REGULATION BEST INTEREST DISCLOSURES

October 20, 2023

Dunham & Associates Investment Counsel, Inc. ("Dunham" or "we") is registered with the Securities and Exchange Commission ("SEC") as both a broker-dealer and an investment adviser and is a member of the Financial Industry Regulatory Authority ("FINRA") and the Securities Investor Protection Corporation ("SIPC").

We offer limited brokerage services as well as investment advisory services. Depending on your needs and objectives, we can provide you with services in a brokerage account, investment advisory account or both types of accounts at the same time. You may elect to work with a dedicated financial advisor ("Advisor") or independently handle your investments on a self-directed or self-guided basis. Depending on the type of account through which an investment is made (i.e., a brokerage account or an investment advisory account), your investments may be subject to different fees.

This disclosure document provides more detailed information regarding the compensation that Dunham and your financial advisor ("Advisor") receive in connection with your investments and the conflicts of interest that such compensation creates. **Dunham and your Advisor will be acting in the broker-dealer capacity with respect to the investments discussed below.**

In a brokerage account, you will receive brokerage and custody services. Your Advisor may recommend investments discussed below for your account, but you make the final decision to buy, sell, or hold them. Your Advisor may also make recommendations of account types, including recommendations to roll over or transfer assets from one type of account to another. **Dunham or your Advisor will not monitor your brokerage account on an ongoing basis.**

While we will take reasonable care in developing and making recommendations to you, securities involve risk, and you may lose money. There is no guarantee that you will meet your investment goals, or that our recommended investment strategy will perform as anticipated. Please consult any available offering documents for any security we recommend for a discussion of risks associated with the product. We can provide those documents to you or help you to find them.

MUTUAL FUNDS

Limitations on Recommendations

We believe that a relatively small menu of carefully chosen investment options should yield the best results rather than an array of overlapping and redundant investment choices. Based on these philosophies, Dunham limits the fund choices available to its proprietary family of sub-advised mutual funds (the "Dunham Funds") with the exception of the Cash Sweep Arrangement (Dunham Insured Deposit Marketplace ("Dunham IDM," "Bank Program") or under certain circumstances, unaffiliated money market fund(s) 1, 2, 3. While new Dunham Funds may be added, Dunham has no current plans for adding third-party funds in the future. As a result, your Advisor's recommendations will be limited to the Dunham Funds and the Dunham IDM or in certain circumstances, unaffiliated money market fund(s).

Compensation

Your Advisor does not receive any commissions from the Dunham Funds, the Dunham IDM or unaffiliated money market fund(s). Dunham receives on-going compensation from the Dunham Funds for as long as you are invested in a fund. This compensation (commonly known as trail commissions or Rule 12b-1 fees) is typically paid from the assets of the Dunham Funds and is calculated as an annual percentage of assets invested by you. The on-going payment depends on what type of fund (fixed income versus equity) you select and is between 0.75% and 1% of assets annually. The more money invested in the Dunham Funds, the more you will pay in fees to Dunham and your Advisor since the fee is a percentage of the value of your account. Therefore, there is an incentive to encourage you to increase the size of your investment.

Different share classes of the Dunham Funds will generally have different associated ongoing expenses and your Advisor will receive more or less compensation depending on the mutual fund share class you purchase and the period of time for which you hold the investment. Class C shares of the Dunham Funds are not assessed an upfront sales charge, but have higher ongoing expenses. Class C shares do not convert into another share class. For more information about the sales charges and commissions that apply to a particular transaction, please refer to the Dunham Funds' Prospectus.

In addition, the Dunham Funds will also charge Rule 12b-1 fees, sub-transfer agent fees, management fees and administrative expenses, and any other charges required by law. Dunham may receive all or a portion of these fees. For more information about these expenses, please refer to the Dunham Funds' Prospectus.

