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**QUESTIONS AND ANSWERS REGARDING THE MANAGED DISTRIBUTION PLAN**

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**Question 1: What is a Managed Distribution Plan?**

**Answer:** A managed distribution plan is one in which common shareholders receive a consistent, but not guaranteed, periodic cash payment, regardless of when or whether income is earned or capital gains are realized. Such a policy recognizes that many investors are willing to accept the higher price volatility of equity investments but desire a stable level of cash distributions available to them each quarter for reinvestment or other purposes. The Managed Distribution Plan (the “Plan”) adopted by the Board of Directors (“Board”) of Duff & Phelps Utility and Infrastructure Fund Inc. (“DPG” or the “Fund”) in June 2015 currently provides for the Fund to continue to make quarterly distributions of 35.0 cents per share, which amounts to \$1.40 annually. The quarterly distribution starting with the September 2023 distribution will be decreased to 21.0 cents per share, which amounts to \$0.84 annually, subject to the Board’s right to suspend, modify, or terminate the Plan without notice at any time.

**Question 2: What are the primary advantages of a Managed Distribution Plan?**

**Answer:** A managed distribution plan allows a fund to provide to its common shareholders a regular, periodic distribution that is not dependent on the timing or amount of income earned or capital gains realized by the fund. This type of distribution plan recognizes that many investors are willing to accept the higher price volatility of equity investments but also like to receive a consistent level of cash distributions each quarter for reinvestment or other purposes. It also reduces share price volatility associated with a potentially large one-time distribution. Further, Lipper Analytical Services (“Lipper”) data indicate that, historically, managed distribution policies have tended to have a positive effect on supporting a closed-end fund’s market price in relation to its NAV.

To the extent that the Fund distributes long-term capital gains, the tax effects will be favorable under current tax law, as the applicable tax rate will be the lower capital gains tax rate instead of the rate applied to ordinary income.

**Question 3: What are the primary disadvantages of a Managed Distribution Plan?**

**Answer:** The Managed Distribution Plan may affect the Fund’s portfolio management strategy, which is discussed in Question 7 below. If the Fund’s total return is less than the annual distribution, the Managed Distribution Plan could shrink the assets of the Fund over time and thus increase the Fund’s expense ratio (i.e., the Fund’s fixed expenses will be spread over a smaller pool of assets). Another potential disadvantage of the Managed Distribution Plan is that it is subject to modification, suspension or termination by the Board at any time, without notice. This is discussed in more detail in Question 8 below. Advantages and disadvantages notwithstanding, the Fund has no control over the capital gains it may be forced to realize because of unexpected tender offers or mergers of the issuers of its underlying stockholdings. In addition, the components of dividends received from MLPs—ordinary income, capital gains, and return of capital—cannot be determined by the Fund at the time of distribution. Indeed, the MLPs themselves do not know the exact percentage breakdown of those components until after the end of the calendar year, at which time MLP security holders (including the Fund) are notified. The tax characteristics of the MLP distribution portion of the Fund’s total distribution for a year are then made available to Fund shareholders but are not within the control of the Fund.

**Question 4: Will the Managed Distribution Plan impact the way in which the Fund is managed?**

**Answer:** Adoption of the Plan is not expected to materially change the portfolio management strategy of the Fund. The Fund's ongoing investment objective is to seek total return, resulting *primarily* from (i) a high level of current income, with an emphasis on providing tax-advantaged dividend income and (ii) growth in current income, and *secondarily* from capital appreciation. Under normal market conditions, the Fund will invest at least 80% of its total assets in dividend-paying equity securities of companies in the utility industry and the infrastructure industry. The utility industry is defined to include the following sectors: electric, gas, water, telecommunications, and midstream energy. The infrastructure industry is defined as companies owning or operating essential transportation assets, such as toll roads, bridges, tunnels, airports, seaports, and railroads. Under normal market conditions, the Fund will invest no more than 60% of its total assets in any one of the five utility sectors. No more than 20% of the Fund's total assets will be invested in securities of midstream energy companies that are not regulated by a governmental agency. In addition, under normal circumstances, the Fund will invest no more than 10% of its total assets in securities of any single issuer. No more than 15% of the Fund's total assets will be invested in issuers located in "emerging market" countries.

