



**Duff & Phelps**  
**Utility and Corporate Bond Trust**  
 (NYSE: DUC)

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**Fund Overview**

**The Fund.** Duff & Phelps Utility and Corporate Bond Trust Inc., a diversified closed-end investment company (the “Fund”), first offered its common stock to the public in January of 1993. The Fund had subsequently offered 3,800 shares of preferred stock designated as Series T7 Auction Market Preferred Shares (“Series T7 AMPS”) and 3,800 shares of preferred stock designated as Series TH7 Auction Market Preferred Shares (“Series TH7 AMPS”). On 03/25/09 the Fund had redeemed Series T7 AMPS with face value of \$95 million and replaced \$95 million of leverage with senior debt.

**Investment objective.** The Fund’s investment objective is high current income consistent with investing in securities of investment grade quality. There can be no assurance that the Fund will achieve its investment objective.

**Portfolio contents.** The Fund seeks to achieve its investment objective by investing substantially all of its assets in a diversified portfolio of Income Securities. As specified in the Fund’s prospectus, Income Securities consist of Utility Income Securities, Corporate Income Securities, Mortgage-Backed Securities and Asset-Backed Securities (each as defined in the prospectus). In normal market conditions, at least 80% of the Fund’s total assets must be invested, in the aggregate, in Utility and Corporate Bonds, and at least 25% of the Fund’s total assets must be invested in Utility Income Securities.

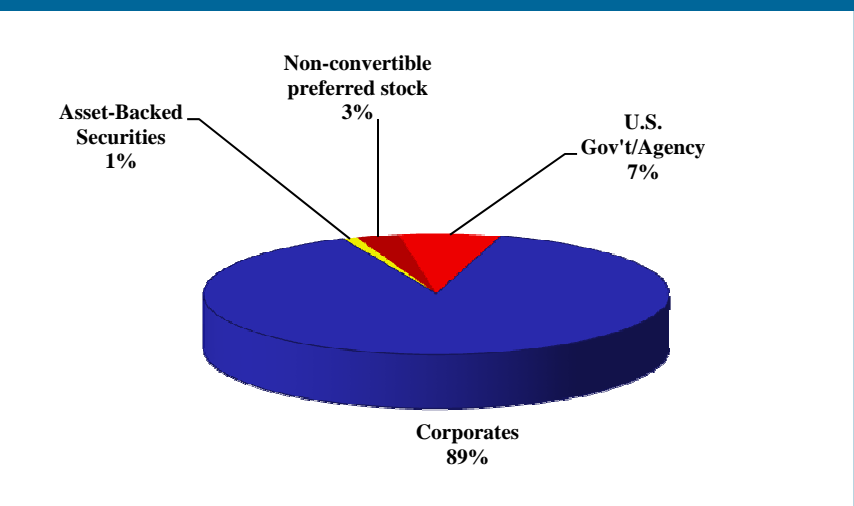
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**This information does not represent an offer, or solicitation of an offer, to buy or sell securities of the Fund.**

**Auction Market Preferred Shares (“AMPS”)**  
 (as of 12/31/09)

AMPS	
Rating	Moody’s Aaa/S&P AAA
1940 Act Coverage Ratio	268%
Shares Outstanding	3,800 Series TH7
Par Value	\$25,000
Outstanding	\$95 Million
Current Rate Period	7 days

**Sector Allocation as a Percentage of Total Investments**  
 (as of 12/31/09) (unaudited)



**Summary of Ratings as a Percentage of Long-term Investments** (as of 12/31/09) (unaudited)

Rating*	%
AAA	7.7%
AA	3.5%
A	30.5%
BBB	54.4%
BB and Below	3.9%

\* Based on the lowest rating of Standard & Poor’s Ratings Services or Moody’s Investors Service, Inc.

**About Duff & Phelps Investment Management Co.** Duff & Phelps is the Fund’s investment adviser and is registered with the SEC as an investment adviser under the Investment Advisers Act of 1940. The Adviser, together with its predecessor, has been in the investment advisory business for more than 70 years and has acted as the Fund’s investment adviser since the Fund’s inception in 1993.

## **Risks of Investing in the AMPS \***

***Auction Risk:*** The dividend rate for the AMPS normally is set through an auction process involving one or more broker-dealers. In the auction, holders of AMPS may indicate the dividend rate at which they would be willing to hold, sell, or purchase additional AMPS. The auction also provides liquidity for the sale of AMPS. An auction fails if there are more AMPS offered for sale than there are buyers for AMPS. You may not be able to sell your AMPS at an auction if the auction fails. A holder of AMPS therefore can be given no assurance that there will be sufficient clearing bids in any auction or that the holder will be able to sell its AMPS in an auction. Also, if you place bid orders (orders to retain AMPS at an auction only at a specified dividend rate), and that rate exceeds the rate set at the auction, you will not retain your AMPS. Additionally, if you buy AMPS or elect to retain AMPS without specifying a dividend rate below which you would not wish to buy or continue to hold those AMPS, you could receive a lower rate of return on your AMPS than the market rate. Furthermore, if you elect to retain your AMPS in connection with an auction, and all other holders also elect to retain their AMPS in connection with that auction, then the applicable dividend rate for the next dividend period will be the “all-hold” rate, which may be less than the market rate. Finally, the dividend periods for the AMPS may be changed by the Fund, subject to certain conditions and with notice to the holders of AMPS, which could also affect the liquidity of your investment.

