DUNHAM
World-Class Trust & Investment Firm

Floating Rate Bond Fund

Hold Us To Higher Standards

Ticker Symbols: DNFRX, DAFRX, DCFRX (Class N, A & C shares)
Sub-advised by Newfleet Asset Management, LLC

Potential Reasons to Consider Investing in Floating Rate Bonds Now

- Hedge against rising interest rates
- Increased income as rates rise
- Positive asset class returns in 24 of the last 26 calendar years
- Higher recovery rates in the event of a default

What is a Floating Rate Bond Fund?

A Floating Rate Bond Fund seeks to provide investors with the **potential for increasing income** while **potentially hedging against rising interest rates**. Unlike traditional fixed rate bonds that typically lose value in an increasing interest rate environment, floating rate bond funds seek to provide monthly distributions that rise as interest rates do, which helps them maintain their value.

Floating rate bond funds tend to be less liquid and have greater credit risk since most are rated below investment grade. However, floating rate bond funds usually carry lower risk than equities or high-yield bond funds. This is primarily because floating rate bond funds invest in senior secured loans, which are in the front of the line to be repaid in the event of a default. Senior secured lenders will receive their money before any stock or bondholder. As such, the prospects for recouping a portion of your investment has historically been high.

Potentially Hedge Against Rising Interest Rates

Over the past two decades, we have seen six rising interest rate environments where 10-year Treasury Bond yields increased 1% or more. During each of these periods, Floating Rate Bonds saw an average increase in value of 13.12% while 10-year Treasury Bonds decreased in value by -6.93%, on average.

Floating Rate Bonds vs. 10-Year Treasury Bonds
12/31/1997 - 03/31/2019

	AVERAGE CHANGE IN RETURNS
Floating Rate Bonds	13.12%
10-Year Treasury Bonds	-6.93%

Floating Rate Bonds: Credit Suisse Leveraged Loan Index; 10-year Treasury Bonds: The BofA Merrill Lynch Current 10-Year U.S. Treasury Index. The historical performance of the of the Credit Suisse Leveraged Loan Index is provided to illustrate market trends and does not represent the performance of the Dunham Floating Rate Bond Fund, which incepted on 11/01/2013.
Source: MorningStar Direct

"A bond fund with 10-year duration will decrease in value by 10% if rates rise one percentage point."

Source: NASD-LAW.com article "FINRA warns bond investors on duration if rates rise."

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Performance as of March 31, 2019

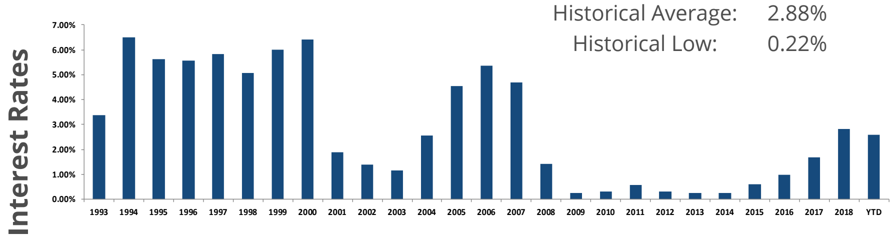
	PREVIOUS 3 MONTHS	1 YEAR	3 YEAR	5 YEAR	10 YEAR	SINCE INCEPTION (11/1/13)	EXPENSE RATIO
DNFRX	-3.53%	-0.71%	3.21%	1.95%	N/A	1.93%	1.05%

A History of Increased Income as Rates Rise

3-Month LIBOR

12/31/1993 - 03/31/2019

Historical High:	6.86%
Historical Average:	2.88%
Historical Low:	0.22%



Source: Federal Reserve Bank of St. Louis

Floating Rate Bond interest rates "float" above prevailing short-term rates, offering you the potential for higher income, particularly when interest rates are rising.

We believe that increased income in a rising rate environment is one of the primary benefits of investing in floating rate bonds now.

Because floating rate bond distributions generally increase as rates rise and, conversely, will decrease as rates fall, if you are seeking increased income while interest rates are on the rise, the Dunham Floating Rate Bond Fund might be an investment to consider.

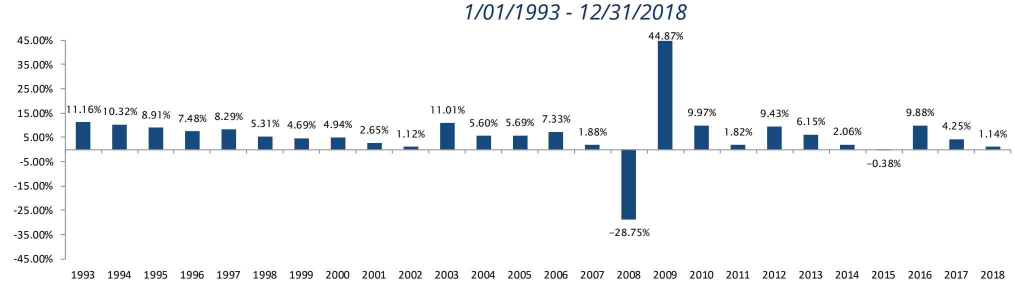
Historically Positive Asset Class Returns

As of December 31, 2018, the Floating Rate Bond market has experienced positive returns in 24 out of the last 26 calendar years, as measured by the Credit Suisse Leveraged Loan Index.

While past performance does not guarantee future results, we believe that the historical long-term profile of the Floating Rate Bond market suggests that this asset class has the ability to maintain steady and attractive performance in changing market environments, including those experiencing rising interest rates.

Floating Rate Bond Market Performance

1/01/1993 - 12/31/2018



Floating Rate Bonds: Credit Suisse Leveraged Loan Index. Source: Morningstar Direct.
Past performance does not guarantee future results.

