

Item 1 – Introduction: Is an investment advisory account right for you?

Tectonic Capital Advisors LLC is registered with the Securities and Exchange Commission as an investment adviser. Please be aware that brokerage and investment advisory services and fees differ and that it is important for you to understand the differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

Item 2 – What investment services and advice can you provide me?

We offer investment advisory services to retail investors. Our principal services include family office services and portfolio management (including the selection of other advisers like model portfolio managers). Family office services are designed to help families coordinate their multiple forms of capital using a holistic and collaborative team approach combining the many elements inherent to a successful life with wealth. As part of our standard portfolio management service, we provide continuous and regular supervisory and/or management services with respect to your account(s). Our portfolio management services are offered on a discretionary basis. Discretionary authorization allows us to determine the specific securities, and the amount of securities, to be purchased or sold for your account without your approval prior to each transaction. We primarily use mutual funds and exchange traded funds, index funds, exchange-traded notes, master limited partnerships, and from time-to-time client portfolios may include other securities (such as equities, bonds and other securities). However, we reserve the right to use any other type of security that we deem suitable for the client's portfolio. All accounts are managed in accordance with the client's investment needs. We require a minimum of \$1,000,000 to establish an advisory relationship with us. We reserve the right to waive or reduce our required minimum based on unique circumstances, special arrangements, or preexisting relationships. We also reserve the right to decline services to any prospective client for any non-discriminatory reason.

For additional information, please refer to Items 4, 7, & 13 of our Form ADV Part 2A at the following link:

<https://adviserinfo.sec.gov/firm/brochure/339604>

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?*

Item 3 – What fees will I pay?

We are primarily compensated by a percentage of assets under our management and fixed fees. Our fees vary depending on the services you receive. Portfolio management fees are based upon a percentage of your assets under our management and are payable each quarter in arrears. The more assets there are in your advisory account, the more you will pay in fees. Therefore, we have an incentive to encourage you to increase the assets in your account. Our fees are negotiable based on the complexity of client goals and objectives and the level of services rendered.

For additional information regarding our fees, please see Item 5 of our Form ADV Part 2A at the following link:

<https://adviserinfo.sec.gov/firm/brochure/339604>

Description of Other Fees and Costs: The fees that you pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by investment companies (e.g., mutual funds, exchange traded funds, unit investment trusts, and variable annuities). These fees are described in each fund's prospectus. These fees will generally include a management fee and other fund expenses. You will also incur transaction charges and/or brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer or custodian that executes the trade. The broker-dealer or custodian may also charge your account for custodial fees, retirement account fees, trust fees, exchange fees, redemption fees that may be assessed on investment company shares, transfer fees, account termination fees, or other special service fees and charges. We do not share in any portion of these fees imposed by the broker-dealer or custodian. To fully understand the total cost you will incur, you should review all the fees charged by investment companies, broker-dealers, our firm, and others. **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 additional information about fees charged by third parties, please refer to Item 5 of Form ADV Part 2A at the following link: <https://adviserinfo.sec.gov/firm/brochure/339604>

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 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 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:

All investment advisers face conflicts of interest which are inherent in the business. Our primary source of compensation is through asset-based fees. Therefore, we are incentivized to acquire new clients and to increase assets under management. Other conflicts of interest result from other business activities we engage in and relationships we have with business partners and third parties, or affiliations we have established with other financial institutions.

Some of our financial professionals are licensed as insurance agents of HWG Insurance Agency, LLC (HWG) and/or registered representatives with Sanders Morris LLC (SM), a broker dealer. Both firms are affiliated with our firm. These financial professionals may execute transactions through HWG and/or SM. The practice poses a conflict of interest because our affiliates will receive some of the commissions that are generated. You are not required to use the services of any insurance agency or broker dealer we recommend.

We are affiliated with, T Bank, National Association (“T Bank”), through common control and ownership. T Bank is a full-service bank engaged in traditional lending, cash and/or treasury management and other services. T Bank offers various banking services and our clients may also be clients of T Bank. Clients are instructed that the fees paid to us for advisory services are separate and distinct from all fees earned by T Bank. Clients who receive advisory services are informed that they are under no obligation to use T Bank for banking services and may use the banking institution of their choice.

Conversation Starter. Ask your financial professional—

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

Please refer to our Form ADV Part 2A for further information on our conflicts of interest and how we address them at the following link: <https://adviserinfo.sec.gov/firm/brochure/339604>

How do your financial professionals make money?

Our financial professionals receive salary-based compensation and bonuses based on the amount of client assets they bring to our firm. Therefore, our financial professionals have an incentive to encourage you to increase the assets in your account. Some of our financial professionals are insurance agents and registered representatives with Sanders Morris Harris LLC, a securities broker-dealer. This creates a conflict of interest because these persons will receive additional commission-based compensation in connection with the purchase and sale of insurance and securities, including 12b-1 fees for the sale of certain investment company products. You are not required to purchase insurance or securities from our financial professionals.

Item 4 – Do you or your financial professionals have legal or disciplinary history?

No for our firm. Yes for a financial professional.

For a free, simple search tool to research us and our financial professionals please visit [Investor.gov/CRS](https://investor.gov/CRS).

Conversation Starter. Ask your financial professional—

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

Item 5 – Additional Information

For additional information about our advisory services, please refer to our Form ADV Part 2A brochure available at <https://adviserinfo.sec.gov/firm/brochure/339604> and the individual Form ADV Part 2B brochure supplement(s) your representative provides. If you have any questions, need up-to-date information, and/or need a copy of this Client Relationship Summary, please contact us at (713) 250-4200.

Conversation Starters. 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?*