

>> Fund Objective

This actively managed exchange-traded fund seeks to provide current income with a secondary emphasis on total return.

>> Fund Facts

Fund Ticker	FCEF
CUSIP	33740F409
Intraday NAV	FCEFIV
Fund Inception Date	9/27/16
30-Day SEC Yield [†]	6.27%
Primary Listing	Nasdaq

>> Fees and Expenses

Management Fees	0.85%
Acquired Fund Fees and Expenses [‡]	1.93%
Total Annual Expenses	2.78%

>> Fund Description

- >> The First Trust CEF Income Opportunity ETF is an actively managed exchange-traded fund. Under normal market conditions, the fund will seek to achieve its investment objectives by investing at least 80% of its net assets (including investment borrowings) in a portfolio of closed-end investment companies that are listed and traded in the United States on registered exchanges (CEFs).
- >> The investment process begins by sorting the entire universe of CEFs by category—taxable fixed-income and equity.
- >> The CEFs are then ordered by sector, strategy and size.
- >> Funds within the investable universe are scored based on fundamental and performance factors.
- >> Fund scores are reviewed and analyzed via a proprietary model which takes into account more than just yield and discount. The portfolio manager seeks to avoid small, illiquid funds and unproven fund managers, while also considering tactical opportunities such as corporate actions, market pricing and calendar events. The model is reviewed and overlaid with a top-down macroeconomic outlook to determine what the portfolio manager believes to be the most opportunistic areas in which to invest.
- >> The output of fundamental and performance scoring is combined with the proprietary investment model and economic outlook. From the results, the investment portfolio is assembled.

>> Fund Advisor

- >> First Trust Advisors L.P. is the advisor to the fund and manages the fund's portfolio.
- >> Daily investment decisions are made by:
 - Ken Fincher; Senior Vice President and Portfolio Manager
- >> The portfolio manager has an extensive background of investing in CEFs and ETFs, and seeks to capitalize on a wide range of opportunities, providing the potential to outperform benchmarks.

>> Performance Summary (%)

	Quarter	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
Fund Performance*							
Net Asset Value (NAV)	2.89	0.64	6.08	—	—	—	10.11
After Tax Held	2.34	-0.40	4.01	—	—	—	7.74
After Tax Sold	1.71	0.37	3.58	—	—	—	6.68
Market Price	2.89	0.69	6.08	—	—	—	10.14
Index Performance**							
Blended Benchmark	3.12	0.09	5.31	—	—	—	9.50

Performance data quoted represents past performance. Past performance is not a guarantee of future results and current performance may be higher or lower than performance quoted. Investment returns and principal value will fluctuate and shares when sold or redeemed, may be worth more or less than their original cost. You can obtain performance information which is current through the most recent month-end by visiting www.ftportfolios.com.

[†]30-day SEC yield is calculated by dividing the net investment income per share earned during the most recent 30-day period by the maximum offering price per share on the last day of the period.

[‡]Acquired fund fees and expenses reflect the fund's pro rata share of the indirect fees and expenses incurred by investing in one or more acquired funds.

*NAV returns are based on the fund's net asset value which represents the fund's net assets (assets less liabilities) divided by the fund's outstanding shares. **After Tax Held** returns represent return after taxes on distributions. Assumes shares have not been sold. **After Tax Sold** returns represent the return after taxes on distributions and the sale of fund shares. Returns do not represent the returns you would receive if you traded shares at other times. **Market Price** returns are based on the midpoint of the bid/ask spread on the stock exchange on which shares of the fund are listed for trading as of the time that the fund's NAV is calculated. Returns are average annualized total returns, except those for periods of less than one year, which are cumulative. After-tax returns are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on the investor's tax situation and may differ from those shown. The after-tax returns shown are not relevant to investors who hold their fund shares through tax-deferred arrangements such as 401(k) plans or individual retirement accounts.

**The Blended Benchmark consists of the following two indexes: 60% of the Morningstar US All Equity CEF Index which is a weighted average of the market price of closed-end funds which invest in U.S. equity securities; and 40% of the Morningstar US All Taxable Fixed Income CEF Index which is a weighted average of the market price of closed-end funds which invest in Taxable Fixed-Income securities. Indexes do not charge management fees or brokerage expenses, and no such fees or expenses were deducted from the index performance shown. Indexes are unmanaged and an investor cannot invest directly in an index.

» Portfolio Information

Number Of Holdings	44
Weighted Average Option-Adjusted Duration ¹	2.90 Years
Weighted Average Leverage	4.32 Years
Option-Adjusted Duration ²	
Weighted Average Effective Maturity	5.92 Years
Weighted Average Leverage ³	22.98%
Weighted Average Premium/Discount ⁴	-6.06%

» Credit Quality (%)⁵

AAA	3.27
AA	0.50
A	2.71
BBB	14.51
BB	25.07
B	31.55
CCC-D	13.87
N/R	7.07
Other	1.45

» Fund Composition (%)

CEFs - Equity	57.84
CEFs - Taxable Fixed-Income	37.43
Cash	4.73

ETF Characteristics

The fund lists and principally trades its shares on The Nasdaq Stock Market LLC.