Finally, you are able to invest in a limited number of Cash Sweep Arrangements, the Dunham IDM as further explained below or under certain circumstances, unaffiliated money market mutual fund(s). Your Advisor does not receive any sales charge or commissions from the sale of shares of the unaffiliated money market fund(s). Dunham receives an amount up to 0.25% annually of the value of the shares of the unaffiliated money market fund(s) held in your account. This creates a conflict of interest, as there is an incentive for Dunham to include the money market fund(s) in the program rather than other similarly situated mutual funds.

[1] The bank program is only available for accounts participating in the Custom Asset Allocation Program.

[2] Cash balances derived from the involvement in the growing, cultivation, manufacturing, distribution or sale of cannabis (also referred to as to a 'Marijuana related business" or "MRB") are not eligible to participate in the Bank Program.

[3] Cash balances exceeding the IDM limit, which is subject to change will be placed into a Money Market Fund.

Cash Sweep

DAIC's affiliate DTC makes available the following Cash Sweep Arrangement in the Custom Asset Allocation Program ("CAAP"); a Federal Deposit Insurance Corporation ("FDIC") insured cash program, the Dunham IDM. In this program, cash in an account is automatically swept to an interest-bearing FDIC-insured deposit account, the Dunham IDM, (or under certain circumstances into unaffiliated money market mutual fund(s)). The primary sweep option associated with the Custom Program is the Dunham IDM and the secondary sweep option for the Custom Program is an unaffiliated money market mutual fund, the Blackrock FedFund. The primary and only sweep option for the Standard Program ("SAAP") and the C-Share Custom Asset Allocation Program ("C-CAAP") is the unaffiliated money market fund. As a result, your Advisor's recommendations will be limited with regards to the program where IDM is available.

For accounts that sweep cash to the Dunham IDM, a multi-bank insured cash account program offered by DTC, an affiliate of DAIC, DTC acting as your agent, receives a fee equal to a percentage (up to 4.00%) of the average daily deposit balance in the Dunham IDM for the record keeping and administrative services it provides in connection with maintaining the Bank Program (the "Program Fee"). The Program Fee paid to DTC by the Program Banks, is applied across all Dunham IDM deposit accounts taken in the aggregate; therefore, on some accounts, fees to DTC may be higher or lower than this amount. Individuals that serve as DAIC and DTC officers set the Program Fee, and thus DAIC and DTC directly determine how much of the total payment made by the banks DTC retains as compensation. The fees paid to DTC for its sweep program reduces the interest rate paid on your cash funds, and depending on the interest rate and other factors, DTC may receive most of the interest as fees.

If you are investing through an advisory account, such as CAAP, the fees that DTC receives from the banks are in addition to the service program fee you pay DAIC as program sponsor of the Wrap Fee Program (0.25% of the average daily net asset value of your account if choosing an asset-based fee or ½ of the performance-based fee if you are a "qualified client" (as defined in the Investment Advisers Act), covering shareholder servicing and distribution, client communications, limited discretionary investment management and brokerage and custodial services related to the Dunham Funds and the advisory fee that you pay your Advisor. This means that DTC and its affiliate DAIC earn two types of fees on the same cash balances in your account, which may be higher than if the cash balance is held in a brokerage account.

Brokerage and investment advisory services and fees differ, and it is important for you to understand these differences to select the right account type depending on your needs and objectives. Please refer to the Client Relationship Summary and Form ADV for more information.

Conflicts of Interest

Dunham receives compensation because of your investment in the Dunham Funds. This compensation can be significant. This creates a conflict of interest, as it provides an incentive for Dunham or your Advisor to recommend the purchase of the Dunham Funds rather than other similarly situated mutual funds. While the Dunham Funds' fees are competitive, they are not meant to be low-cost investment options. Fees charged by comparable third-party funds may be lower.

