LKCM AQUINAS
CATHOLIC EQUITY FUND

LKCM Aquinas Catholic Equity Fund

Semi-Annual Report
June 30, 2018

Dear Fellow Shareholders:

We report the following performance information for the LKCM Aquinas Catholic Equity Fund for indicated periods ended June 30, 2018:

Funds	Inception Date	NAV @ 6/30/18	Net Expense Ratio*, **	Gross Expense Ratio**	Six Month Total Return Ended 6/30/18	One Year Total Return Ended 6/30/18	Five Year Average Annualized Return Ended 6/30/18	10 Year Average Annualized Return Ended 6/30/18	Avg. Annual Total Return Since Incept.***
LKCM Aquinas Catholic Equity Fund(1)	7/11/05	$17.94	1.00%	1.43%	4.36%	15.97%	9.84%	8.33%	7.64%
S&P 500® Index(2)					2.65%	14.37%	13.42%	10.17%	8.68%

Performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. Current performance of the Fund may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling 1-800-423-6369. The Fund imposes a 1.00% redemption fee on shares held less than 30 days. If reflected, the fee would reduce performance shown.

* Luther King Capital Management Corporation, the Fund's investment adviser, has contractually agreed to waive all or a portion of its management fee and/or reimburse expenses of the Fund to maintain an expense ratio of 1.00% per annum through May 1, 2019. This expense limitation excludes interest, taxes, brokerage commissions, indirect fees and expenses relating to investments in other investment companies, including money market funds, and extraordinary expenses. Investment performance reflects fee waivers, if any, in effect during the relevant period. In the absence of such waivers, total return would be reduced. Investment performance is based upon the net expense ratio. LKCM waived management fees and/or reimbursed expenses for the Fund during the six months ended June 30, 2018.

** Expense ratios above are as of May 1, 2018, as reported in the Fund's current prospectus. Expense ratios reported for other periods in the financial highlights of this report may differ.

*** The assets of the Aquinas Value Fund, Aquinas Growth Fund and Aquinas Small-Cap Fund were acquired by the LKCM Aquinas Value Fund, LKCM Aquinas Growth Fund and LKCM Aquinas Small Cap Fund, respectively, on July 11, 2005. Due to the change in adviser and investment technique, performance is being quoted for the period after the merger. As further described below, the LKCM Aquinas Small Cap Fund and LKCM Aquinas Growth Fund were reorganized into the LKCM Aquinas Value Fund effective upon the close of business on July 29, 2016, after which the LKCM Aquinas Value Fund's name, investment strategies and expenses changed to those of the LKCM Aquinas Catholic Equity Fund. The performance shown prior to August 1, 2016 is that of the LKCM Aquinas Value Fund.

(1) Effective upon the close of business on July 29, 2016, the LKCM Aquinas Small Cap Fund and the LKCM Aquinas Growth Fund reorganized into the LKCM Aquinas Value Fund (the "Reorganizations"). Immediately after the Reorganizations were completed, the LKCM Aquinas Value Fund changed its name to the LKCM Aquinas Catholic Equity Fund and its investment strategies and expenses, including the expense limitation agreement, changed to the investment strategies and expenses, including the expense limitation agreement, of the LKCM Aquinas Catholic Equity Fund. The Fund's performance prior to August 1, 2016 reflects the Fund's prior investment strategies.

(2) The S&P 500® Index is an unmanaged capitalization-weighted index of 500 selected stocks that is generally considered representative of the performance of large capitalization companies in the U.S. stock market.

Note: The indices defined above are not available for direct investment and the index performance therefore does not include fees, expenses or taxes.

1H2018 Review and Outlook

For much of the past year "synchronized global growth" has been an apt description of the global economy. With an economic growth tailwind, central bankers in the U.S., Europe, and Japan have been keen to withdraw overly-accommodative monetary policy in anticipation of the next economic downturn. More recently, however, economic growth outside the U.S. appears to be decelerating, making the reduction of accommodative monetary policy more of a risk for global growth. The ability of global economic growth to resynchronize appears to be made more uncertain by the presence of rising protectionism related to trade. For the moment, the U.S. increasingly appears to be the primary engine of global economic growth. Following an annualized rate of 2.0% growth in real Gross Domestic Product (GDP) in the first quarter of 2018, GDP grew by annualized rate of 4.1% in the second quarter of 2018.

Increasingly, investor focus appears to have shifted towards emerging market economies, which had benefited significantly in recent years from broad global growth. In recent years, these markets have revived global trade, manufacturing, and commodity prices. Despite more restrictive monetary policy, particularly in the U.S., the value of the U.S. dollar fell last year, aiding emerging market debt denominated in U.S. dollars. Recently, however, we believe the positive backdrop for emerging markets appears to have deteriorated with a rising U.S. dollar, slowing global growth, and greater protectionism.

Domestically, we believe the U.S. economy has yet to feel the full impact of fiscal stimulus. We believe the sustainability of a fiscally-induced economic expansion largely will depend on the prospect for productivity-increasing investments, which would lift the economy's growth potential. There are specific provisions of the 2017 tax legislation which target accelerated investment by companies, and our outlook for productivity-enhancing capital expenditures remains positive, as we believe this is increasingly important to sustained economic growth. We believe that late cycle stimulative fiscal policy in the form of lower tax rates supports above-trend economic growth, but this stimulus occurs at a time when the economy's excess capacity appears to have shrunk considerably. This combination could well result in inflationary wage pressure and rising input costs for companies.

The rate of economic growth in the U.S. rose during the second quarter of 2018 in contrast to the softening of the other remaining ten largest global economies during the same period. A similar slowing of global economic growth occurred in 2015 and caused the Federal

Reserve to slow its intended pace of monetary tightening. In contrast, the Federal Reserve is unlikely in our view to abandon its current plans which call for two additional interest rate increases of 0.25% each later this year. The economic output gap, or the difference between economic output and potential economic output, has narrowed over the past two years. As a result, we believe the U.S. economy no longer has spare capacity. When taken in tandem with a 48-year low in the unemployment rate of 3.75% in May 2018, it is unlikely in our view that the Federal Reserve will slow its pace of monetary tightening. As a result, we believe the risk of a monetary policy error, or over-tightening in a slowing economy, has risen. We believe this risk is particularly true if economic growth outside the U.S. continues to slow or there is a further escalation of tariffs.

