



Tax Information 2011 Distribution

First Trust/Highland Capital Floating Rate Income Fund II (TSX: FHM.UN)

Unitholders will receive a **T5008** Supplementary slip directly from their broker or intermediary, not from the Transfer Agent, CDS or FT (NSI) Management Inc.

Please consult your tax adviser or accountant about your First Trust/Highland Capital Floating Rate Income Fund II units.

The below table outlines the allocation of the 2011 *final proceeds of redemptions* for each unit:

			Allocation
Record Date	Payment Date	Rate/unit	Return of Capital
11-Mar-2011	17-Mar-2011	1.602347	100.00%
	TOTAL	1.602347	100.00%

This is a non taxable amount and will reduce the Adjusted Cost Base of the Units.

For further information, please contact our Inside Wholesalers at 416-865-8065 or 1-877-622-5552, or e-mail us at info@firsttrust.ca.

www.firsttrust.ca