Investors buying or selling fund shares on the secondary market may incur customary brokerage commissions. Market prices may differ to some degree from the net asset value of the shares. Investors who sell fund shares may receive less than the share's net asset value. Shares may be sold throughout the day on the exchange through any brokerage account. However, unlike mutual funds, shares may only be redeemed directly from the fund by authorized participants, in very large creation/redemption units. If the fund's authorized participants are unable to proceed with creation/redemption orders and no other authorized participant is able to step forward to create or redeem, fund shares may trade at a discount to the fund's net asset value and possibly face delisting.

Risk Considerations

The fund's shares will change in value and you could lose money by investing in the fund. The fund is subject to management risk because the advisor will apply investment techniques and risk analyses that may not have the desired result. There can be no assurance that the fund's investment objectives will be achieved.

The fund is subject to market risk. Market risk is the risk that a particular security owned by the fund or shares of the fund in general may fall in value.

An investment in this fund should be made with an understanding of the risks associated with an investment in a portfolio of closed-end funds which invest in common stocks and debt securities.

Because the shares of CEFs cannot be redeemed upon demand, shares of many CEFs will trade on exchanges at market prices rather than net asset value, which may cause the shares to trade at a price greater than NAV (premium) or less than NAV (discount). There can be no assurance that the market discount on shares of any CEF purchased by the fund will ever decrease or that when the fund seeks to sell shares of a CEF it can receive the NAV for those shares. The fund may also be exposed to higher volatility in the market due to indirect use of leverage through its investment in CEFs. CEFs may issue senior securities in an attempt to enhance returns.

An underlying fund may invest in small and/or mid capitalization companies. Such companies may experience greater price volatility than larger, more established companies.

An investment in an underlying fund containing securities of non-U.S. issuers is subject to additional risks, including currency fluctuations, political risks, withholding, the lack of adequate financial information, and exchange control restrictions impacting non-U.S. issuers.

Certain underlying funds are subject to credit risk, call risk, income risk, interest rate risk and prepayment risk. Credit risk is the risk that an issuer of a security held by an underlying fund will be unable or unwilling to make dividend, interest and/or principal payments when due and that the value of a security may decline as a result. Credit risk is heightened for

» Top Holdings (%)

BlackRock Science & Technology Trust	5.79
PIMCO Dynamic Credit and Mortgage Income Fund	4.30
KKR Income Opportunities Fund	4.16
Eaton Vance Tax-Advantaged Global Dividend Income Fund	3.98
DoubleLine Income Solutions Fund	3.86
Eaton Vance Tax-Advantaged Dividend Income Fund	3.70
Cohen & Steers REIT and Preferred Income Fund, Inc.	3.67
Ares Dynamic Credit Allocation Fund, Inc.	3.51
Cohen & Steers Infrastructure Fund, Inc.	3.45
The Gabelli Dividend & Income Trust	3.25

¹A measure of a bond's sensitivity to interest rate changes that reflects the change in a bond's price given a change in yield and is adjusted for option provisions.

²A measure of a bond's sensitivity to interest rate changes that reflects the change in a bond's price given a change in yield that is adjusted for option provisions and the leveraging process.

³The use of various financial instruments or borrowed capital to increase the potential return of an investment.

⁴A premium occurs when an underlying fund's market price is higher than its NAV, and a discount occurs when an underlying fund's market price is lower than its NAV.

⁵The credit quality information presented reflects the ratings assigned by one or more nationally recognized statistical rating organizations (NRSROs), including Standard & Poor's Ratings Group, a division of the McGraw Hill Companies, Inc., Moody's Investors Service, Inc., Fitch Ratings or a comparably rated NRSRO. For situations in which a security is rated by more than one NRSRO and ratings are not equivalent, the highest ratings are used. Sub-investment grade ratings are those rated BB+/Ba1 or lower. Investment grade ratings are those rated BBB-/Baa3 or higher. The credit ratings shown relate to the creditworthiness of the issuers of the underlying securities in the Fund, and not to the Fund or its shares. Credit ratings are subject to change.

You should consider the fund's investment objectives, risks, and charges and expenses carefully before investing. Contact First Trust Portfolios L.P. at 1-800-621-1675 or visit www.ftportfolios.com to obtain a prospectus or summary prospectus which contains this and other information about the fund. The prospectus or summary prospectus should be read carefully before investing.

floating-rate loans and high-yield securities. Call risk is the risk that if an issuer calls higher-yielding debt instruments held by an underlying fund, performance could be adversely impacted. Income risk is the risk that income from an underlying fund's fixed-income investments could decline during periods of falling interest rates. Interest rate risk is the risk that the value of the fixed-income securities in an underlying fund will decline because of rising market interest rates. Prepayment risk is the risk that during periods of falling interest rates, an issuer may exercise its right to pay principal on an obligation earlier than expected. This may result in a decline in an underlying fund's income.

