



UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

DIVISION OF
CORPORATION FINANCE

September 22, 2006

Joseph D. Edmondson, Jr., Esq.
Foley & Lardner LLP
3000 K Street, N.W., Suite 500
Washington, D.C. 20007

Re: Dunham & Associates Investment Counsel, Inc., Jeffrey A. Dunham, and Dunham & Associates Securities, Inc., Respondents in Administrative Proceeding File No. 3-12427—Waiver Request under Regulation A and Rule 505 of Regulation D

Dear Mr. Edmondson:

This is in response to your letter dated today, written on behalf of Dunham & Associates Investment Counsel, Inc. ("DAIC"), Jeffrey A. Dunham ("Dunham"), and Dunham & Associates Securities, Inc. ("Dunham Securities") (collectively, the "Respondents") and constituting an application for relief under Rule 262 of Regulation A and Rule 505(b)(2)(iii)(C) of Regulation D under the Securities Act of 1933. You requested relief from disqualifications from exemptions available under Regulation A and Rule 505 of Regulation D that may have arisen by virtue of the entry of an order dated today against the Respondents by the U.S. Securities and Exchange Commission in the referenced administrative proceeding (the "Order"). The Order recited that it was issued under Section 15(b) of the Securities Exchange Act of 1934 and Sections 203(e) and 203(f) of the Investment Advisers Act of 1940, among other authorities. The Commission may issue orders to DAIC and Dunham Securities under Section 15(b) because they are broker-dealers, to DAIC under Section 203(e) because it is an investment adviser, and to Dunham under Section 203(f) because he is an associated person of an investment adviser. Orders issued under these provisions will give rise to disqualifications under Rule 262 of Regulation A and Rule 505(b)(2)(iii) of Regulation D if the orders render the persons to whom they are directed "subject to" an order of the Commission within the meaning of these rules.

For purposes of this letter, we have assumed as facts the representations set forth in your letter and the findings supporting entry of the Order against the Respondents. We have also assumed that the Respondents have complied and will continue to comply with the Order.

On the basis of your letter, I have determined that the Respondents have made a showing of good cause under Rule 262 and Rule 505(b)(2)(iii)(C) that it is not necessary under the circumstances to deny the exemptions available under Regulation A and Rule 505 of Regulation D by reason of entry of the Order against the Respondents. Accordingly, pursuant to delegated authority, the Respondents are granted relief from any disqualifications from exemptions otherwise available under Regulation A and Rule 505 of Regulation D that arose as a result of entry of the Order against them.

Because the Order did not provide relief under Section 15(b), Section 203(e) or 203(f) against the other respondents named in Order, for whom you also requested a waiver of disqualifications in your letter, this letter does not address the requests you made on behalf of those persons.

Sincerely,

Gerald J. Laporte
Chief, Office of Small Business Policy

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Via Hand Delivery and Email

Gerald J. Laporte, Esq.
Chief, Office of Small Business Policy
Division of Corporation Finance
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549

Re: In the Matter of Dunham & Associates Holdings, Inc., et al.
(SEC File No. LA-2847)

Dear Mr. Laporte:

We submit this letter on behalf of our clients, Dunham & Associates Holdings, Inc. ("Holdings"), Dunham & Associates Investment Counsel, Inc. ("DAIC"), Dunham Trust Company ("Trust"), Jeffrey A. Dunham ("Mr. Dunham"), Dunham & Associates Securities, Inc. ("DASI"), and Asset Managers, Inc. ("AMI") (collectively "Respondents"), in connection with an Offer of Settlement (the "Settlement") in the above-referenced investigation by the Securities and Exchange Commission (the "Commission") into certain practices of Respondents surrounding the alleged operation of unregistered investment companies and the public offer and sale of investments in such companies without registration, which allegedly violated Section 7(a) of the Investment Company Act of 1940, and Sections 5(a) and 5(c) of the Securities Act of 1933 (the "Securities Act").

Respondents request, pursuant to Rule 262 of Regulation A and Rule 505(b)(2)(iii)(C) of Regulation D of the Commission promulgated under the Securities Act of 1933 (the "Securities Act"), a waiver of any disqualification from exemptions under Regulation A and Rule 505 of Regulation D that may be applicable to Respondents or any of their affiliates as a result of the entry of the Commission order described below. Respondents request that these waivers be granted effective upon entry of such order by the Commission. It is Respondents' understanding that the Staff of the Division of Enforcement does not object to the grant of the requested waiver by the Division of Corporate Finance.

BACKGROUND

The Staff of the Division of Enforcement have engaged in settlement discussions with Respondents in connection with the investigation described above. As a result of these discussions, Respondents have submitted an Offer of Settlement. In this Offer of Settlement, solely for the purpose of the above-captioned proceeding and any other proceedings brought by or on behalf of the Commission or to which the Commission is a party, Respondents have consented to the entry by the

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Commission of an Order Instituting Administrative and Cease-And-Desist Proceedings, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order Pursuant to Section 8A of the Securities Act Of 1933, Section 15(b) of the Securities Exchange Act of 1934, Sections 203(e) and 203(f) of the Investment Advisors Act of 1940, and Sections 9(b) and 9(f) of the Investment Company Act of 1940 (the "Order"), without admitting or denying the matters set forth therein (other than those relating to the jurisdiction of the Commission).