The degree to which the U.S. should be concerned over its existing trade deficit has quickly become a central economic question in our view. One line of reasoning is that the current trade deficit, which is the result of importing more goods than our country exports, has led to less domestic manufacturing and therefore fewer manufacturing jobs. The Trump administration has elected to erect new tariffs or raise the level of existing tariffs in an effort to level the playing field and protect domestic manufacturing. The inherent challenge is that countries impacted by newly enacted U.S. tariffs are naturally inclined to react in kind by altering their trade policies. This process is made more complex since it is difficult to calibrate the impact of trade tariffs, and the economic impact is not linear. This concept is highlighted by the complex web known as the global manufacturing supply chain. China, for example, assembles a great number of goods comprised of components imported from other countries, such as memory chips and digital displays. If Chinese imports were to experience a 10% decline, we believe Taiwan, Malaysia, and South Korea would suffer a markedly larger blow to their domestic economies relative to China.

The Trump administration's protectionist rhetoric appears to have a three-pronged purpose. First, it was evident early in his presidential campaign that President Trump intended to defend U.S. manufacturing. Second, the administration appears to view the North American Free Trade Agreement (NAFTA) as less favorable to the U.S. than to Mexico or Canada. Finally, it is apparent there are increasing concerns by the administration over the theft of U.S. corporate intellectual property. In our view, the pursuit of trade protectionism on a larger scale would eventually trim domestic economic growth and create detrimental knock-on effects such as lowering business confidence at a time the economy needs further productivity-enhancing capital investment.

We believe the U.S. economy remains on its gradual progression through a typical business cycle, albeit longer than average, as the underpinnings remain solid in our view. However, late-cycle dynamics such as tighter labor markets appear to have begun to push wages higher, allowing the Federal Reserve to remain on the path to tighter monetary policy. The effect is a traditional flattening of the yield curve that has resulted over the past year. Meanwhile, other late-cycle warning flags, such as deteriorating credit conditions reflected by widening credit spreads, are not yet evident in our view. Similarly, we believe pressure from rising wages to date is not compressing corporate profit margins, which is typical of a mature business cycle. In our view, the later stages of the business cycle are usually reflected in the equity market by a narrowing of market leadership, with investors bidding growth stocks higher in pursuit of continued growth as the broad economy begins to cool.

LKCM Aquinas Catholic Equity Fund

During the six months ended June 30, 2018, the LKCM Aquinas Catholic Equity Fund advanced 4.36% against the 2.65% advance for the Fund's benchmark, the S&P 500® Index. During the first half of 2018, the Fund benefited from both good stock selection as well as sector allocation decisions relative to the benchmark.

In the first half of 2018, the Fund benefited from being overweight the Consumer Discretionary, Technology and Energy sectors relative to the benchmark, as well as being underweight the Consumer Staples and Telecommunications sectors. However, the Fund was negatively impacted by its overweight in the Financials and Materials sectors relative to the benchmark, both of which underperformed the broader stock market.

Stock selection during the first half of 2018 also contributed positively to the Fund's performance and was particularly apparent in the Financials and Industrial sectors. While each of these sectors underperformed during the first half of 2018, the positive stock selection in these sectors somewhat offset the overall sector underperformance. Stock selection somewhat detracted from the Fund's relative performance in both the Consumer Discretionary and Healthcare sectors during the first half of 2018. The Fund's relative performance is generally most impacted by the Healthcare sector given that the Fund's Catholic values investment mandate precludes the Fund from investing in a number of companies within this sector.

We anticipate an expanding economy with solid corporate profit growth throughout the remainder of the year and the Fund's portfolio reflects this expectation. We believe the U.S. consumer appears to be in the best condition in many years with employment at near record levels and wages advancing after many years of stagnant growth. While inflation and interest rates are both expected to rise, particularly given the timing of the recent 2017 tax legislation, we do not believe these factors will have a negative impact on corporate profits as the year progresses. We believe that it is possible however that, similar to the experience thus far in 2018, stock valuations (as measured by Price-Earnings ratios) may continue to come under some pressure, primarily as a result of higher levels of inflation and interest rates.

We believe the major challenges to our outlook are a higher than expected inflation rate or an overly aggressive Federal Reserve raising interest rates faster than is currently anticipated. Expanding trade issues and higher import fees would likely have some negative impact on profits as currently implemented, but we believe the overall impact on economic growth would not be a significant obstacle to achieving our expectations on corporate profit growth at this time. However, any broadening of the tariffs may cause us to reevaluate this view.

Luther King

J. Luther King, Jr., CFA, CIC
August 6, 2018

The information provided herein represents the opinion of J. Luther King, Jr., CFA, CIC and is not intended to be a forecast of future events, a guarantee of future results, nor investment advice.

Please refer to the Schedule of Investments found on pages 7-8 of the report for more information on Fund holdings. Fund holdings and sector allocations are subject to change and are not recommendations to buy or sell any securities.

Mutual fund investing involves risk. Principal loss is possible. Past performance is not a guarantee of future results. Small and medium capitalization funds typically carry additional risks, since smaller companies generally have a higher risk of failure, and, historically, their stocks have experienced a greater degree of market volatility than stocks on average. These risks are discussed in the Fund's summary and statutory prospectuses. Since the Fund practices socially responsible investing within the framework provided by the United States Conference of Catholic Bishop's Socially Responsible Investing Guidelines, the Fund may forego a profitable investment opportunity or sell a security when it may be disadvantageous to do so.

Price/earnings ratio is the market price of a company share divided by the earnings per share of the company.

Must be preceded or accompanied by a prospectus.

Quasar Distributors, LLC, distributor.

LKCM Aquinas Catholic Equity Fund Expense Example — June 30, 2018 (Unaudited)

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs, including redemption fees; and (2) ongoing costs, including management fees, distribution and/or service (12b-1) fees and other Fund expenses. This Example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds. The Example is based on an investment of $1,000 invested at the beginning of the period and held for the entire period (1/1/18 - 6/30/18).

ACTUAL EXPENSES

The first line of the table below provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the first line under the heading entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period. Although the Fund charges no sales load, you will be assessed fees for outgoing wire transfers, returned checks and stop payment orders at prevailing rates charged by U.S. Bancorp Fund Services, LLC, the Fund's transfer agent. If you request that a redemption be made by wire transfer, currently a $15 fee is charged by the Fund's transfer agent. You will be charged a redemption fee equal to 1.00% of the net amount of the redemption if you redeem your shares of the Fund within 30 days of purchase, unless otherwise determined by the Fund in its discretion. To the extent the Fund invests in shares of other investment companies as part of its investment strategy, you will indirectly bear your proportionate share of any fees and expenses charged by the underlying funds in which the Fund invests in addition to the expenses of the Fund. Actual expenses of the underlying funds are expected to vary among the various underlying funds. These expenses are not included in the example below. The example below includes management fees, registration fees and other expenses. However, the example below does not include portfolio trading commissions and related expenses and other extraordinary expenses as determined under generally accepted accounting principles.