With respect to the Dunham IDM, DTC expects the Program Fees it receives from Program Banks in the Dunham IDM to be at a higher rate than any service fee DAIC will receive from unaffiliated money market mutual fund(s) or their service providers. This is a conflict of interest for DTC in that it expects to receive a higher Program Fee from Program Banks than the service fee DAIC receives from unaffiliated money market mutual fund(s).

CUSTOM C-SHARE ASSET ALLOCATION PROGRAM ("C-CAAP")

Your Advisor may access the Dunham Funds through C-CAAP, which is an asset allocation program that utilizes Class C shares. Class C shares of the Dunham Funds charge higher internal expenses than other share classes, which will reduce returns. Your Advisor may recommend strategic asset allocation strategies and/or customize their selection based on your tolerance for risk. A benefit of the program includes rebalancing. Dunham, as a program sponsor, may automatically rebalance your account to the original strategy or specified percentages (if customized) on a quarterly basis. Switching to a different strategy or asset allocation will only occur at the request of the Advisor or you.

Limitations on Recommendations

We believe that a relatively small menu of carefully chosen investment options should yield the best results rather than an array of overlapping and redundant investment choices. Based on these philosophies, Dunham limits the fund choices available in the programs to the Dunham Funds except for the Cash Sweep Arrangement (Dunham IDM, or under certain circumstances, the unaffiliated money market fund(s)). While new Dunham Funds may be added, Dunham has no current plans for adding third-party funds in the future. As a result, your Advisor's recommendations will be limited to the Dunham Funds and the Cash Sweep Arrangement (Dunham IDM, or under certain circumstances unaffiliated money market fund(s)).

Compensation

If you are investing through C-CAAP, your Advisor and Dunham may share in the trail commissions or 12b-1 fees. Out of the trail commissions or 12b-1 fees, Dunham receives a sponsor fee of 0.25% of the average daily net asset value of your Dunham Funds in your account. The sponsor fee covers brokerage and custodial services related to the Dunham Funds and unaffiliated money market fund(s), shareholder servicing and distribution, and client communications. DTC, as agent for the Dunham IDM receives a separate fee from the banks participating in the Bank Program as further described above under "Cash Sweep". The sponsor fee does not cover SEC fees, electronic fund and wire transfer fees, and any other account charges.

For C-CAAP, DTC serves as custodian of account assets. There are no annual or establishment fees for DTC's services if the assets in an account at the end of each quarter exceed the applicable minimum ($25,000 for Qualified (Retirement) Accounts and $50,000 for Non-Qualified Accounts) and include only the Dunham Funds. Accounts below the minimum will be charged a $65 annual fee. A $10 fee will be charged for each excess distribution (distributions more than twelve (12) per year unless part of a recurring systematic withdrawal). The account termination fee is $25. Accounts that hold other non-Dunham assets are subject to DTC's regular Custody Fee Schedule which is available upon request. Clients shall be responsible for paying any additional (non-program) fees or charges of the custodian, including transaction fees, IRA custodial fees and trading costs, if applicable. This creates a conflict of interest in that your Advisor may recommend purchasing shares of the Dunham Funds through C-CAAP rather than outside the program. This will result in an affiliate, DTC, receiving the fees described above, which would not be incurred if you invested in the Dunham Funds outside the program.

Conflicts of Interest

Dunham and your Advisor receive compensation as a result of your investment in the Dunham Funds through the program. This compensation can be significant. This creates a conflict of interest, as it provides an incentive for Dunham or your Advisor to recommend the purchase of the Dunham Funds rather than other similarly situated mutual funds. While the Dunham Funds' fees are competitive, they are not meant to be low-cost investment options. Fees charged by comparable third-party funds may be lower. In addition, Dunham may be subject to competing interests that have the potential to influence its decision-making about the selection of the Dunham Funds. For example, one of the Dunham Funds may provide a higher management fee to Dunham than another fund. This may provide Dunham with an incentive to use a fund with a higher fee.