**Question 5: Under what circumstances can the Managed Distribution Plan be terminated or suspended?**

**Answer:** The Managed Distribution Plan can be modified, suspended, or terminated at any time by the Board, without any notice to or approval by shareholders, if the Board deems such action to be in the best interests of the Fund and its shareholders. For instance, the Board may modify, suspend, or terminate the Managed Distribution Plan if the Plan has the effect of shrinking the Fund's assets to a level that is determined to be detrimental to Fund shareholders. The suspension or termination of the Managed Distribution Plan could have the effect of creating a trading discount (if the Fund is trading at or above NAV) or widening an existing trading discount.

**Question 6: Are the managed distribution payments considered "yield"?**

**Answer:** Not necessarily. You should not draw any conclusions about the Fund's investment performance based on the magnitude of the distribution. Yield is a measure of net investment income, relative to the share price, that is distributed to the Fund's shareholders. A distribution of capital gains, for example, is not considered net investment income. Neither is a return of capital. Therefore, managed distributions consisting of capital gains and/or return of capital do not result in a higher yield.

**Question 7: Will the Managed Distribution Plan result in any additional administrative consequences or have tax effects for shareholders?**

**Answer:** A long-term capital gains distribution, regardless of whether it is disbursed quarterly or once annually, will be taxed at the long-term capital gain tax rate under the Internal Revenue Code.

Return of capital is not taxable to shareholders in the year it is paid. Rather, shareholders are required to reduce the cost basis of their shares by the amount of the return of capital so that, when the shares are ultimately sold, they will have properly accounted for the return of capital. Such an adjustment may cause a shareholder's gain to be greater, or loss to be smaller, depending on the sales proceeds received. Because the Fund's distributions already



contain a return of capital component attributable to the holding of MLPs, these cost basis adjustments are already taking place. Shareholders who hold their shares in non-taxable accounts such as IRAs will not need to make any adjustments in the cost basis.

The foregoing is not intended to be a complete discussion of the tax consequences of the Managed Distribution Plan and shareholders are urged to seek their own professional tax advice regarding this matter. The Fund will send you a Form 1099-DIV following the end of each calendar year that will tell you how to report Fund distributions for federal income tax purposes.

**Question 8: Why do shareholders receive a 19(a) Notice?**

**Answer:** Section 19(a) of the 1940 Act provides that if a registered investment company's distributions are composed of a source other than net income earned on the underlying holdings, the distribution must be accompanied by a written statement (a "19(a) Notice") that adequately discloses the sources of the distribution. Net realized short and long-term capital gains and return of capital are examples of other sources from which the Fund's distribution may be paid. Therefore, in accordance with the 1940 Act, the Fund provides a 19(a) Notice to shareholders, detailing the proportion of the distribution represented by net investment income, net realized short and/or long-term capital gains, and return of capital, as pertinent to the period covered by the distribution.

It is important for shareholders to understand that the calculations in the 19(a) Notice are based on Generally Accepted Accounting Principles (GAAP); on the other hand, the tax characteristics of distributions detailed on the 1099-DIV form that shareholders receive after the end of a calendar year are based on the Internal Revenue Code, which may or may not be equivalent to the GAAP treatment. Shareholders are urged to seek their own professional tax advice regarding this distinction.

The 19(a) Notice also assists you in understanding the Fund's yield and return characteristics. You should not draw any conclusions about the Fund's investment performance simply based on the magnitude of the distribution. Yield is a measure of net investment income, relative to the share price, that is distributed to the Fund's shareholders. A distribution of capital gains, for example, is not considered net investment income. Neither is a return of capital. Therefore, managed distributions consisting of capital gains and/or return of capital do not result in a higher yield or a high yield fund.

**Question 9: Will additional information be available to shareholders?**

Yes. Current information about the Managed Distribution Plan will be included in the Fund's annual and semi-annual reports to shareholders and will be posted on the Fund's website, <http://www.dpimc.com/dpg>. Through these channels, shareholders will be kept informed of any actions taken by the Board of Directors to modify, suspend, or terminate the Plan.