HYPOTHETICAL EXAMPLES FOR COMPARISON PURPOSES

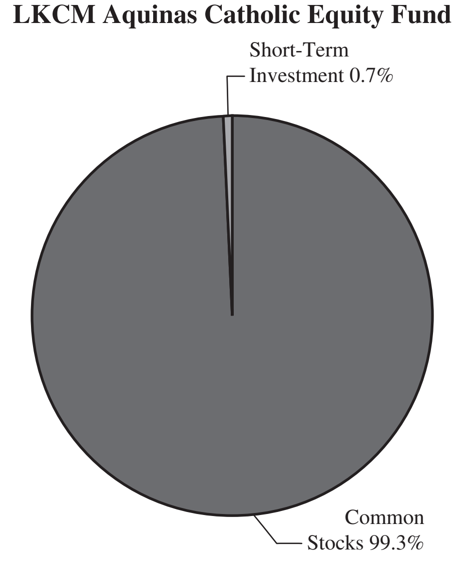
The second line of the table below provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds. Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs, such as redemption fees. Therefore, the second line of the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactions costs were included, your costs would have been higher.

	LKCM Aquinas Catholic Equity Fund		
	Beginning Account Value 1/1/18	Ending Account Value 6/30/18	Expenses Paid During Period* 1/1/18 – 6/30/18
Actual	$1,000.00	$1,043.60	$5.07
Hypothetical (5% return before expense)	$1,000.00	$1,019.84	$5.01

* *Expenses are equal to the Fund's annualized net expense ratio of 1.00%, multiplied by the average account value over the period, multiplied by 181/365 to reflect the one-half year period.*

ALLOCATION OF PORTFOLIO HOLDINGS — LKCM Aquinas Catholic Equity Fund — June 30, 2018 (Unaudited)

Percentages represent market value as a percentage of total investments.



LKCM Aquinas Catholic Equity Fund
Schedule of Investments
June 30, 2018 (Unaudited)

COMMON STOCKS - 99.4%	Shares	Value
Aerospace & Defense - 3.0%		
Honeywell International Inc.	12,500	$1,800,625
Banks - 10.9%		
Comerica Incorporated	19,000	1,727,480
Cullen/Frost Bankers, Inc.	8,000	865,920
SunTrust Banks, Inc.	30,400	2,007,008
Zions Bancorporation	37,500	1,975,875
		6,576,283
Beverages - 2.0%		
PepsiCo, Inc.	11,000	1,197,570
Chemicals - 4.3%		
DowDuPont Inc.	12,500	824,000
Ecolab Inc.	9,500	1,333,135
FMC Corporation	5,000	446,050
		2,603,185
Computers & Peripherals - 3.2%		
Apple Inc.	10,500	1,943,655
Construction Materials - 2.4%		
Martin Marietta Materials, Inc.	6,500	1,451,645
Diversified Financials - 2.4%		
JPMorgan Chase & Co.	14,000	1,458,800
Electrical Equipment & Instruments - 3.0%		
Roper Technologies, Inc.	6,500	1,793,415
Electronic Equipment & Instruments - 3.6%		
FLIR Systems, Inc.	24,500	1,273,265
Trimble Inc. (a)	27,000	886,680
		2,159,945
Energy Equipment & Services - 2.6%		
Halliburton Company	21,500	968,790
Schlumberger Ltd. (b)	8,400	563,052
		1,531,842
Food Products - 1.7%		
Mondelez International Inc. - Class A	25,000	1,025,000
Household Durables - 0.7%		
Whirlpool Corporation	3,000	438,690
Household Products - 1.1%		
Colgate-Palmolive Company	10,000	648,100
Insurance - 2.3%		
Prudential Financial, Inc.	15,000	1,402,650
Internet & Catalog Retail - 3.1%		
Amazon.com, Inc. (a)	1,100	1,869,780
Internet Software & Services - 7.4%		
Akamai Technologies, Inc. (a)	28,200	2,065,086
Alphabet, Inc. - Class A (a)	2,100	2,371,299
Alphabet, Inc. - Class C (a)	0	1
		4,436,386

COMMON STOCKS	Shares	Value
IT Consulting & Services - 3.3%		
PayPal Holdings, Inc. (a)	24,000	$ 1,998,480
Machinery - 1.7%		
Barnes Group Inc.	17,500	1,030,750
Marine - 2.9%		
Kirby Corporation (a)	20,500	1,713,800
Multiline Retail - 1.4%		
Dollar Tree, Inc. (a)	10,000	850,000
Oil & Gas & Consumable Fuels - 9.0%		
Cabot Oil & Gas Corporation	37,500	892,500
ConocoPhillips	17,500	1,218,350
EOG Resources, Inc.	13,000	1,617,590
Occidental Petroleum Corporation	20,000	1,673,600
		5,402,040
Pharmaceuticals - 4.8%		
Abbott Laboratories	22,500	1,372,275
Zoetis Inc.	17,500	1,490,825
		2,863,100
Professional Services - 2.0%		
Verisk Analytics, Inc. (a)	11,000	1,184,040
Software - 10.4%		
Adobe Systems Incorporated (a)	8,500	2,072,385
Microsoft Corporation	13,625	1,343,561
Oracle Corporation	27,500	1,211,650
RealPage, Inc. (a)	30,000	1,653,000
		6,280,596
Specialty Retail - 6.6%		
The Home Depot, Inc.	8,000	1,560,800
Party City Holdco Inc. (a)	55,000	838,750
Tiffany & Co.	12,000	1,579,200
		3,978,750
Textiles, Apparel & Luxury Goods - 3.6%		
Tapestry, Inc.	22,500	1,050,975
VF Corporation	13,500	1,100,520
		2,151,495
TOTAL COMMON STOCKS		
(Cost $35,171,266)		59,790,622

The accompanying notes are an integral part of these financial statements.