In that Order, the Commission makes findings, without admission or denial by Respondents, that they violated Section 7(a) of the Investment Company Act and Sections 5(a) and 5(c) of the Securities Act – specifically that Respondents operated unregistered investment companies and sold investment interests in such companies without registration of such securities. The Order censures Respondents DAIC and Mr. Dunham. The Order also requires that all Respondents cease and desist from committing or causing any violations or future violations of the provisions of the law pertinent to each Respondent's violations. The Order requires Respondents DAIC and Mr. Dunham to pay civil money penalties of \$150,000 and \$50,000, respectively, to the United States Treasury. Finally, the order requires DAIC to comply with undertakings specified in the Order.

DISCUSSION

Respondents understand that the entry of the Order may disqualify certain of the corporate Respondents, including DASI, which is currently an issuer of securities in reliance upon an exemption from registration under Regulation D, from participating in certain offerings otherwise exempt under Regulation A and Rule 505 of Regulation D promulgated under the Securities Act, insofar as the Order may be deemed to cause Respondents, including Mr. Dunham and DAIC, to be subject to an order of the Commission pursuant to Section 15(b) of the Exchange Act and Section 203(e) and 203(f) of the Investment Advisors Act. Specifically, the Commission has the authority to waive the Regulation A and Rule 505 of Regulation D exemption disqualifications upon a showing of good cause that such disqualifications are not necessary under the circumstances. *See* 17 C.F.R. §§ 230.262 and 230.505(b)(2)(iii)(C).¹

For the following reasons, Respondents request that the Commission waive any disqualifying effect that the Order may have on them based on a determination that it is not necessary under the circumstances that such exemptions under Regulation A and Rule 505 of Regulation D be denied.

¹ We note in support of this request that the Commission has in other instances granted relief under Rule 262 of Regulation A and Rule 505(b)(2)(iii)(C) of Regulation D for similar reasons. *See, e.g., UBS Securities, LLC*, S.E.C. No-Action Letter (pub. avail. Oct. 31, 2003) (charges including Section 17(b) of the Securities Act); *U.S. Bancorp Piper Jaffray, Inc.*, S.E.C. No-Action Letter (pub. avail. Oct. 31, 2003) (charges including Section 17(b) of the Securities Act). *See also Credit Suisse First Boston Corporation*, S.E.C. No-Action Letter (pub. avail. Jan. 29, 2002); *Dain Rauscher, Incorporated*, S.E.C. No-Action Letter (pub. avail. Sept. 27, 2001); *Legg Mason Wood Walker, Incorporated*, S.E.C. No-Action Letter (pub. avail. June 11, 2001); *In the Matter of Certain Market-Making Activities on NASDAQ*, S.E.C. No-Action Letter (pub. avail. Jan. 11, 1999); *Stephens Incorporated*, S.E.C. No-Action Letter (pub. avail. Nov. 23, 1998).

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1. Respondents' conduct addressed in the Order does not relate to offerings under Regulation A or D.

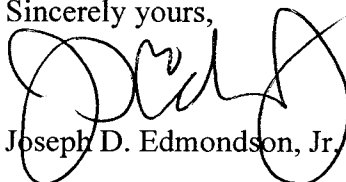
2. Respondent DAIC has undertaken to implement certain reforms in a manner reasonably designed to ensure compliance with the regulatory requirements that are the subject of the Order.

3. The disqualification of Respondents from the exemptions available under Regulation A and Rule 505 of Regulation D would, we believe, be unduly and disproportionately severe given: (i) the lack of any relationship between the violations addressed in the Order and any Regulation A or D related activity conducted by Respondents; (ii) that disqualification is an unintended consequence of the settlement of this enforcement matter; and (iii) the fact that the Commission Staff has negotiated a settlement with Respondents and reached a satisfactory conclusion to this matter that includes a cease and desist order, together with the payment of substantial civil money penalties and compliance with undertakings, but did not otherwise seek to impair the ability of Respondents to conduct business in the future.

In light of the foregoing, we believe that disqualification is not necessary in the public interest or for the protection of investors, and that Respondents have shown good cause that relief should be granted. Accordingly, we respectfully urge the Commission, and the Division of Corporation Finance pursuant to delegated authority, to waive the disqualification provisions in Regulation A and D to the extent that they may be applicable to Respondents as a result of the entry of the Order.

Please do not hesitate to contact the undersigned at 202-672-5354, if you have any questions regarding this request.

Sincerely yours,



Joseph D. Edmondson, Jr.

cc: Kenneth Polin, Esq.
Mr. Jeffrey A. Dunham