ALTERNATIVE INVESTMENTS

Deciding if a particular alternative investment is appropriate for you, is an involved decision. It is important for you to work with your Advisor to evaluate how a particular alternative investment and its features fit your individual needs and objectives. An important component of the selection process includes carefully reading the accompanying offering documents (if any) and documents containing disclosures regarding key information and potential conflicts of interest prior to making a purchase decision. These documents contain important information that will help you make an informed choice. As part of your review process, you will need to consider the fees and expenses associated with a particular alternative investment, along with the fact your Advisor and Dunham (or an affiliate) may receive compensation. It is important to note the fees and expenses related to alternative investments are often higher than those of more traditional investments. Your Advisor will answer any questions you may have regarding the total fees and expenses and the compensation (direct or indirect) your Advisor and Dunham receive.

Limitation on Recommendations

Dunham offers alternative investments on a limited basis and only to certain qualified clients. Your Advisor may recommend these investments to you if you have expressed an interest in alternatives to the stock market and are seeking an investment providing current income while achieving a consistent return.

Dunham limits alternative investments to promissory notes, trust deeds and interests in limited liability companies ("LLCs') investing in real estate, all of which are offered by an affiliate of Dunham or a related party. As a result, your Advisor's recommendations will be limited to these alternative investments.

Compensation

While each investment will differ in terms of both total fees and expenses and how those fees and expenses are calculated, the following section will discuss the primary categories of fees and expenses that are common to alternative investments offered by Dunham and the different ways that Dunham and your Advisor are compensated.

Trust Deeds. Neither your Advisor nor Dunham receives any direct compensation for the sale of a trust deed. However, all or some of the proceeds will be distributed to an affiliate of Dunham since the affiliate owns directly or indirectly all or a portion of the trust deed.

Promissory Notes. Neither your Advisor nor Dunham receives any direct compensation for the sale of a promissory note. However, because the promissory notes are issued by an affiliate of Dunham, your Advisor and Dunham are indirect beneficiaries of the loans.

LLCs. Neither your Advisor nor Dunham receives any direct compensation for the sale of interests in LLCs. However, certain related parties and affiliates of Dunham are indirectly paid by granting such person or entity an interest in the LLC. The fees are more fully described below.

Finder's Fee: A finder's fee of up to 4.00% of the initial capital contributions made by investors purchasing interests in the LLC or equity raised will be paid to a related person(s) of your Advisor. The finder's fee is for identifying the property, negotiating the purchase of the property, and negotiating the leases with tenants.

Due Diligence Fee: A due diligence fee of 6.00%, or up to 8.00% of the initial capital contributions made by investors purchasing interests in the LLC or equity raised will be paid to an affiliate of Dunham. The due diligence fee is for conducting initial and on-going due diligence on the property, assisting with bridge loan financing, loan servicing, and resolving any issues that arise as a result.

Management Fee: A management fee of up to 5% gross rents will be paid to a related person of your Advisor. The related person serves as the Manager of the LLC and provides on-going management of the property and LLC.

Conflicts of Interest

Trust Deeds. Your Advisor may recommend you invest in a trust deed. Dunham previously served as investment adviser and distributor for four private funds (the "Private Funds"). The Private Funds invested in the first and second trust deeds. Individuals who are also clients of Dunham may acquire a smaller interest in a trust deed ("fractionalized trust deed") from a Private Fund in private transactions. This results in a conflict of interest because Dunham owes a fiduciary duty to the Private Fund and must act in the best interests of the individual purchasing the fractionalized trust deed, which may have competing interests. For example, since the Private Funds are in the process of liquidating, Dunham, and its affiliates (including your Advisor) may be incentivized to facilitate investment in fractionalized trust deeds to quicken the pace of liquidation and distributions to an affiliate. In addition, to the extent that the Private Fund holds a majority of the interest in the fractionalized trust deed, the Private Fund is entitled to take certain actions, such as to commence and direct proceedings about the investment regardless if the other investors agree with such decisions. Finally, the Private Funds may have access to insider information or non-public information that is not generally available to other investors about the fractionalized trust deeds.