SHORT-TERM INVESTMENT - 0.7%	Shares	Value
Money Market Fund - 0.7%		
Invesco Short-Term Investments Trust-Government & Agency Portfolio - Institutional Shares, 1.81% (c)	425,438	$ 425,438
TOTAL SHORT-TERM INVESTMENT		
(Cost $425,438)		425,438
Total Investments - 100.1%		
(Cost $35,596,704)		60,216,060
Liabilities in Excess of Other Assets - (0.1)%		(51,361)
TOTAL NET ASSETS - 100.0%		$60,164,699

(a) Non-income producing security.
(b) Security issued by non-U.S. incorporated company.
(c) The rate quoted is the annualized seven-day yield of the fund at period end.

Investments are classified by industry pursuant to the Global Industry Classification Standard (GICS®), which was developed by and/or is the exclusive property of Morgan Stanley Capital International, Inc. ("MSCI") and Standard & Poor's Financial Services LLC ("S&P"). GICS is a service mark of MSCI and S&P and has been licensed for use by U.S. Bancorp Fund Services, LLC.

The accompanying notes are an integral part of these financial statements.

Statement of Assets and Liabilities
June 30, 2018 (Unaudited)

	LKCM Aquinas Catholic Equity Fund
Assets:	
Investments, at value *	$60,216,060
Dividends and interest receivable	51,824
Receivable for fund shares sold	48,844
Prepaid trustee fees	4,041
Other assets	23,706
Total assets	60,344,475
Liabilities:	
Payable for investment advisory fees	71,090
Payable for distribution expense (Note B)	33,653
Payable for Fund shares redeemed	9,039
Payable for accounting and transfer agent fees and expenses	13,949
Payable for administrative fees	8,455
Payable for custody fees and expenses	1,005
Accrued expenses and other liabilities	42,585
Total liabilities	179,776
Net Assets	$60,164,699
Net Assets Consist of:	
Paid-in capital	$26,393,029
Undistributed net investment income	108,573
Accumulated net realized gain on securities	9,043,741
Net unrealized appreciation on investments	24,619,356
Net Assets	$60,164,699
Net Assets	$60,164,699
Shares of beneficial interest outstanding (unlimited shares of no par value authorized)	3,354,073
Net asset value per share (offering and redemption price)	$ 17.94
* Cost of Investments	$35,596,704

The accompanying notes are an integral part of these financial statements.

Statement of Operations

For the Six Months Ended June 30, 2018 (Unaudited)

LKCM Aquinas Catholic Equity Fund	
Investment Income:	
Dividends	$ 427,248
Interest	6,072
Total income	433,320
Expenses:	
Investment advisory fees	302,710
Accounting and transfer agent fees and expenses	42,556
Distribution expense (Note B)	33,634
Administrative fees	27,902
Reports to shareholders	19,412
Federal and state registration	15,234
Professional fees	14,067
Trustees' fees	9,262
Custody fees and expenses	3,866
Other	13,147
Total expenses	481,790
Less, expense waiver and/or reimbursement (Note B)	(145,446)
Net expenses	336,344
Net investment income	96,976
Realized and Unrealized Gain (Loss) on Investments:	
Net realized gain on investments	8,998,319
Net change in unrealized appreciation/depreciation on investments	(6,071,173)
Net Realized and Unrealized Gain on Investments	2,927,146
Net Increase in Net Assets Resulting from Operations	$ 3,024,122

The accompanying notes are an integral part of these financial statements.

LKCM Aquinas Catholic Equity Fund

	Six Months Ended June 30, 2018 (Unaudited)	*Year Ended December 31, 2017*
Operations:		
Net investment income	$ 96,976	$ 184,302
Net realized gain on investments	8,998,319	5,621,042
Net change in unrealized appreciation/depreciation on investments	(6,071,173)	6,425,935
Net increase in net assets resulting from operations	3,024,122	12,231,279
Dividends and Distributions to Shareholders:		
Net investment income	—	(177,185)
Net realized gain on investments	—	(5,325,615)
	—	(5,502,800)
Net increase (decrease) in net assets resulting from Fund share transactions (Note C)	(13,916,927)	1,331,772
Total increase (decrease) in net assets	(10,892,805)	8,060,251
Net Assets:		
Beginning of period	71,057,504	62,997,253
End of period*	$ 60,164,699	$71,057,504
* Including accumulated net investment income of	$ 108,573	$ 11,597

The accompanying notes are an integral part of these financial statements.

FINANCIAL HIGHLIGHTS

SELECTED DATA FOR EACH SHARE OF CAPITAL STOCK OUTSTANDING

	LKCM Aquinas Catholic Equity Fund					
	Six Months Ended June 30, 2018 (Unaudited)	*Year Ended December 31, 2017*	*Year Ended December 31, 2016* [1]	*Year Ended December 31, 2015*	*Year Ended December 31, 2014*	*Year Ended December 31, 2013*
Net Asset Value – Beginning of Period	$ 17.19	$ 15.40	$ 15.17	$ 16.87	$ 17.99	$ 14.18
Net investment income	0.03	0.05	0.04	0.03	0.17[2]	0.04[3]
Net realized and unrealized gain (loss) on investments	0.72	3.16	1.41	(0.56)	0.34	4.72
Total from investment operations	0.75	3.21	1.45	(0.53)	0.51	4.76
Dividends from net investment income	—	(0.05)	(0.04)	(0.04)	(0.19)	(0.04)
Distributions from net realized gains	—	(1.37)	(1.18)	(1.13)	(1.44)	(0.91)
Total dividends and distributions	—	(1.42)	(1.22)	(1.17)	(1.63)	(0.95)
Net Asset Value – End of Period	$ 17.94	$ 17.19	$ 15.40	$ 15.17	$ 16.87	$ 17.99
Total Return	4.36%[4]	20.79%	9.52%	-3.28%	2.73%	33.60%
Ratios and Supplemental Data:						
Net assets, end of period (thousands)	$ 60,165	$ 71,058	$ 62,997	$44,868	$52,652	$ 59,061
Ratio of expenses to average net assets:						
Before expense waiver and/or reimbursement	1.43%[5]	1.43%	1.66%	1.55%	1.49%	1.52%
After expense waiver and/or reimbursement[6]	1.00%[5]	1.00%	1.23%	1.50%	1.49%	1.50%
Ratio of net investment income to average net assets:						
Before expense waiver and/or reimbursement	(0.14)%[5]	(0.14)%	(0.15)%	0.14%	0.95%	0.21%
After expense waiver and/or reimbursement[6]	0.29%[5]	0.29%	0.28%	0.19%	0.95%	0.23%
Portfolio turnover rate	10%	18%	18%	11%	23%	9%

(1) Effective upon the close of business on July 29, 2016, the LKCM Aquinas Growth Fund and the LKCM Aquinas Small Cap Fund were reorganized into the LKCM Aquinas Value Fund and the Fund was renamed the LKCM Aquinas Catholic Equity Fund. Activity after July 29, 2016 reflects the Funds' combined operations.

