

**To Shareholders of the Dunham Monthly Distribution Fund:**

**Distribution Policy.** The Fund's distribution policy is to make monthly distributions to shareholders at an annual rate expected to be at or near the level of the prime interest rate.

**SEC Disclosure Requirements.** This notice complies with Section 19(a) of the Investment Company Act and Rule 19a-1 thereunder and provides Fund shareholders with important information concerning the distributions made in the month of May 2022. The following is an estimate of the source of the distributions made in May 2022 for the Fund.

Record Date – May 27, 2022; Ex-Date – May 31, 2022; Payable Date – June 1, 2022

<b>Dunham Monthly Distribution Fund – Class N</b>				
	<b>Column A<sup>i</sup></b>	<b>Column B<sup>i</sup></b>	<b>Column C<sup>i</sup></b>	<b>Column D<sup>i</sup></b>
	Current Distribution Per Share (\$)	Breakdown of Current Distribution Per Share (%)	Fiscal YTD Cumulative Distributions Per Share (\$)*	Breakdown of Fiscal YTD Cumulative Distributions Per Share (%)*
Net Investment Income	\$0.0000	0%	\$0.0000	0%
Net Realized Short-Term Capital Gains	\$0.0000	0%	\$0.0000	0%
Net Realized Long-Term Capital Gains	\$0.0000	0%	\$0.0000	0%
Return of Capital	\$0.1054	100%	\$0.6393	100%
<b>Dunham Monthly Distribution Fund – Class A</b>				
Net Investment Income	\$0.0000	0%	\$0.0000	0%
Net Realized Short-Term Capital Gains	\$0.0000	0%	\$0.0000	0%
Net Realized Long-Term Capital Gains	\$0.0000	0%	\$0.0000	0%
Return of Capital	\$0.1054	100%	\$0.6393	100%
<b>Dunham Monthly Distribution Fund – Class C</b>				
Net Investment Income	\$0.0000	0%	\$0.0000	0%
Net Realized Short-Term Capital Gains	\$0.0000	0%	\$0.0000	0%
Net Realized Long-Term Capital Gains	\$0.0000	0%	\$0.0000	0%
Return of Capital	\$0.1054	100%	\$0.6393	100%

\* The fiscal year for the Dunham Monthly Distribution Fund began on November 1, 2021.

**Return of Capital.** The Fund may make distributions that are treated as return of capital. *A return of capital may occur for example, when some or all of the money that you invested in a Fund is paid back to you.* A return of capital distribution does not necessarily reflect a Fund's investment performance and should not be confused with "yield," "income" or "profit." You should not draw any conclusions about a Fund's investment performance from the amount of this distribution or from the terms of the Funds' distribution policy.

**Not Tax Reporting.** The amounts and sources of distributions reported in this notice are only estimates in order to comply with SEC regulations and are not being provided for tax reporting purposes. The actual amounts and sources of the amounts for tax reporting purposes will depend upon each Fund's investment experience during the remainder of its fiscal year and may be subject to changes based on tax regulations. The Fund will send you a Form 1099-DIV in early 2023 for the 2022 calendar year that will tell you how to report these distributions for federal income tax purposes (e.g., ordinary income, long-term capital gain or return of capital).

<sup>i</sup>The current distribution per share shown in Columns A and B only considers whether the *current* month's Net Investment Income or Net Capital Gains or portions thereof were sufficient to cover the most recent month's distribution per share when determining the characterization of the current distribution.

The fiscal year-to-date cumulative distributions per share shown in Columns C and D consider the Net Investment Income and/ or Net Capital Gains realized since the beginning of the fiscal year and whether they were sufficient to cover all or a portion of the cumulative distributions per share since the beginning of the fiscal year.

Therefore, it is possible that the characterization of the current distribution shown in Columns A and B may differ from the estimated characterization of the fiscal year-to-date cumulative distributions shown in Columns C and D, if the Fund had insufficient Net Investment Income or Net Capital Gains since the start of the fiscal year to cover the cumulative distributions per share. In that scenario, the Fund would estimate that it has distributed more than its Net Investment Income and/ or Net Capital Gains and a portion (or all) of the cumulative distributions may be estimated to be Return of Capital.

If, in contrast, the total Net Investment Income and/ or Net Capital Gains accumulated during the fiscal year-to-date in excess of the cumulative distributed portion shown in Column C and D are equal or greater than the current distributions per share characterized as Return of Capital shown in Column A and B, the cumulative distributions per share characterized as Investment Income and/ or Capital Gains will cover the current's month's Return of Capital, which would be reflected in Column D.