Promissory Notes. Your Advisor may recommend you invest in promissory notes issued by an affiliate of Dunham. Dunham's affiliates may periodically borrow money in private transactions from individuals who are clients of Dunham. The notes create a conflict of interest because of your Advisor's ownership of Dunham's affiliate and your Advisor may be an indirect beneficiary of the loans. In addition, your Advisor may be conflicted in the following ways: (i) advising you to liquidate lower risk investments (such as Dunham Mutual Funds, third-party mutual funds or other assets) to raise funds to invest in the note; (ii) foregoing the opportunity to invest in an alternative loan or other investment that has more attractive terms (e.g., lowest possible interest rate) of the note in favor of Dunham's affiliate as opposed to you; and (iv) inability to provide you with disinterested advice in the event Dunham's affiliate encounters financial difficulties and needs to restructure or renegotiate the note.

LLCs. Your Advisor may recommend that you invest in interests in LLCs investing in real estate. Such investments are illiquid and have not been registered pursuant to the Securities Act of 1933. Prior to investing, you must qualify as an "qualified" investor (as defined by applicable law and rules and regulations) and acknowledge that he or she is aware of the various risk factors and conflicts associated with such an investment. Your Advisor and certain related parties may in the future or currently have personally invested in an LLC they also recommend to you. A related person(s) of your Advisor receives a membership interest in the LLC or a fee representing a percentage of equity raised, for identifying the property, negotiating the purchase of the property, and negotiating the leases with tenants.

A related person of your Advisor also serves as Manager of the LLC and receives a management fee based on a certain percentage of the gross rents for on-going management of the property and LLC. An affiliate of Dunham also receives a membership interest in the LLC or a fee, representing a percentage of the equity raised, for conducting due diligence on the property, assisting with bridge loan financing, loan servicing and resolving any issues that arise as a result.

This creates a conflict of interest in that your Advisor's personal investment and/or compensation paid to a related person of the Advisor, or an affiliate may motivate him to recommend the LLC over other private placement investments they have not personally invested in but may be better suited for you.

ACCOUNT TYPES

When considering rolling over assets from a qualified employer-sponsored retirement plan ("Employer Plan") or transferring assets to an Individual Retirement Account ("IRA"), you should review and consider the advantages and disadvantages. At minimum, you should consider such things as fees and expenses, available investment options and available services.

If you roll over your Employer Plan assets to an IRA, you will also want to consider the availability or lack of availability of penalty-free withdrawals, issues surrounding protection from creditors and legal judgments, required minimum distributions, and if applicable, the tax treatment of employer stock.

We encourage you to discuss your options and review all applicable considerations with your own tax and other advisors to the extent you consider necessary or appropriate. To be clear, Dunham does not provide any legal advice whatsoever.

A plan participant leaving an employer typically has four options (and may engage in a combination of these options): (1) leave the money in the former employer's plan, if permitted; (2) roll over the assets to a new employer's plan (if available and rollovers are permitted); (3) roll over Employer Plan assets to an IRA; and (4) cash out the Employer Plan assets without effecting a rollover (and generally pay the required taxes on the distribution). You may face increased fees when you move retirement assets from an Employer Plan to a Rollover IRA account. Even if there are no costs associated with the IRA rollover itself, there will be costs associated with account administration and investment management.

Limitation on Recommendations

If you decide to roll over or transfer assets in an Employee Retirement Income Security Act ("ERISA") account to an IRA, the IRA will invest only in the Dunham Funds and the Cash Sweep Arrangement 1 (Dunham IDM or under certain circumstances, unaffiliated money market fund(s). While new Dunham Funds may be added,Dunham has no current plans of adding third-party funds in the future. As a result, your investments in theIRA will be limited to the Dunham Funds and the Cash Sweep Arrangement (Dunham IDM or under certaincircumstances, unaffiliated money market fund(s)).