(2) Net investment income per share represents net investment income divided by the average shares outstanding throughout the period.

(3) Net investment income per share is calculated using the ending balance of accumulated net investment income prior to considerations of adjustments for permanent book and tax differences.

(4) Not annualized.

(5) Annualized.

(6) Effective August 1, 2016, the Fund's investment adviser contractually agreed to lower the expense cap for the Fund from 1.50% to 1.00% of the Fund's average daily net assets and the fees charged under the Fund's Rule 12b-1 plan changed from 0.25% per annum to 0.10% per annum as of August 1, 2016.

A. Organization and Significant Accounting Policies: LKCM Funds (the "Trust") is registered under the Investment Company Act of 1940 ("1940 Act") as an open-end, management investment company. The Trust was organized as a Delaware statutory trust on February 10, 1994 and consists of six diversified series, one of which is presented herein: the LKCM Aquinas Catholic Equity Fund (the "Fund"). On July 11, 2005, the LKCM Aquinas Funds acquired the assets and assumed the liabilities of the Aquinas Funds. Effective upon the close of business on July 29, 2016, the LKCM Aquinas Small Cap Fund and the LKCM Aquinas Growth Fund reorganized into the LKCM Aquinas Value Fund, which changed its name immediately thereafter to the LKCM Aquinas Catholic Equity Fund and its investment strategies and expenses, including the expense limitation agreement, changed to the investment strategies and expenses, including the expense limitation agreement, of the LKCM Aquinas Catholic Equity Fund. The Fund is subject to expenses pursuant to the Rule 12b-1 plan described in Note B. The Fund charges a 1% redemption fee for redemptions of Fund shares held for less than 30 days, unless otherwise determined by the Fund in its discretion.

The LKCM Aquinas Catholic Equity Fund seeks to maximize long-term capital appreciation, while incorporating Catholic values investing principles in the investment process. The LKCM Aquinas Catholic Equity Fund seeks to achieve its investment objective by investing under normal circumstances at least 80% of its net assets (plus any borrowings for investment purposes) in equity securities of companies that Luther King Capital Management Corporation (the "Adviser") believes are likely to have above-average growth in revenue and/or earnings, above-average returns on shareholders' equity, potential for above-average capital appreciation, and/or companies the Adviser believes have attractive relative valuations.

The Fund practices socially responsible investing within the framework provided by the United States Conference of Catholic Bishops' Socially Responsible Investing Guidelines (the "Guidelines"). The Fund's investment approach incorporates the Guidelines through a combination of screening portfolio companies based on criteria set forth in the Guidelines, dialogue with companies whose policies and practices may conflict with the Guidelines, and/or potentially excluding from the Fund's portfolio the securities of those companies that are unwilling to alter their policies and practices over a reasonable period of time. The Adviser monitors companies selected for the Fund for policies on various issues contemplated by the Guidelines. If the Fund invests in a company whose policies and practices are inconsistent with the Guidelines, the Adviser may attempt to influence the company, sell the company's securities or otherwise exclude future investments in such company.

The following is a summary of significant accounting policies followed by the Fund in preparation of the financial statements. The Fund is an investment company and, accordingly, follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board Accounting Standards Codification Topic 946, *Investment Companies*.

1. Security Valuation: Equity securities listed or traded on a U.S. securities exchange for which market quotations are readily available are valued at the last quoted sale price on the exchange on which the security is primarily traded. Nasdaq Global Market securities are valued at the Nasdaq Official Closing Price ("NOCP"). Unlisted U.S. securities and listed U.S. securities not traded on a particular valuation date are valued at the mean of the most recent quoted bid and ask price on the relevant exchanges or markets. Equity securities listed on a foreign exchange for which market quotations are readily available are valued at the last quoted sales price on the exchange on which the security is primarily traded. Debt securities are normally valued at the mean of the closing bid and ask price and/or by using a combination of broker quotations or evaluated prices provided by an independent pricing service. Other assets and securities for which no market or broker quotations or evaluated prices are readily available (including restricted securities) are valued in good faith at fair value using guidelines approved by the Board of Trustees. The Board has adopted specific guidelines and procedures for valuing portfolio securities and delegated their implementation to the Adviser. The guidelines and procedures authorize the Adviser to make determinations regarding the fair value of a portfolio security and to report such determinations to the Board of Trustees. The Fund may use prices provided by independent pricing services to assist in the fair valuation of the Fund's portfolio securities.

The Trust has adopted accounting standards which establish an authoritative definition of fair value and set out a hierarchy for measuring fair value. These standards require additional disclosures about the various inputs and valuation techniques used to develop the measurements of fair value and a discussion of changes in valuation techniques and related inputs during the period. These standards define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy is organized into three levels based upon the assumptions (referred to as "inputs") used in pricing the asset or liability. These standards state that "observable inputs" reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from independent sources and "unobservable inputs" reflect an entity's own assumptions about the assumptions market participants would use in pricing the asset or liability. These inputs are summarized in the three broad levels listed below.

Level 1 – Quoted unadjusted prices for identical instruments in active markets to which the Trust has access at the date of measurement.

Level 2 – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs and significant value drivers are observable in active markets. Level 2 inputs are those in markets for which there are few transactions, the prices are not current, little public information exists or instances where prices vary substantially over time or among brokered market makers.

Level 3 – Model derived valuations in which one or more significant inputs or significant value drivers are unobservable. Unobservable inputs are those inputs that reflect the Trust's own assumptions that market participants would use to price the asset or liability based on the best available information.

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. As of June 30, 2018, the Fund's assets carried at fair value were classified as follows:

LKCM Aquinas Catholic Equity Fund

Description	Level 1	Level 2	Level 3	Total
Common Stocks	$59,790,622	$ —	$ —	$59,790,622
Money Market Fund	425,438	—	—	425,438
Total Investments*	$60,216,060	$ —	$ —	$60,216,060

* Additional information regarding the industry classifications of these investments is disclosed in the Schedule of Investments.

There were no transfers into or out of Level 1, Level 2 or Level 3 fair value measurements during the reporting period. Transfers between levels are recognized at the end of the reporting period.

