



Form CRS

March 30, 2021

Dunham & Associates Investment Counsel, Inc. 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.

Brokerage and investment advisory services and fees differ and it is important for you to understand these differences. This Form CRS provides a summary of the types of services we provide and how you pay. Free and simple tools are available to you to research firms and financial professionals at www.investor.gov/CRS, which also provides educational materials about broker-dealers, investment advisers, and investing.

WHAT INVESTMENT SERVICES AND ADVICE CAN YOU PROVIDE ME?

BROKERAGE SERVICES

In a brokerage account, you will receive brokerage and custody services. We may recommend investments 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. We will **not** monitor your brokerage account on an ongoing basis.

Services include:

- Access to mutual funds through our Custom C-Share Asset Allocation Program (“C-CAAP”).
- Trade execution for purchases and sales of mutual funds and alternative investments and custody of these assets in your account.
- Responding to your information or trade requests and/or recommending transactions to you.

ADVISORY PROGRAMS

When you select one of our investment advisory program offerings (an “IA Program”), you will receive the advisory services outlined in the relevant agreement and IA Program brochure. For these services, you will pay the IA Program’s specified annual asset-based fee or performance-based fee (available only to qualified clients) on a quarterly basis. To assess which IA Programs are right for you, we will consider your investment objectives, your preferences on working with an Advisor, the fees charged and the scope of the investment strategies and solutions available.

IA Programs include:

Wrap Fee Programs, providing investment advice and guidance from a dedicated Advisor and access to a comprehensive range of investment strategies by entering into a separate agreement with the Advisor. We offer two wrap fee programs: (i) the Standard Asset Allocation Program (“SAAP”); and (ii) the Custom Asset Allocation Program (“CAAP”) (collectively, the “Wrap Fee Programs”). We – as the sponsor of the Wrap Fee Programs – select the funds that are offered in the programs and determine the allocations and sector weights of the core asset allocation models. Your Advisor will **not** be authorized to make investment decisions with respect to your account meaning that you retain authority to purchase, sell or exchange assets in your account. Your Advisor may charge you an annual asset-based fee or a performance-based fee if you meet the requirements of a “qualified client.”

We provide ongoing monitoring as part of our standard services.



Hold Us To Higher Standards

<p>ADVISORY PROGRAMS (CONTINUED)</p>	<p><i>Separately Managed Accounts (“SMAs”),</i> offering on a limited basis a select number of investment strategies and access to an Advisor for investment advice and guidance by entering into a separate agreement with the Advisor. When you choose an SMA, you delegate investment discretion to your Advisor. Your Advisor may charge you an annual asset-based fee.</p> <p>We provide ongoing monitoring as part of our standard services.</p> <p><i>Financial Consulting Services,</i> providing portfolio review and investment consulting services by entering into a consulting agreement with your Advisor setting forth the terms and conditions of the engagement. You maintain investment discretion and are free to accept or reject any recommendation from the Advisor.</p> <p>We do not provide investment implementation or ongoing investment supervision, monitoring, or reporting as part of our standard services.</p>
<p>BOTH TYPES</p>	<p>Material Limitations: We primarily offer a limited number of proprietary products, such as our family of sub-advised mutual funds (the “Dunham Funds”) and Wrap Fee Programs as investment options for brokerage and IA Program clients.</p> <p>Certain products may be subject to account minimums to open or maintain an account.</p> <p><i>For more detailed information about our brokerage services, please see our Regulation Best Interest Disclosure by visiting www.dunham.com/RegBIDisclosure. For more detailed information about our advisory programs, please see Items 4 and 7 of our Firm Brochure by visiting www.dunham.com/FirmBrochure or Items 4 and 5 of our Wrap Fee Program Brochure by visiting www.dunham.com/WrapFeeBrochure.</i></p>
<p>QUESTIONS YOU CAN ASK US:</p>	
<p>GIVEN MY FINANCIAL SITUATION, SHOULD I CHOOSE AN INVESTMENT ADVISORY SERVICE? SHOULD I CHOOSE A BROKERAGE SERVICE? SHOULD I CHOOSE BOTH TYPES OF SERVICES? WHY OR WHY NOT?</p>	
<p>HOW WILL YOU CHOOSE INVESTMENTS TO RECOMMEND TO ME?</p>	
<p>WHAT IS YOUR RELEVANT EXPERIENCE, INCLUDING YOUR LICENSES, EDUCATION AND OTHER QUALIFICATIONS AND WHAT DO THEY MEAN?</p>	
<p>WHAT FEES WILL I PAY?</p>	
<p>BROKERAGE</p>	<p>You will pay a brokerage transaction fee for each transaction (called a “commission,” “mark-up” or a “sales charge”). It can be a direct payment from you and deducted from the amount you invest, or a payment made to us out of the value of your investment (indirect payment). These fees vary from product to product. Additional brokerage fees, such as brokerage charges, custodian fees, and account maintenance fees may apply to your brokerage account.</p>
<p>ADVISORY PROGRAMS</p>	<p>When you open your account using an IA Program you pay an annual asset-based fee or performance-based fee (available only to qualified clients), as follows:</p> <p>Wrap Fee Programs</p> <p><u>Asset-Based Fee</u></p> <p>SAAP fee – as agreed to with your Advisor (cap at 2%, which is calculated as a percentage of the average daily net asset value of your account. The fee is accrued daily and charged quarterly in arrears.)</p> <p>CAAP fee – as agreed to with your Advisor (cap at 2%, which is calculated as a percentage of the average daily net asset value of your account. The fee is accrued daily and charged quarterly in arrears) or performance-based fee discussed further below.</p> <p>The more money invested in your IA Program account, the more you will pay in fees since the fee is a percentage of the value of your account. Your Advisor may therefore have an incentive to encourage you to increase the assets in your account.</p>



