We believe there is the potential for rising interest rates in the coming years. Bonds tend to lose value in a rising interest rate environment. Equities, on the other hand, have often historically provided positive returns after the Federal Reserve's initial rate hike. Like stock returns, economic growth, inflation and interest rates are some variables that you can’t control. But, as an investor, you can control how your investment dollars are allocated.

The Interest Rate Hedge and ETF Portfolio is a professionally selected unit investment trust which invests in common stocks of companies that have a history of dividend growth, as well as exchange-traded funds (ETFs) which invest in convertible securities, Treasury Inflation Protected Securities (TIPS), master limited partnerships (MLPs), limited duration bonds and real estate investment trusts (REITs).

**INVESTING FOR RISING INTEREST RATES**

- Dividend Paying Companies: 40%
- MLP ETFs: 20%
- Limited Duration Bond ETFs: 15%
- Convertible Securities ETFs: 10%
- REIT ETFs: 10%
- TIPS ETFs: 5%

- According to Ibbotson Associates, dividends have provided approximately 41% of the 10.16% average annual total return on the S&P 500 Index from 1926 through 2017. The S&P 500 Index is an unmanaged index of 500 stocks used to measure large-cap U.S. stock market performance. The index cannot be purchased directly by investors. For the Interest Rate Hedge and ETF Portfolio, we seek to include high quality dividend paying companies with the capacity to increase their dividends over time.

- Convertible securities are bonds, preferred stocks, or other securities issued by a corporation which are convertible into common stock at a specified ratio. Because of this, convertible securities have some characteristics of both common stocks and bonds. Like stocks, convertible securities offer capital appreciation potential. Additionally, the hybrid nature of convertible securities makes them tend to be less sensitive to interest rate changes than bonds of comparable quality and maturity.

- MLPs are limited partnerships that are publicly traded on a U.S. securities exchange, which combine the tradeability of common stocks with the corporate structure of a limited partnership. MLPs are traditionally high cash flow businesses that pay out a majority of that cash to investors. Investing in MLPs through ETFs provides an efficient alternative to investing directly in MLPs. Unlike individual partnership investments, an ETF provides one Form 1099 per shareholder at the end of the year, rather than multiple K-1s and potential state filings.

- TIPS are bonds issued by the U.S. government that are designed to provide inflation protection to investors. With TIPS, the coupon payments and principal value are adjusted according to inflation over the life of the bonds.

- Real estate has traditionally been a good hedge against higher inflation. Historically REITs have performed well in times when the economy improves and inflation and interest rates trend higher. In addition, an improving economy tends to lead to better occupancy rates in commercial buildings and malls which often result in dividend increases among REITs.

- Limited duration bonds provide investors with high income but with less interest rate sensitivity than longer duration bonds. The duration of a bond is a measure of its price sensitivity to interest rate movements based on the weighted average term to maturity of its interest and principal cash flows. Historically, ETFs that invest in limited duration bonds have tended to hold up better in rising interest rate environments than ETFs which invest in longer duration bonds.

Past performance is no guarantee of future results.

**PORTFOLIO SUMMARY**

<table>
<thead>
<tr>
<th>Initial Date of Deposit:</th>
<th>12/20/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial Public Offering Price:</td>
<td>$10.00 per Unit</td>
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<tr>
<td>Portfolio Ending Date:</td>
<td>12/21/2020</td>
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<tr>
<td>Historical 12-Month Distribution Rate of Trust Holdings:*</td>
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<tr>
<td>CUSIPs:</td>
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<tr>
<td>Ticker Symbol:</td>
<td>FMTRAX</td>
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</table>

*There is no guarantee the issuers of the securities included in the trust will declare dividends or distributions in the future. The historical distribution rate of the securities included in the trust is for illustrative purposes only and is not indicative of the trust’s distribution rate. The historical distribution rate is calculated by dividing the weighted average of the trailing twelve month distributions paid by the securities included in the portfolio by the trust’s offering price and is reduced to account for the effects of fees and expenses which will be incurred when investing in a trust. Certain of the issuers may have reduced their dividends or distributions over the prior twelve months. The distribution rate paid by the trust may be higher or lower than the amount shown above due to certain factors that may include, but are not limited to, a change in the dividends or distributions paid by issuers, actual expenses incurred, or the sale of securities in the portfolio.