2. Federal Income Taxes: The Fund has elected to be treated as a "regulated investment company" under Subchapter M of the Internal Revenue Code and the Fund intends to distribute all of its investment company net taxable income and net capital gains to shareholders. Therefore, no federal income tax provision is recorded.

3. Distributions to Shareholders: The Fund generally intends to pay dividends and distribute net capital gain distributions, if any, at least on an annual basis.

4. Foreign Securities: Investing in securities of foreign companies and foreign governments involves special risks and considerations not typically associated with investing in securities of U.S. issuers. These risks include devaluation of currencies and future adverse political and economic developments. Moreover, securities of many foreign companies and foreign governments and their markets may be less liquid and their prices more volatile than those of securities of comparable U.S. companies and securities of the U.S. government.

5. Expense Allocation: Expenses incurred by the Funds in the Trust are allocated among the Funds based upon (i) relative average net assets, (ii) a specific identification basis as incurred, or (iii) evenly among the Funds, depending on the nature of the expense.

6. Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

7. Guarantees and Indemnifications: In the normal course of business, the Fund enters into contracts with service providers that contain general indemnification clauses. The Fund's maximum exposure under these arrangements is unknown as this would involve future claims against the Fund that have not yet occurred. Based on experience, the Fund expects the risk of loss to be remote.

8. Security Transactions and Investment Income: Security and shareholder transactions are recorded on the trade date. Realized gains and losses on sales of investments are calculated on the identified cost basis. Dividend income and dividends and distributions to shareholders are recorded on the ex-dividend date. Withholding taxes on foreign dividends have been provided for in accordance with the Fund's understanding of the applicable jurisdiction's tax rules and rates. Interest income is recognized on the accrual basis. All discounts and premiums are amortized based on the effective interest method for tax and financial reporting purposes. The Fund may hold the securities of real estate investment trusts ("REITs"). Distributions from such investments may include income, capital gains and return of capital.

9. Other: Generally accepted accounting principles require that certain components of net assets be adjusted to reflect permanent differences between financial and tax reporting. These reclassifications have no effect on net assets or net asset values per share.

10. **Restricted and Illiquid Securities:** The Fund is permitted to invest in securities that are subject to legal or contractual restrictions on resale including investments considered by the Fund to be illiquid. Restricted securities generally may be resold in transactions exempt from registration. Illiquid investments are investments that cannot be sold or disposed of within seven days in the ordinary course of business at approximately the prices at which they are valued. A security may be considered illiquid if it lacks a readily available market or if its valuation has not changed for a certain period of time. Disposal of these securities may involve time-consuming negotiations and expense, and prompt sale at the current valuation may be difficult.

B. Investment Advisory and Other Agreements: The Adviser serves as the investment adviser to the Fund under an Investment Advisory Agreement (the "Agreement"). The Adviser receives a fee, computed daily and payable quarterly, at the annual rate presented below as applied to the Fund's average daily net assets. The Adviser has contractually agreed to waive all or a portion of its management fee and/or reimburse expenses of the Fund through May 1, 2019 in order to limit the Fund's operating expenses to the annual cap rate identified below. This expense limitation excludes interest, taxes, brokerage commissions, indirect fees and expenses relating to investments in other investment companies, including money market funds, and extraordinary expenses. For the six months ended June 30, 2018, the Adviser waived the following management fees and/or reimbursed expenses to meet its expense cap obligations for the Fund:

Annual Management Fee Rate	0.90%
Annual Cap on Expenses	1.00%
Fees Waived and/or Expenses Reimbursed in 2018	$145,446

U.S. Bancorp Fund Services, LLC serves as transfer agent and administrator for the Fund and serves as accounting services agent for the Fund. U.S. Bank, N.A. serves as custodian for the Fund.

Distribution services are performed pursuant to a distribution contract with Quasar Distributors, LLC, the Trust's principal underwriter.

The Trust has adopted a Rule 12b-1 plan for the LKCM Aquinas Catholic Equity Fund, under which the Fund may pay up to 1.00% of its average daily net assets for distribution and other services. However, the Board of Trustees has currently only authorized an annual fee of 0.10% of the average daily net assets for the Fund. Prior to August 1, 2016, the Fund assessed an annual Rule 12b-1 fee of 0.25% of the average daily net assets for the Fund. For the six months ended June 30, 2018, fees incurred by the Fund pursuant to the 12b-1 Plan were $33,634.

C. Fund Shares: At June 30, 2018, there was an unlimited number of shares of beneficial interest, no par value, authorized. The following table summarizes the activity in shares of the Fund:

	Six Months Ended June 30, 2018		Year Ended December 31, 2017	
	Shares	**Amount**	**Shares**	**Amount**
Shares sold	209,628	$ 3,700,619	574,803	$ 10,003,218
Shares issued to shareholders in reinvestment of distributions	—	—	300,904	5,193,603
Shares redeemed	(990,224)	(17,618,867)	(830,500)	(13,865,336)
Redemption fee		1,321		287
Net decrease	(780,596)	$(13,916,927)	45,207	$ 1,331,772
Shares Outstanding:				
Beginning of period	4,134,669		4,089,462	
End of period	3,354,073		4,134,669	

D. Security Transactions: Purchases and sales of investment securities, other than short-term investments, for the Fund for the six months ended June 30, 2018 were as follows:

Purchases		Sales	
U.S. Government	**Other**	**U.S. Government**	**Other**
$ —	$6,589,312	$ —	$19,984,390

E. Tax Information: At December 31, 2017, the components of accumulated earnings (losses) on a tax basis for the Fund were as follows:

Cost of Investments	$41,218,647
Gross Unrealized Appreciation	$31,044,333
Gross Unrealized Depreciation	(353,804)
Net Unrealized Appreciation	$30,690,529
Undistributed Ordinary Income	11,597
Undistributed Long-Term Capital Gain	45,422
Total Distributable Earnings	$ 57,019
Total Accumulated Gains	$30,747,548

The difference between book-basis and tax-basis unrealized appreciation, if any, is attributable primarily to the tax deferral of losses on wash sales.

To the extent the Fund realizes future net capital gains, taxable distributions will be reduced by any unused capital loss carryforwards as permitted by the Internal Revenue Code. The Fund currently has no capital loss carryforwards.

