

To Shareholders of the Dunham Loss Averse Equity Income Fund:

**Distribution Policy.** The Fund's distribution policy is to make quarterly distributions to shareholders including income distributions that later might be reclassified as Return of Capital.

**SEC Disclosure Requirements.** This notice complies with Section 19(a) of the Investment Company Act and Rule 19a-1 there-under, and provides Fund shareholders with important information concerning the distributions made in the month of June 2014. The following is an estimate of the source of the distributions made in June 2014 for the Fund.

Record Date – June 27, 2014; Ex-Date – June 30, 2014; Payable Date – June 30, 2014

<b>Dunham Loss Averse Equity Income Fund – Class N</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	\$0.0575	96%	\$0.1541	85%
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	\$0.0025	4%	\$0.0262	15%
<b>Dunham Loss Averse Equity Income Fund – Class A</b>				
Net Investment Income	\$0.0514	95%	\$0.1383	84%
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	\$0.0025	5%	\$0.0258	16%
<b>Dunham Loss Averse Equity Income Fund – Class C</b>				
Net Investment Income	\$0.0332	93%	\$0.1001	88%
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	\$0.0026	7%	\$0.0132	12%

**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 2015 for the 2014 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).