**PORTFOLIO OBJECTIVE**

This unit investment trust seeks above-average total return; however, there is no assurance the objective will be met.

**RISK CONSIDERATIONS** | An investment in this unmanaged unit investment trust should be made with an understanding of the risks involved with an investment in a portfolio of common stocks and exchange-traded funds.

Common stocks are subject to certain risks, such as an economic recession and the possible deterioration of either the financial condition of the issuers of the equity securities or the general condition of the stock market.

ETFs are subject to various risks, including management’s ability to meet the fund’s investment objective, and to manage the fund’s portfolio when the underlying securities are redeemed or sold, during periods of market turmoil and as investors’ perceptions regarding ETFs or their underlying investments change. Unlike open-end funds, which trade at prices based on a current determination of the fund’s net asset value, ETFs frequently trade at a discount from their net asset value in the secondary market. Certain ETFs may employ the use of leverage, which increases the volatility of such funds. An investment in a portfolio containing securities of foreign issuers is subject to additional risks, including currency fluctuations, political risks, withholding, the lack of adequate financial information, and exchange control restrictions impacting foreign issuers. Risks associated with investing in foreign securities may be more pronounced in emerging markets where the securities markets are substantially smaller, less liquid, less regulated and more volatile than the U.S. and developed foreign markets.

An investment in a portfolio containing small-cap and mid-cap companies is subject to additional risks, as the share prices of small-cap companies and certain mid-cap companies are often more volatile than those of larger companies due to several factors, including limited trading volumes, products, financial resources, management inexperience and less publicly available information.

You should consider the portfolio’s investment objective, risks, and charges and expenses carefully before investing. Contact your financial advisor or call First Trust Portfolios L.P. at the number listed below to request a prospectus, which contains this and other information about the portfolio. Read it carefully before you invest.
It is important to note that an investment can be made in the underlying funds directly rather than through the trust. These direct investments can be made without paying the trust’s sales charge, operating expenses and organizational costs.

The deferred sales charge will be deducted in three monthly installments commencing 3/20/19.

When the public offering price is less than or equal to $10.00 per unit, there will be no initial sales charge. If the price exceeds $10.00 per unit, you will pay an initial sales charge.

The maximum sales charge for investors in fee accounts consists of the creation and development fee. Investors in fee accounts are not assessed any transactional sales charges. Standard accounts sales charges apply to units purchased as an ineligible asset.

The creation and development fee is a charge of $.050 per unit collected at the end of the initial offering period. If the price you pay exceeds $10.00 per unit, the creation and development fee will be less than 0.50%; if the price you pay is less than $10.00 per unit, the creation and development fee will exceed 0.50%. In addition to the sales charges listed, UIIs are subject to annual operating expenses and organization costs.

Certain of the ETFs invest in convertible securities. Convertible securities are bonds, preferred stocks and other securities that pay a fixed rate of interest (or dividends) and will repay principal at a fixed date in the future. However, these securities may be converted into a specific number of common stocks at a specified time. As such, an investment in convertible securities entails some of the risks associated with both common stocks and bonds.

Certain of the ETFs invest in MLPs. Investments in MLPs are subject to the risks generally applicable to companies in the energy and natural resources sectors, including commodity pricing risk, supply and demand risk, depletion risk and exploration risk. U.S. taxing authorities could challenge the trust’s treatment of the MLPs for federal income tax purposes. These tax risks could have a negative impact on the after-tax income available for distribution by the MLPs and/or the value of the trust’s investments.

Certain of the ETFs invest in REITs. Companies involved in the real estate industry are subject to changes in the real estate market, vacancy rates and competition, volatile interest rates and economic recession.

This unit investment trust is not an absolute return investment vehicle. It is important to note that an investment can be made in the underlying funds directly rather than through the trust. These direct investments can be made without paying the trust’s sales charge, operating expenses and organizational costs.

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.