Amendment no. 4 dated August 21, 2026 to the prospectus of the First Trust ETF dated August 15, 2025, as amended by amendment no. 1 dated November 21, 2025, amendment no. 2 dated February 20, 2026 and amendment no. 3 dated May 15, 2026 (the "**Prospectus**").

First Trust Vest U.S. Equity Buffer ETF – August

This amendment no. 4 amends the Prospectus in respect of the First Trust ETF.

This amendment no. 4 to the Prospectus provides certain additional information relating to the First Trust ETF. The Prospectus should be read subject to this additional information.

Summary

On August 21, 2026, the predetermined cap in respect of the First Trust ETF for the next Target Outcome Period was established by Vest Financial LLC, the sub-advisor to the First Trust ETF. The predetermined cap in respect of the First Trust ETF for the next Target Outcome Period has been established as 16.71% before fees, expenses and taxes.

Amendments

Effective August 24, 2026, the Prospectus is hereby amended as follows:

1. The second to last sentence in the second paragraph on the cover page is hereby deleted and replaced with the following:

   "The current Target Outcome Period is the period that commenced on Monday, August 24, 2026 to on or about Friday, August 20, 2027."

2. The second to last sentence under the subheading "Prospectus Summary – Investment Objectives – First Trust Vest U.S. Equity Buffer ETF – August" is hereby deleted and replaced with the following:

   "The current Target Outcome Period is the period that commenced on Monday, August 24, 2026 to on or about Friday, August 20, 2027."

3. The first row of the first table under the subheading "Prospectus Summary – Investment Strategies – First Trust Vest Funds" is hereby deleted and replaced with the following:

First Trust Vest U.S. Equity Buffer ETF – August	The current Target Outcome Period is the period that commenced on Monday, August 24, 2026 to on or about Friday, August 20, 2027.

4. The first row of the table under the subheading "Prospectus Summary – Investment Strategies – First Trust Vest Funds – Buffer and Cap" is hereby deleted and replaced with the following:

First Trust Vest U.S. Equity Buffer ETF – August	16.71% (before fees, expenses and taxes)

5. The second to last sentence in the paragraph under the subheading "Investment Objectives – First Trust Vest U.S. Equity Buffer ETF – August" is hereby deleted and replaced with the following:

   "The current Target Outcome Period is the period that commenced on Monday, August 24, 2026 to on or about Friday, August 20, 2027."

6. The first row of the first table under the subheading "Investment Strategies – First Trust Vest Funds" is hereby deleted and replaced with the following:

First Trust Vest U.S. Equity Buffer ETF – August	The current Target Outcome Period is the period that commenced on Monday, August 24, 2026 to on or about Friday, August 20, 2027.

7. The first row of the table under the subheading "Investment Strategies – First Trust Vest Funds – Buffer and Cap" is hereby deleted and replaced with the following:

First Trust Vest U.S. Equity Buffer ETF – August	16.71% (before fees, expenses and taxes)

What are your legal rights?

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase ETF securities within 48 hours after the receipt of a confirmation of a purchase of such securities. In several of the provinces and territories, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation, or for non-delivery of the ETF Facts, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory.

The purchaser should refer to the applicable provisions of the securities legislation of the province or territory for the particulars of these rights or consult with a legal advisor.

CERTIFICATE OF THE FIRST TRUST ETF AND THE TRUSTEE, MANAGER AND THE PROMOTER

The prospectus dated August 15, 2025, as amended by amendment no. 1 dated November 21, 2025, amendment no. 2 dated February 20, 2026, amendment no. 3 dated May 15, 2026 and this amendment no. 4 dated August 21, 2026, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus, as amended, as required by the securities legislation of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia, New Brunswick, Prince Edward Island, Newfoundland and Labrador, Yukon, Northwest Territories and Nunavut.

Dated: August 21, 2026.

FT PORTFOLIOS CANADA CO.,
as Trustee and Manager of the First Trust ETF

(Signed) "*Andrew Roggensack*"
Chair
(as chief executive officer)

(Signed) "*Susan Johnson*"
Chief Financial Officer

On behalf of the Board of Directors of FT Portfolios Canada Co.

