Target Outcome ETFs® (the “funds”) are actively managed exchange-traded funds (“ETFs”) that use Flexible EXchange® Options (“FLEX Options”) to seek to provide targeted exposure to underlying ETFs (also referred to as reference assets) based on market indexes, while providing predetermined investment outcomes, removing some of the uncertainty associated with investing. The FT Cboe Vest U.S. Equity Enhance & Moderate Buffer ETFs (Enhance & Moderate Buffer ETFs) seek to provide investors with returns of approximately twice any positive price returns of the underlying ETF up to a predetermined cap (before fees and expenses), while providing a buffer (before fees and expenses) against the first 15% of underlying ETF losses over a specified target outcome period. The cap and buffer are reset at the end of each target outcome period. However, the funds may be held indefinitely, providing investors a buy and hold investment opportunity.

The hypothetical examples show possible outcomes across different scenarios. The examples assume ETF shares are purchased on the first day of the Target Outcome Period and held until the end of the period.

15% Enhance & Moderate Buffer Example

The examples are based on hypothetical reference asset returns and do not account for payment of fees and expenses so the actual return would be lower. A fund may not be able to achieve the hypothetical returns shown here. The 15% Enhance & Moderate Buffer ETF series seeks to shield investors against losses from 0 to -15%, over the Target Outcome Period. You should consider a 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 a fund. The prospectus or summary prospectus should be read carefully before investing.
Risk Considerations
You could lose money by investing in a fund. An investment in a fund is not a deposit of a bank and is not insured or guaranteed. There can be no assurance that a fund’s objective(s) will be achieved. Investors buying or selling shares on the secondary market may incur customary brokerage commissions. Please refer to each fund’s prospectus and Statement of Additional Information for additional details on a fund’s risks. The order of the below risk factors does not indicate the significance of any particular risk factor.

There can be no assurance that an active trading market for fund shares will develop or be maintained. A fund that uses FLEX Options to employ a “target outcome strategy” has characteristics unlike many other traditional investment products and may not be appropriate for all investors. There can be no guarantee that a target outcome fund will be successful in its strategy to buffer against losses. A shareholder may lose their entire investment. In the event an investor purchases shares after the first day of the Target Outcome Period subject to the cap.

A fund that invests in FLEX Options that reference an ETF is subject to certain of the risks of owning shares of an ETF as well as the relative supply of and demand for shares on the exchange, and a fund’s investment advisor cannot predict whether shares will trade below, at or above their NAV. There can be no guarantee that a fund will be successful in its strategy to provide enhanced returns of approximately twice any positive price return of the reference asset over the Target Outcome Period subject to the cap.

Large capitalization companies may grow at a slower rate than the overall market. The portfolio managers of an actively managed portfolio will apply investment techniques and risk analyses that may not have the desired result. Market risk is the risk that a particular security, or shares of a fund in general may fall in value. Securities are subject to market fluctuations caused by such factors as general economic conditions, political events, regulatory or market developments, changes in interest rates and perceived trends in securities prices. Shares of a fund could decline in value or underperform other investments as a result. In addition, local, regional or global events such as war, acts of terrorism, spread of infectious disease or other public health issues, recessions, natural disasters or other events could have significant negative impact on a fund.

Large inflows and outflows may impact a new fund’s market exposure for limited periods of time. A fund classified as “non-diversified” may invest a relatively high percentage of its assets in a limited number of issuers. As a result, a 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. A fund and a fund’s advisor may seek to reduce various operational risks through controls and procedures, but it is not possible to completely protect against such risks. The fund also relies on third parties for a range of services, including custody, and any delay or failure related to those services may affect the fund’s ability to meet its objective. The prices of options are volatile and the effective use of options depends on a fund’s ability to terminate option positions at times deemed desirable to do so. There is no assurance that a fund will be able to effectively and successfully evaluate transactions at any particular time or at an acceptable price.

The market price of a fund’s shares will generally fluctuate in accordance with changes in the fund’s net asset value (“NAV”) as well as the relative supply of and demand for shares on the exchange, and a fund’s investment advisor cannot predict whether shares will trade below, at or above their NAV.

Trading on an exchange may be halted due to market conditions or other reasons. There can be no assurance that a fund’s requirements to maintain the exchange listing will continue to be met or be unchanged. A fund that invests in FLEX Options that reference an ETF is subject to certain of the risks of owning shares of an ETF as well as the risks of the types of instruments in which the reference ETF invests.

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, the Internal Revenue Code or any other regulatory framework. Financial professionals are responsible for evaluating investment risks independently and for exercising independent judgment in determining whether investments are appropriate for their clients.

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A target outcome fund’s investment strategy is designed to deliver returns if shares are bought on the first day that the fund enters into the FLEX Options and are held until the FLEX Options expire at the end of the Target Outcome Period subject to the cap.

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Enhance & Moderate Buffer Series

Not FDIC Insured | Not Bank Guaranteed | May Lose Value