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Higher Recovery Rate Potential

Floating Rate Bonds maintain capital structure seniority and generally have first claims on a company's assets. As such, they may provide you with a higher recovery rate in the event of a default because they are typically paid before other loans, bonds, and stockholders.

In addition, while floating rate bonds typically have very little interest rate risk, they do carry credit risk as most floating rate bonds tend to be BB and B-rated. The position of these bonds in the capital structure can be a valuable advantage because the priority of floating rate bonds generally leads to higher recovery rates than those of traditional fixed coupon bonds in the event of a default.

Investing in a mutual fund involves risks, including the possible loss of principal. Investors should consider the investment objectives, risk factors, charges, and expenses of the Dunham Funds carefully before investing. This and other important information is contained in the Fund's summary prospectus and/or prospectus, which may be obtained by contacting your financial advisor, or by calling Dunham toll free at (800) 442-4358 or visiting www.dunham.com. Please read prospectus materials carefully before investing or sending money. Investing involves risk, including possible loss of principal.

Capital Structure Seniority

Senior Secured Loans	High Paid First
Senior Unsecured Loans	
Senior Secured Bonds	
Senior Unsecured Bonds	
Senior Subordinated Bonds	
Subordinated Bonds	
Junior Subordinated Bonds	
Preferred Stock	
Common Stock	Low Paid Last

Note: "Recovery rate" is the percentage of loan principal that a lender receives in return in the event of a default.

To Discuss Adding the Dunham Floating Rate Bond Fund to Your Portfolio, Please Speak to Your Financial Advisor Today or Call us at 800.442.4358.

[1]Source: Moody's Investors Service, Special Comment: Corporate Default and Recovery Rates, 1920-2013. Subordinated debt includes senior subordinated, subordinated and junior subordinated bonds. This information is updated in the first quarter of each year.

The Credit Suisse Leveraged Loan Index is designed to mirror the investable universe of the U.S. dollar-denominated leveraged loan market. The BofA Merrill Lynch Current 10-Year U.S. Treasury Index is a one-security index comprised of the most recently issued 10-year U.S. Treasury note. The index is rebalanced monthly. One cannot invest directly in an index.

LIBOR stands for London InterBank Offered Rate. LIBOR is the interest rate that banks charge each other for one-month, three-month, six-month and one-year loans in the London interbank market.

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Important Risk Considerations:

Debt securities are subject to various risks, the most prominent of which are credit and interest rate risk. The issuer of a security may fail to make payments in a timely manner. Values of debt securities may rise and fall in response to changes in interest rates. This risk may be enhanced with longer-term maturities.

There may be no ready market for loan participation interests. The fund may have to sell the interests at a substantial discount. Such interests are subject to the credit risk of the underlying corporate borrower.

There is a greater level of credit risk and price volatility involved with high yield securities than investment grade securities.

When a fund leverages its portfolio, the value of its shares may be more volatile and all other risks may be more compounded.

Certain securities may be difficult to sell at a time and price beneficial to the fund.

Bonds and bond funds are also subject to call risk, default risk, liquidity risk and other potential risk factors.

Past performance does not guarantee future results.

Dunham & Associates Investment Counsel, Inc. serves as adviser and distributor of the Dunham Funds, and as such, receives a separate fee.

Disclosure

Past performance is no guarantee of future returns. References to indices or other measures of relative market performance over a specified period of time are provided for information only and do not imply that an investor's portfolio will achieve similar results. The index composition may not reflect the manner in which a portfolio is constructed. While an adviser may seek to design a portfolio, which reflects appropriate risk and return features, portfolio characteristics may deviate from those of the benchmark.

Principal Investment Risks: As with all mutual funds, there is the risk that you could lose money through your investment in the Fund. Although the Fund will strive to meet its investment objective, there is no assurance that it will do so. Many factors affect the Fund's net asset value and performance.

Derivatives Risk - Financial derivatives may not produce the desired investment reuslts because they are not perfect substitutes for the underlying securities, indices or currencies from which they are derived. Derivatives may also create leverage which will amplify the effect on the Fund, which may produce significant losses. Over the counter derivatives, such as swaps, are also subject to counterparty risk, which is the risk that the other party in the transaction will not fulfill its contractual obligation.

Foreign Investing Risk - Investments in foreign countries are subject to currency risk and country-specific risks such as political, diplomatic, regional conflicts, terrorism, war, social and economic instability and policies that have the effect of decreasing the value of foreign securities. Foreign countries may be subject to different trading settlement practices, less government supervision, less publicly available information, limited trading markets and greater volatility than U.S. investments.

Liquidity Risk - Some securities may have few market-makers and low trading volume, which tend to increase transaction costs and may make it impossible for the Fund to dispose of a security position at all or at a price which represents current or fair market value.

Lower-Rated Securities Risk - Securities rated below investment-grade, sometimes called "high-yield" or "junk" bonds, are speculative investments that generally have more credit risk than higher-rated securities. Companies issuing high-yield fixed-income securities are not as strong financially as those issuing securities with higher credit ratings and are more likely to encounter financial difficulties. Lower rated issuers are more likely to default and their securities could become worthless.

Senior Bank Loans Risk - Senior loans are subject to the risk that a court could subordinate a senior loan, which typically holds the most senior position in the issuer's capital structure, to presently existing or future indebtedness or take other action detrimental to the holders of senior loans. Senior loans settle on a delayed basis, potentially leading to the sale proceeds of such loans not being available to meet redemptions for a substantial period of time after the sale of the senior loans. The market prices of floating rate loans are generally less sensitive to interest rate changes than are the market prices for securities with fixed interest rates. Certain senior loans may not be considered "securities," and purchasers, such as the Fund, therefore may not be entitled to rely on the protections of federal securities laws, including anti-fraud provisions.