Hold Us To Higher Standards

<p>ADVISORY PROGRAMS (CONTINUED)</p>	<p><i>Performance-Based Fee</i></p> <p>Regarding the performance-based fee for CAAP, if you meet the requirements for a “qualified client” and you select this option, you are charged 10% of the total net increase in the market value of the account using “high-water” marks. The fee is calculated daily and charged quarterly in arrears. Performance-based fees can create an incentive for the Advisor to recommend investments that are riskier or more speculative than those which would be recommended under a different fee arrangement. Because the asset-based fee and performance-based fee covers trading and execution costs, no additional fees are charged, except under certain circumstances, such as custody, annual, establishment, below minimum, excess distribution and termination fees.</p> <p><i>Program Fee</i></p> <p>As the Wrap Fee Programs sponsor, we charge you a single service program fee (“Program Fee”). We charge a Program Fee of 0.25% of the average daily net asset value of your account if choosing SAAP. For CAAP, depending on which fee option you select, the Program Fee is either 0.25% of the average daily net asset value of your account or ½ of the performance-based fee (available only if you meet the requirements of a “qualified client”). The Program Fee for CAAP is calculated as a percentage of the average daily net asset value of your account. The fee is accrued daily and charged quarterly in arrears.</p> <p><i>SMA</i>s</p> <p>SMA fee – as agreed to with your Advisor (0.25% to 1.00% as a percentage of the average daily net asset value of your account). The SMA fee is charged quarterly in arrears. Also, you will typically pay custodial fees and brokerage fees in addition to SMA fees.</p> <p><i>Financial Consulting Services</i></p> <p>Financial Consulting Services fee – as agreed to with Advisor.</p>
<p>ADDITIONAL INFORMATION</p>	<p>Certain transaction fees and charges are subject to discounting. Individual circumstances will determine commission prices and whether you qualify for any waivers or discounts.</p> <p>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.</p> <p><i>For more detailed information about fees and costs for our brokerage services, please see our Regulation Best Interest Disclosure by visiting www.dunham.com/RegBIDisclosure. For more detailed information about fees and costs for our advisory programs, please see Items 4 and 7 of our Firm Brochure by visiting www.dunham.com/FirmBrochure or Items 4 and 5 of our Wrap Fee Program Brochure by visiting www.dunham.com/WrapFeeBrochure.</i></p>
<p>QUESTIONS YOU CAN ASK US:</p>	
<p>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?</p>	
<p>WHAT ARE YOUR LEGAL OBLIGATIONS TO ME WHEN PROVIDING RECOMMENDATIONS AS MY BROKER-DEALER OR WHEN ACTING AS MY INVESTMENT ADVISER? HOW ELSE DOES YOUR FIRM MAKE MONEY AND WHAT CONFLICTS OF INTEREST DO YOU HAVE?</p>	
<p>OBLIGATION TO YOU</p>	<p><i>When we provide you with a recommendation as your broker-dealer or act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours.</i></p>
<p>CONFLICTS TO CONSIDER</p>	<p>At the same time, the way we and our affiliates make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the recommendations and investment advice we provide you. Here are some examples to help you understand what this means.</p>



