

LUTHER KING CAPITAL MANAGEMENT CORPORATION

Form CRS – Client Relationship Summary

June 30, 2022

Luther King Capital Management Corporation (“LKCM” or “we” or “us” or “firm”) is an investment adviser registered with the U.S. Securities and Exchange Commission. Investment advisory services, which we provide, and brokerage services, which we do not provide, and their related fees and expenses differ and it is important for retail investors to understand these differences. Free and simple tools are available to research firms and financial professionals at www.investor.gov/CRS, which also provides educational materials about investment advisers, broker-dealers, and investing.

What investment services and advice can you provide me?

We provide investment advisory services to a variety of clients, including retail investors. We manage portfolios for clients using various investment strategies, including our equity, fixed income, balanced, small-cap, small-mid cap, and international investment strategies. These and other investment strategies are also available to our clients through the LKCM Funds, which are mutual funds for which we serve as investment adviser. We also provide equity and other investment strategies to qualified clients through investment partnerships for which we serve as investment adviser.

Investment Authority. We provide investment advisory services to you on a discretionary basis. This means that we typically make investment decisions for your portfolio without your consent. You may limit our discretionary authority by providing written instructions to us. You have no authority to limit our investment decisions for the LKCM Funds or our investment partnerships. On a limited basis, we provide investment advisory services on a non-discretionary basis, but in these cases you are responsible for ultimately making investment decisions for your portfolio.

Monitoring. We regularly review investments and other details of your portfolio to confirm they are managed consistent with your investment strategy, guidelines and restrictions. These reviews are included in the standard services we provide in managing your portfolio.

Account Minimums and Other Requirements. We have established account minimums for our investment strategies. Account minimums for our separately managed accounts range from \$2 million to \$3 million depending on the strategy. Account minimums for the LKCM Funds are \$2,000. Account minimums for our investment partnerships are typically \$250,000. We may waive these account minimums in our discretion.

Additional Information. More detailed information about our investment advisory business, investment strategies, account minimums and other requirements are included in Items 4, 7 and 8 in our Form ADV, Part 2A located at www.lkcm.com/legal, prospectuses for the LKCM Funds, or offering materials for our investment partnerships, which are available upon request.

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?

What fees will I pay?

Principal Fees and Costs. We charge you management fees based on the market value of your portfolio at the annual percentage rate included in your investment advisory agreement. Our management fees are calculated and payable quarterly in advance, and we typically deduct management fees from your portfolio each quarter. Our management fees are subject to annual minimums of between \$15,000 - \$30,000 depending upon your investment strategy. If you terminate your portfolio prior to the end of a quarter, we will calculate and refund to you any unearned management fees, prorated to the date of termination. Our management fees may be adjusted, waived or otherwise negotiated in our discretion.

We charge management fees to the LKCM Funds based upon their average net assets. If you invest in the LKCM Funds, we will exclude the value of your investment in the LKCM Funds when calculating your management fees and determining if our portfolio and management fee minimums are met. However, we will include the value of your investments in unaffiliated mutual funds, money market funds, and exchange-traded funds when calculating your management fees and determining if our portfolio and management fee minimums are met.

We charge management fees and performance-based compensation to our investment partnerships. If you invest in our investment partnerships, you will indirectly pay your share of those management fees and performance-based compensation. Management fees and performance-based compensation are deducted from the value of your investment in our investment partnerships.

Our management fee and compensation arrangements for our investment strategies create conflicts of interest. The more assets there are in your account, the more you will pay in fees, and we therefore have an incentive to encourage you to increase the assets in your account. We also have an incentive to make investment decisions for your portfolio that potentially increases the amount of our management fees and performance-based compensation.

Other Fees and Costs. You will be responsible for paying other fees and expenses related to your account. For example, you will be responsible for paying custodial

fees, wire transfer fees, transaction fees, and other fees and expenses charged by your custodian. In addition, you will be responsible for paying commissions, mark-ups, mark-downs, and other fees, expenses and costs charged by your custodian or the brokers used to execute transactions for your portfolio.

Additional Information. 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 detailed information about fees and costs, please refer to Item 5 in our Form ADV, Part 2A located at www.lkcm.com/legal, prospectuses for the LKCM Funds, or offering materials for our investment partnerships, which are available upon request.

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 interests and not put our interests 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.

We make investment decisions for multiple clients across multiple portfolios using various investment strategies, including the LKCM Funds and our investment partnerships. We generally earn higher management fees, performance-based compensation and other benefits from providing investment advisory services to the LKCM Funds and our investment partnerships. In addition, we and our employees have significant personal investments in the LKCM Funds and our investment partnerships. These relationships create conflicts of interest because we have an incentive to solicit investments in, devote more resources to, and make investment and other decisions for the LKCM Funds and our investment partnerships that maximize our financial interests.

We also face conflicts of interest when selecting brokers to execute securities transactions for your portfolio. Unless you direct us to use specific brokers for your portfolio, we will execute trades for your portfolio with brokers that provide us with research and brokerage products and services at no out-of-pocket cost to us. Our receipt of these products and services is a factor in our selection of brokers that execute transactions for your portfolio and creates a conflict of interest.

We have arrangements in place through which we compensate firms and other parties for providing client referrals to us. These arrangements create conflicts of interest because our management fees, performance-based compensation and other benefits will increase as we receive more client referrals through those arrangements.

Additional Information. More detailed information about our conflicts of interest is included in Items 4, 5, 6, 10, 11, 12 and 14 in our Form ADV, Part 2A located at www.lkcm.com/legal, prospectuses for the LKCM Funds, or offering materials for our investment partnerships, which are available upon request.

Conversation Starters

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

How do your financial professionals make money?

Our financial professionals are paid a fixed base salary and discretionary bonus based upon their individual performance and the overall performance of our firm. For those financial professionals who are shareholders of our firm, these financial professionals also indirectly benefit as the value of our firm increases. Some of our financial professionals are eligible to receive a portion of the performance-based compensation we receive for managing investments for our investment partnerships. These compensation arrangements create conflicts of interest because our financial professionals have an incentive to make investment decisions and devote their efforts and resources in a manner that maximizes their financial interests.

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

No. You can visit www.investor.gov/CRS for a free and simple search tool to research us and our financial professionals.

Conversation Starters

- **As a financial professional, do you have a disciplinary history? If so, for what type of conduct?**

Additional Information

If you have additional questions about our investment advisory services or if you wish to request a copy of our Client Relationship Summary or up-to-date information, please contact Anna Nikiforova, our Chief Compliance Officer, by e-mail at anikiforova@lkcm.com or by telephone at (817) 332-3235.

Conversation Starters

- **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?**