The fund may be subject to covered call risk which is the risk that an underlying fund will forgo, during an option's life, the opportunity to profit from increases in the market value of the security covering the call option above the sum of the premium and the strike price of the call, but has retained the risk of loss should the price of the underlying security decline.

The use of options or other derivatives can lead to losses because of adverse movements in the price or value of the underlying asset, index or rate, which may be magnified by certain features of the derivatives. If a counterparty defaults on its payment obligations, the fund will lose money and the value of fund shares may decrease.

Senior loans are usually rated below investment grade but may also be unrated. As a result, the risks associated with these loans are similar to the risks of high yield fixed income instruments. High yield securities, or "junk" bonds, are subject to greater market fluctuations and risk of loss than securities with higher ratings.

Preferred securities combine some of the characteristics of both common stocks and bonds. Preferred securities are typically subordinated to bonds and other debt instruments in a company's capital structure, in terms of priority to corporate income, and therefore will be subject to greater credit risk than those debt instruments.

The risks of owning an ETF generally reflect the risks of owning the underlying securities, although lack of liquidity in an ETF could result in it being more volatile and ETFs have management fees that increase their costs.

Certain of the underlying funds may invest in distressed securities and many distressed securities are illiquid or trade in low volumes and thus may be more difficult to value.

Illiquid securities involve the risk that the securities will not be able to be sold at the time desired by the fund or at prices approximately the value at which the fund is carrying the securities on its books.

Master limited partnerships (MLPs) are subject to certain risks, including price and supply fluctuations caused by international politics, energy conservation, taxes, price controls, and other regulatory policies of various governments. In addition, there is the risk that a MLP could be taxed as a corporation, resulting in decreased returns from such MLP.

Certain of the fixed-income securities held by certain underlying funds may not have the benefit of covenants which could reduce the ability of the issuer to meet its payment obligations and might result in increased credit risk.

» Top Sector Exposure (%)

Equity Tax-Advantage	18.61
Multi-Sector	15.15
Senior Loan	8.04
Equity US	7.78
Infrastructure	7.58
REIT	7.00
Equity Global	5.79
Corp High Yield	4.92
Healthcare	4.90
Cash	4.74

Income from municipal bonds could be declared taxable because of, among other things, unfavorable changes in tax laws, adverse interpretations by the Internal Revenue Service or state tax authorities, or noncompliant conduct of a bond issuer. All or a portion of the fund's otherwise exempt-interest dividends may be taxable to those shareholders subject to the federal alternative minimum tax.

The market values of convertible bonds tend to decline as interest rates increase and, conversely, to increase as interest rates decline. A convertible bond's market value also tends to reflect the market price of the common stock of the issuing company.

The value of commodities and commodity-linked instruments typically is based upon the price movements of a physical commodity or an economic variable linked to such price movements. The prices of commodities and commodity-linked instruments may fluctuate quickly and dramatically and may not correlate to price movements in other asset classes.

The fund may, under certain circumstances, effect a portion of creations and redemptions for cash, rather than in-kind securities. As a result, the fund may be less tax-efficient.

Because the fund's NAV is determined on the basis of U.S. dollars and the fund invests in non-U.S. securities, you may lose money if the local currency of a non-U.S. market depreciates against the U.S. dollar.

The fund currently has fewer assets than larger funds, and like other relatively new funds, large inflows and outflows may impact the fund's market exposure for limited periods of time.

The fund is classified as "non-diversified" and may invest a relatively high percentage of its assets in a limited number of issuers. As a result, the fund may be more susceptible to a single adverse economic or regulatory occurrence affecting one or more of these issuers, experience increased volatility and be highly concentrated in certain issuers.

The fund's investment in CEFs is restricted by the Investment Company Act of 1940 and the fund's associated exemptive relief which limits the amount of any single CEF that can be owned by the fund.

First Trust Advisors L.P. is the adviser to the fund. First Trust Advisors L.P. is an affiliate of First Trust Portfolios L.P., the fund's distributor.

The information presented is not intended to constitute an investment recommendation for, or advice to, any specific person. By providing this information, First Trust is not undertaking to give advice in any fiduciary capacity within the meaning of ERISA and the Internal Revenue Code. First Trust has no knowledge of and has not been provided any information regarding any investor. Financial advisors must determine whether particular investments are appropriate for their clients. First Trust believes the financial advisor is a fiduciary, is capable of evaluating investment risks independently and is responsible for exercising independent judgment with respect to its retirement plan clients.