Hold Us To Higher Standards

**CONFLICTS TO CONSIDER
(CONTINUED)**

Examples of Ways We Make Money and Have Conflicts of Interest

Proprietary Products: We primarily offer a limited number of proprietary products, such as the Dunham Funds and Wrap Fee Programs as investment options for brokerage and IA Program clients. As investment adviser to and distributor of the Dunham Funds, we receive investment advisory fees and compensation in connection with the sale of the Fund shares. As sponsor to the Wrap Fee Programs, we receive Program Fees. These payments can be significant. This creates a conflict of interest, as it provides an incentive for us and/or your Advisor to recommend the purchase of the Dunham Funds rather than other similarly-situated mutual funds or use our Wrap Fee Programs.

Affiliate Relationships: One or more affiliates or related persons may receive compensation and/or economic benefits in connection with services provided to certain investment products that we may recommend to you.

Third-Party Payments: We may receive compensation from product sponsors for making available certain money market fund(s) in our Wrap Fee Programs. This creates a conflict of interest, as it provides an incentive for us and/or your Advisor to recommend the purchase of that fund rather than other similarly-situated mutual funds.

For more detailed information about conflicts of interest related to our brokerage services, please see our Regulation Best Interest Disclosure by visiting www.dunham.com/RegBIDisclosure. For more detailed information about conflicts of interest related to our advisory programs, please see Items 5 and 10 of our Firm Brochure by visiting www.dunham.com/FirmBrochure or Items 4, 6 and 9 of our Wrap Fee Program Brochure by visiting www.dunham.com/WrapFeeBrochure.

QUESTIONS YOU CAN ASK US:

HOW MIGHT YOUR CONFLICTS OF INTEREST AFFECT ME, AND HOW WILL YOU ADDRESS THEM?

HOW DO YOUR FINANCIAL PROFESSIONALS MAKE MONEY?

BROKERAGE

Your Advisor is compensated through transaction fees, like commissions, and other types of sales compensation. The level of compensation is based on what we charge you for trade execution or what we receive from product providers for the sale of their products.

ADVISORY PROGRAMS

For SAAP, CAAP, SMAs and Financial Consulting Services, your Advisor may receive a portion of the fees charged to you.

DO YOU OR YOUR FINANCIAL PROFESSIONALS HAVE LEGAL OR DISCIPLINARY HISTORY?

BOTH PROGRAMS

Yes. We openly share all disciplinary or legal information that is disclosed in our Form BD, Form ADV brochures and/or on Form U4. Any questions, just ask.

Please visit www.investor.gov/CRS for a free and simple search tool to research us and our financial professionals.

QUESTIONS YOU CAN ASK US:

AS A FINANCIAL PROFESSIONAL, DO YOU HAVE ANY DISCIPLINARY HISTORY? FOR WHAT TYPE OF CONDUCT?

ADDITIONAL INFORMATION

GENERAL

If you would like additional information about brokerage and investment advisory services or a copy of the Form CRS (this disclosure), you can visit www.dunham.com/FormCRS. You may also call your Advisor or call this number 800-442-4358. It will be provided free of charge.

QUESTIONS YOU CAN ASK US:

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?