Compensation

If you roll over or transfer your retirement assets to an IRA, Dunham will earn sponsor fees and trail commissions or Rule 12b-1 fees as a result. In contrast, leaving assets in your Employer Plan or with the previous advisor or rolling the assets to a plan sponsored by your new employer results in no compensation to Dunham or your Advisor. In addition to the fees charged by Dunham, the Dunham Funds will also charge Rule 12b-1 fees, sub-transfer agent fees, and administrative expenses, and any other charges required by law.

Conflicts of Interest

A conflict of interest exists to the extent that your Advisor recommends that you roll over assets from an Employer Plan or transfer assets in an IRA from another financial professional to an IRA account that invests in the Dunham Funds. Dunham and your Advisor receive compensation as a result of your participation and have a financial incentive to recommend the rollover or transfer.

This compensation can be significant. This creates a conflict of interest, as it provides an incentive for Dunham or your Advisor to recommend the purchase of the Dunham Funds rather than other similarly situated mutual funds. While the Dunham Funds' fees are competitive, they are not meant to be low-cost investment options. Fees charged by comparable third-party funds may be lower.

If your adviser makes a recommendation that you move assets from an IRA or another financial institution to Dunham, he or she is required to consider, based on the information you provide, whether you will be giving up certain investment related benefits at the other financial institution, such as the effects breakpoints and rights of accumulation and has determined that the recommendation is in your best interest for these reasons (among others):

- Greater services and/ or benefits (including asset consolidation)
- The costs associated with the Dunham IRA are justified by these services and benefits.

Notwithstanding whether a recommendation has been made, you understand and agree that with respect to any assets you decide to transfer/rollover from a qualified plan or move from an IRA at another financial institution now or in the future, you must (1) evaluate the investment and non-investment considerations important to you in making the decision; (2) review and understand the fees and costs associated with a Dunham IRA; (3) recognize that higher net fees (if applicable) will substantially reduce your investment returns and ultimate retirement assets; and (4) understand the conflicts of interest raised by the financial benefits to Dunham and its employees resulting from your decision to roll or transfer assets to a Dunham IRA.

SECURITIES-BASED LENDING

DAIC, through its affiliate DTC, has partnered with certain bank(s) to help facilitate clients' access to securities-based lending services collateralized by their investment accounts.

For the existing program, DTC receives compensation from participant bank(s) equal to 0.25% of the percentage interest earned on the outstanding loan balance.

For the streamlined, Dunham Easy Access Loans ("DEAL") securities-based lending program, beginning upon the earlier of i) the date on which the total aggregate outstanding balance of all referred loans is $10,000,000 or ii) the date that is 12 months from the date the first loan is approved, the participating bank(s) pays DTC a quarterly referral fee equal to the sum of the daily referral fee for each day during the calendar quarter for which the fee calculation is made. The daily referral fee is the total aggregate balance of referred loans outstanding as of close of business of the applicable day multiplied by 0.15% (the "Fee Rate") divided by 365.

The receipt of compensation poses a conflict of interest to DTC because DTC has a financial incentive for the client to participate in the program, rather than working directly with other banks. However, DTC does not share this compensation with advisors, and therefore, an advisor does not have a financial incentive for the client to select the lines of credit through the program. DTC/ DAIC and the advisors do have an incentive to recommend that clients borrow money rather than liquidating some of their account assets so that DAIC and the advisor can continue to receive brokerage commissions and fees on those assets.

When a client pledges assets in an account, the client is a borrower and uses the cash and securities in the account as collateral for a loan and pays interest to the bank. Because of DTC's arrangements with the bank(s) participating in the program, clients may be limited in their ability to negotiate the most favorable loan terms. However, clients are not required to use the bank(s) in the program and can work directly with other banks to negotiate loan terms or obtain other financing arrangements. Clients should be aware that securities-based lending services provided by DTC is one way among many to obtain a secured loan.