm may also be compensated via partnership distributions based on income of the firm.

This is a conflict of interest because our financial professionals have an incentive to encourage you to increase your assets in your accounts and recommend our advisory services to you, more information about our conflicts of interest, we recommend reading our ADV Part 2A, Items 4 and 10.

Item 4. Disciplinary History

Do you or your financial professionals have legal or disciplinary history?
No, please visit Investor.gov/CRS for a free and simple search tool to research Alaethes and our financial professionals.

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

Item 5. Additional Information

To find additional information about Alaethes and to request a copy of the *relationship summary,* please go to http://ww.alaethes.com or send us an email at candise@alaethes.com. If you would like to request up-to-date information as well as to request a copy of the relationship summary, please contact us via phone at 858-735-9685.

Conversation Starters
"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?"