The tax components of dividends paid during the periods shown below for the Fund were as follows:

Six Months Ended June 30, 2018		Year Ended December 31, 2017	
Ordinary Income	Long-Term Capital Gains	Ordinary Income	Long-Term Capital Gains
$—	$—	$177,185	$5,325,615

The Fund designated as long-term capital gain dividend, pursuant to Internal Revenue Code Section 852(b)(3), the amount necessary to reduce earnings and profits of the Fund related to net capital gain to zero for the tax years ended December 31, 2017 and 2016. The Fund designated earnings and profits distributed to shareholders upon the redemption of shares during 2017 and 2016 in determining undistributed net capital gains as of December 31, 2017 and 2016.

The Trust has adopted financial reporting rules regarding recognition and measurement of tax positions taken or expected to be taken on a tax return. The Trust has reviewed all open tax years and major jurisdictions and concluded that there is no impact on the Fund's financial position or results of operations. Tax years that remain open to examination by major tax jurisdictions include tax years ended December 31, 2014 through December 31, 2017. There is no tax liability resulting from unrecognized tax benefits relating to uncertain income tax positions taken or expected to be taken on tax returns as of December 31, 2017. The Fund is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months. If applicable, the Fund would recognize interest accrued related to unrecognized tax benefits in "interest expense" and penalties in "other expense" on the statement of operations.

F. Subsequent Events: In preparing these financial statements, the Trust has evaluated events after June 30, 2018 and determined that there were no significant subsequent events that would require adjustment to or additional disclosure in these financial statements.

Availability of Proxy Voting Information: A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to its portfolio securities, as well as information regarding how the Fund voted proxies relating to portfolio securities during the most recent 12-month period ended June 30, is available without charge, upon request, by calling toll-free 1-800-423-6369 or on the SEC website at http://www.sec.gov.

The actual voting records relating to portfolio securities during the twelve month period ended June 30 (as filed with the SEC on Form N-PX) are available without charge, upon request, by calling the Fund toll free at 1-800-423-6369 or by accessing the SEC's website at www.sec.gov.

Availability of Quarterly Portfolio Schedule: The Fund is required to file complete schedules of portfolio holdings with the SEC for the first and third fiscal quarters on Form N-Q. Once filed, the Fund's Form N-Q is available without charge upon request on the SEC's website (http://www.sec.gov) and is also available by calling 1-800-423-6369. You can also review and copy the Fund's Form N-Q by visiting the SEC's Public Reference Room in Washington, DC (information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330).

RENEWAL OF INVESTMENT ADVISORY AGREEMENT WITH RESPECT TO LKCM AQUINAS CATHOLIC EQUITY FUND

Introduction. At a meeting held on February 27, 2018, the Board of Trustees of LKCM Funds, including the independent Trustees (the "Board"), approved the renewal of the Investment Advisory Agreement (the "Agreement") between Luther King Capital Management Corporation ("LKCM") and LKCM Funds (the "Trust") on behalf of the LKCM Aquinas Catholic Equity Fund (the "Fund").

In voting to approve the renewal of the Agreement, the Board considered information furnished throughout the year at regularly scheduled Board meetings, as well as information prepared specifically in connection with the annual renewal process. The Board also considered the overall fairness of the Agreement and factors it deemed relevant with respect to the Fund including, but not limited to: (1) the nature, extent and quality of the services provided to the Fund; (2) the performance of the Fund as compared to a relevant benchmark, peer group of funds compiled by Lipper, Inc. ("Lipper") and a composite ("Composite") of accounts managed by LKCM pursuant to a similar investment strategy ("Similar Accounts"); (3) the level of the fees and the overall expenses of the Fund and how those compared to a peer group of funds compiled by Lipper and the Similar Accounts; (4) the costs of services provided to the Fund and the profitability of LKCM; (5) the extent to which economies of scale would be realized by LKCM as the Fund grows and whether the fee levels reflect economies of scale for the benefit of investors; and (6) any other benefits derived by LKCM from its relationship with the Fund. The Board did not identify any single factor or item of information as controlling and each Board member may have accorded different weights to the various factors in reaching his conclusions with respect to the Agreement.

In considering the renewal of the Agreement, the Board requested and considered a broad range of information provided by LKCM, including but not limited to, reports relating to the Fund's Catholic-values investing mandate, the Fund's performance and expenses, information regarding the Similar Accounts, certain portfolio compliance policies and the background and experience of the portfolio managers. In addition, the Board considered a memorandum from its legal counsel regarding the Board's legal duties in considering the renewal of the Agreement. The Board also meets each quarter to review the Fund's performance and expenses and various aspects of the Fund's operations.

Nature, Extent and Quality of Services. The Board reviewed and considered the nature, extent and quality of the advisory services provided by LKCM to the Fund under the Agreement. The Board considered that LKCM has provided investment management services to individuals, foundations, estates, pension plans, endowments, high net worth individuals and other clients since 1979. The Board recognized that LKCM is responsible for managing the Fund and monitoring its performance. The Board considered LKCM's financial resources, insurance coverage, culture of compliance and compliance operations that support the Fund. The Board also considered LKCM's representation that it has invested considerable resources into the firm and its personnel to augment investment management and client service. The Board reviewed information regarding the portfolio managers and other key personnel who provide services to the Fund, and considered LKCM's representation that the firm historically has experienced very low personnel turnover. The Board also considered LKCM's representation that the firm has implemented a compensation structure designed to attract and retain highly qualified investment professionals.

The Board also reviewed the compliance services provided to the Fund by LKCM, including LKCM's oversight of the Fund's day-to-day operations. The Trustees focused on the quality of LKCM's compliance and support staff. In addition, the Board considered LKCM's summary of its oversight over the Fund's key service providers. The Board also considered LKCM's description of its best execution practices, and noted LKCM's representation that its soft-dollar and commission sharing arrangements for client transactions (including those for the Fund) comply with the safe harbor provided by Section 28(e) of the Securities Exchange Act of 1934, as amended.

Performance of the Fund. The Board considered the performance of the Fund compared to the Fund's benchmark index, the S&P 500 Index ("Benchmark"), and a peer group of funds compiled by Lipper ("Lipper Index") for various time periods. The Board noted that, upon the closing of the reorganizations of the LKCM Aquinas Small Cap Fund and LKCM Aquinas Growth Fund into the Fund (the "Reorganization"), the Fund's name, investment strategies, expenses, benchmark index and Lipper index changed and considered this in reviewing the Fund's longer-term performance against its current Benchmark and Lipper Index. The Board also considered LKCM's discussion of the Fund's performance.

The Board noted that the Fund underperformed its current Benchmark and Lipper Index for the one-year, three-year, five-year, ten-year and since-inception periods.

