



Dunham & Associates Investment Counsel, Inc.
P.O. Box 910309
San Diego, CA 92191



CUSTODIAN

Period: 07/01/2010 to 09/30/2010

Account: IO9999-03

Prepared on: 10/13/2010

ASSET ALLOCATION PROGRAM FEE NOTICE

THIS IS A NOTIFICATION OF YOUR QUARTERLY ADVISORY FEE. THIS FEE MAY BE PAID IN ONE OF THREE WAYS (1) YOU MAY MAIL A CHECK PAYABLE TO "DAIC" TO THE ADDRESS THAT APPEARS AT THE TOP OF THIS NOTICE. PLEASE INCLUDE YOUR ACCOUNT NUMBER, (2) YOU MAY PAY THIS FEE FROM YOUR BANK ACCOUNT OR ANOTHER ACCOUNT YOU HAVE WITH DUNHAM & ASSOCIATES BY INFORMING YOUR FINANCIAL ADVISOR OR INFORMING DUNHAM DIRECTLY AT CLIENTSERVICES@DUNHAM.COM, (3) YOU MAY DO NOTHING AND THE FEE WILL AUTOMATICALLY BE DEDUCTED FROM YOUR ACCOUNT IN THE FOLLOWING MANNER:

This notice is to communicate the total amount and calculation of the fee for your Asset Allocation Program account (Account) for the most recently completed calendar quarter (or portion thereof if the account was opened or closed during the quarter). The calculation has been performed in accordance with Section 7 of your Client Asset Allocation Agreement. As stated in Section 7(a), unless otherwise specified by Client in writing, the Advisory Fee shall be paid first by debiting the Fee from the Target Cash Balance, if any; then by redeeming Fund shares on a dynamic basis; and lastly, from any available Fund shares in the account. The Advisory Fee shown below shall be deducted from your Account approximately ten calendar days from the date of this notification unless you respond, in writing, to the above address and refute the calculation.

Fee Calculation:	Month	Average Account Value	Fee %	Fee
	July 2010	\$114,279.94	1.00%	\$97.05
	August 2010	\$115,914.25	1.00%	\$98.44
	September 2010	\$120,680.65	1.00%	\$99.17
				<hr/> \$294.66

The asset-based fee is calculated using the annual rate indicated above on the average daily net asset value of the Account. The asset-based fee is accrued daily and charged quarterly in arrears.

Form ADV Part II Offering - Dunham & Associates Investment Counsel, Inc. will provide, on request, the current Disclosure Brochure, Part II, of Form ADV. You can request a copy of the form by contacting us at (800) 442-4358 or by emailing your request to clientservices@dunham.com