***Secondary Market Risk:*** If you try to sell your AMPS between auctions, you may not be able to sell any or all of your AMPS or you may not be able to sell them for \$25,000 per share plus accumulated but unpaid dividends, if any, whether or not earned or declared. If the Fund has designated a special dividend period, changes in interest rates could affect the price you would receive if you sold your shares in the secondary market. You may transfer AMPS outside of auctions only to or through a broker-dealer that has entered into an agreement with the auction agent and the Fund or other person as the Fund permits. The Fund does not anticipate imposing significant restrictions on transfers to other persons. However, unless any such other person has entered into a relationship with a broker-dealer that has entered into a broker-dealer agreement with the auction agent, that person will not be able to submit bids at auctions with respect to the AMPS. Broker-dealers that maintain a secondary trading market for the AMPS are not required to maintain this market, and the Fund is not required to redeem shares either if an auction or an attempted secondary market sale fails because of a lack of buyers. The AMPS are not listed on a stock exchange or traded on the NASDAQ stock market. If you sell your AMPS to a broker-dealer between auctions, you may receive less than the price you paid for them, especially if market interest rates have risen since the last auction. In addition, a broker-dealer may, in its own discretion, decide to buy or sell AMPS in the secondary market for its own account to or from investors at any time and at any price, including at prices equivalent to, below or above the liquidation preference of the AMPS. Although broker-dealers buy and sell AMPS for their own accounts on the secondary market, they have no obligation to do so and may discontinue such trading at any time without notice.

***Ratings and Asset Coverage Risk:*** Moody’s has assigned a rating of “Aaa” and S&P assigned a rating of “AAA” to the AMPS. Such ratings do not eliminate or necessarily even mitigate the risks of investing in the AMPS. Moody’s or S&P could withdraw or downgrade the ratings it assigns to the AMPS, which could make your AMPS less liquid at an auction or in the secondary market. If Moody’s or S&P withdraws its rating or downgrades the AMPS, the Fund may alter its portfolio or redeem a portion of the AMPS in an effort to reinstate or improve, as the case may be, the rating, although there is no assurance that the Fund will be able to do so to the extent necessary to restore the prior rating. The Fund’s ability to meet the asset coverage requirements of the Investment Company Act may be impaired by decreases in the market value of the Fund’s total assets, including those assets attributable to the Fund’s preferred stock and borrowings. The Fund also may voluntarily redeem AMPS under certain circumstances.

***Subordination Risk:*** As permitted by its fundamental investment policies, the Fund has the ability to use various forms of financial leverage, including preferred stock and senior borrowings. As of December 31, 2009, the Fund’s leverage consisted of AMPS in the amount of \$95 million and senior debt in the amount of \$95 million. In the future, however, the Fund could enter into additional borrowings or interest rate swap or cap transactions, in which case the rights of holders of AMPS would be further subordinated to the rights of any lenders or counter-parties in those transactions. Therefore, dividends, distributions and other payments to holders of AMPS in liquidation or otherwise may be subject to prior payments due to the lenders or counter-parties with respect to any future borrowings or interest rate swaps or caps. If the Fund were in default on any such obligations, it would not be permitted to declare, pay or set apart for payment any dividend or other distribution in respect of the AMPS, or call for redemption or redeem any portion of the AMPS.

***Restrictions on Dividends and Other Distributions:*** Restrictions imposed on the declaration and payment of dividends or other distributions to the holders of the Fund’s common stock and preferred stock, both by the Investment Company Act and by requirements imposed by Moody’s, S&P or a substitute rating agency, might impair the Fund’s ability to comply with minimum distribution requirements that it must satisfy to maintain its favorable treatment as a regulated investment company for U.S. federal income tax purposes. While the Fund has the ability to redeem AMPS to enable the Fund to distribute its income to the extent required to maintain its favorable tax treatment as a regulated investment company under the Internal Revenue Code, there can be no assurance that such redemptions can be effected in time to meet the requirements of the Internal Revenue Code.

***Interest Rate Risk :*** The AMPS pay dividends based on short-term interest rates. If short-term interest rates rise, dividend rates on the AMPS will also rise. A sharp increase in short-term interest rates could cause a “negative arbitrage” situation, where the dividend rate on the AMPS would exceed the yield on the Fund’s portfolio securities. This might require us to sell portfolio securities at a time when we otherwise would not do so, which may adversely affect our future ability to generate cash flow. In addition, rising market interest rates could negatively impact the value of the Fund’s investment portfolio, reducing the amount of assets serving as asset coverage for the AMPS.

\*Please see the Prospectus for a more complete description of the AMPS, the auction process, and related risks.