In considering the comparative performance data, the Board noted that the Fund is managed in accordance with its Catholic-values investing guidelines, which restrict the Fund's investments and generally are not applicable to the Benchmark or funds included in the Lipper Index. The Board noted LKCM's representation that its investment strategy for the Fund focuses on investments in higher quality companies that meet LKCM's stringent investment criteria, which had encountered difficulty in overcoming a "reach for yield" and focus on lower quality companies that LKCM believes have driven the market in prior years, and that the Fund pursued a value investing strategy prior to the Reorganization, which had underperformed growth investing strategies during certain of the periods. The Board also considered additional factors cited by LKCM as contributing to or detracting from the Fund's performance during the past year.

The Board also considered the performance of the Fund against the Composite and LKCM's representations regarding the differences between the Fund and the Composite, including differences in how the Fund and the Similar Accounts are managed, tax considerations, cash flows and shareholder purchase and redemption activities.

Fees and Expenses. The Board considered the contractual advisory fee rate, effective advisory fee rate (the contractual advisory fee rate net of fee waivers and/or expense reimbursements) and net expense ratio (the total expense ratio after fee waivers and/or expense reimbursements) of the Fund. The Board also considered that LKCM had contractually agreed to continue the current fee waivers and expense caps in effect for the Fund through May 1, 2019.

The Board compared the contractual advisory fee rate, effective advisory fee rate and the net expense ratio of the Fund to a category of similar funds compiled by Lipper ("Lipper Category"). The Board received information comparing the Fund's contractual advisory fee rate, effective advisory fee rate and net expense ratio to a Lipper Category reflecting the expenses of the funds in the Lipper Category identified as comparable, and another comparing the Fund's expenses to the expenses of the institutional class shares of the funds in the Lipper Category. The Board noted, in this regard, LKCM's representation that, unlike the institutional class shares of many of their peer group funds, the Fund's shares are available for investment by retail investors. Accordingly, the Lipper Category discussed below for the Fund reflects the Lipper Category reflecting all funds in the Lipper Category identified as comparable to the Fund. The first quartile in a Lipper Category represents those funds with the lowest fees or expenses.

The Board noted that the contractual advisory fee rate and effective advisory fee rate for the Fund were in the fourth and second quartiles of its Lipper Category, respectively. The Board also noted that the Fund's net expense ratio was in the second quartile of its Lipper Category. In this case, the Fund's contractual advisory fee rate was higher than the average of its Lipper Category and its effective advisory fee rate and net expense ratio were lower than the average of its Lipper Category.

The Board also considered the advisory fee rates generally charged by LKCM to Similar Accounts and noted LKCM's explanation that the fee rates charged by LKCM to the Fund and the Similar Accounts differ primarily as a result of differences in the regulatory, compliance and related expenses and level of services between the Fund and the Similar Accounts.

Costs, Profitability and Economies of Scale. The Board considered LKCM's costs in rendering services to the Fund and the profitability of LKCM. The Board reviewed the fees paid by the Fund to LKCM for the last three calendar years. The Board also reviewed the estimated profit and loss statement provided by LKCM for the past calendar year, before and after any distribution-related payments made by LKCM. The Board noted that, during the year, LKCM had invested significant resources to cap the Fund's net expense ratio and facilitate the distribution of the Fund. With respect to economies of scale, the Board considered that the Fund generally benefits from a competitive effective advisory fee rate and net expense ratio despite not having reached an asset size at which economies of scale traditionally would be considered to exist. The Board also considered that, while there are no breakpoints in the Fund's advisory fee rate schedule, LKCM waives fees and/or reimburses expenses to maintain the Fund's net expense ratio at competitive levels.

Benefits Derived by LKCM from its Relationship with the Fund. The Board requested and considered information regarding the potential fall-out benefits to LKCM from its association with the Fund. The Board noted that LKCM believes that both LKCM and the Fund benefit from LKCM's soft-dollar and commission sharing arrangements for third party and proprietary research used by LKCM in connection with its investment process. The Board also noted that LKCM believes its relationship with the Fund provides an indirect benefit to both parties in the form of enhanced recognition among institutional investors, consultants and other members of the financial community. The Board considered the indirect benefits to LKCM, in the form of additional clients with separately managed portfolios or subadvisory relationships with other mutual funds, which also may attract additional investors to the Fund.

Conclusion. Based on its evaluation of these and other factors, the Board: (1) concluded that the fees paid to LKCM under the Agreement are fair and reasonable; (2) determined that shareholders would benefit from LKCM's continued management of the Fund; and (3) approved the renewal of the Agreement.

LKCM FUNDS
PRIVACY NOTICE

Our Commitment to Your Privacy

At LKCM Funds, we are committed to safeguarding the confidentiality and privacy of nonpublic personal information about our current and former shareholders. This privacy notice describes the types of nonpublic personal information we collect about you and the sources through which we obtain this information, the purposes for which we obtain and use your nonpublic information, and the policies and procedures we have implemented to protect the privacy of your nonpublic personal information.

How We Protect Your Nonpublic Personal Information

Protecting your nonpublic personal information is an important priority at LKCM Funds. Accordingly, we have implemented policies and procedures designed to safeguard your nonpublic personal information, such as your tax identification number, account and investment history, account numbers, account balances and nonpublic contact information, from unauthorized access. Pursuant to these policies and procedures, we maintain various physical, technological, and administrative safeguards to protect the security and confidentiality of your nonpublic personal information, and we adapt these safeguards to respond to evolving technological and other standards.

We do not disclose nonpublic personal information about you to outside firms, organizations or individuals except as authorized by you or your representatives or as required or permitted by law. We may disclose nonpublic personal information about you to nonaffiliated third parties, such as custodians, brokers, auditors, accountants, and systems and administrative service providers, in connection with the services we provide to you or on your behalf. When we provide nonpublic personal information about you to nonaffiliated third parties for these purposes, we expect them to safeguard your nonpublic personal information, use your nonpublic personal information only for the intended purposes and otherwise abide by applicable law.

How We Obtain Your Nonpublic Personal Information

We collect nonpublic personal information about you from various sources, including documents, new account applications and other information that you or your representatives, custodians, attorneys, accountants or similar parties provide to us, communications that we have with you or your representatives, custodians, attorneys, accountants or similar parties, and documents and other information related to your accounts or investment experience with us.

Please do not hesitate to contact Jacob D. Smith, our Chief Compliance Officer, if you have any questions regarding this privacy notice or the measures we have implemented to protect the privacy of your nonpublic personal information.

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