(Signed) "*Eric Anderson*"
Director

(Signed) "*David McGarel*"
Director

(Signed) "*Andrew Roggensack*"
Director

FT PORTFOLIOS CANADA CO.,
as Promoter of the First Trust ETF

(Signed) "*Andrew Roggensack*"
Chair
(as chief executive officer)

Amendment no. 3 dated May 15, 2026 to the prospectus of the First Trust ETF dated August 15, 2025, as amended by amendment no. 1 dated November 21, 2025 and amendment no. 2 dated February 20, 2026 (the "**Prospectus**").

First Trust Vest U.S. Equity Buffer ETF – May

This amendment no. 3 amends the Prospectus in respect of the First Trust ETF.

This amendment no. 3 to the Prospectus provides certain additional information relating to the First Trust ETF. The Prospectus should be read subject to this additional information.

Summary

On May 15, 2026, the predetermined cap in respect of the First Trust ETF for the next Target Outcome Period was established by Vest Financial LLC, the sub-advisor to the First Trust ETF. The predetermined cap in respect of the First Trust ETF for the next Target Outcome Period has been established as 17.23% before fees, expenses and taxes.

Amendments

Effective May 19, 2026, the Prospectus is hereby amended as follows:

1. Each reference to "SPDR® S&P 500® ETF Trust" is hereby deleted and replaced with "State Street® SPDR® S&P 500® ETF Trust".

2. The second to last sentence in the fifth paragraph on the cover page is hereby deleted and replaced with the following:

   "The current Target Outcome Period is the period that commenced on Tuesday, May 19, 2026 to on or about Friday, May 21, 2027."

3. The second to last sentence under the subheading "Prospectus Summary – Investment Objectives – First Trust Vest U.S. Equity Buffer ETF – May" is hereby deleted and replaced with the following:

   "The current Target Outcome Period is the period that commenced on Tuesday, May 19, 2026 to on or about Friday, May 21, 2027."

4. The fourth row of the first table under the subheading "Prospectus Summary – Investment Strategies – First Trust Vest Funds" is hereby deleted and replaced with the following:

First Trust Vest U.S. Equity Buffer ETF – May	The current Target Outcome Period is the period that commenced on Tuesday, May 19, 2026 to on or about Friday, May 21, 2027.

5. The fourth row of the table under the subheading "Prospectus Summary – Investment Strategies – First Trust Vest Funds – Buffer and Cap" is hereby deleted and replaced with the following:

First Trust Vest U.S. Equity Buffer ETF – May	17.23% (before fees, expenses and taxes)

6. The second to last sentence in the paragraph under the subheading "Investment Objectives – First Trust Vest U.S. Equity Buffer ETF – May" is hereby deleted and replaced with the following:

"The current Target Outcome Period is the period that commenced on Tuesday, May 19, 2026 to on or about Friday, May 21, 2027."

7. The fourth row of the first table under the subheading "Investment Strategies – First Trust Vest Funds" is hereby deleted and replaced with the following:

First Trust Vest U.S. Equity Buffer ETF – May	The current Target Outcome Period is the period that commenced on Tuesday, May 19, 2026 to on or about Friday, May 21, 2027.

8. The fourth row of the table under the subheading "Investment Strategies – First Trust Vest Funds – Buffer and Cap" is hereby deleted and replaced with the following:

First Trust Vest U.S. Equity Buffer ETF – May	17.23% (before fees, expenses and taxes)

What are your legal rights?

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase ETF securities within 48 hours after the receipt of a confirmation of a purchase of such securities. In several of the provinces and territories, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation, or for non-delivery of the ETF Facts, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory.

The purchaser should refer to the applicable provisions of the securities legislation of the province or territory for the particulars of these rights or consult with a legal advisor.

CERTIFICATE OF THE FIRST TRUST ETF AND THE TRUSTEE, MANAGER AND THE PROMOTER

The prospectus dated August 15, 2025, as amended by amendment no. 1 dated November 21, 2025, amendment no. 2 dated February 20, 2026 and this amendment no. 3 dated May 15, 2026, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus, as amended, as required by the securities legislation of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia, New Brunswick, Prince Edward Island, Newfoundland and Labrador, Yukon, Northwest Territories and Nunavut.

Dated: May 15, 2026.

FT PORTFOLIOS CANADA CO.,
as Trustee and Manager of the First Trust ETF

(Signed) "*Andrew Roggensack*"
Chair
(as chief executive officer)

(Signed) "*Susan Johnson*"
Chief Financial Officer

On behalf of the Board of Directors of FT Portfolios Canada Co.

(Signed) "*Eric Anderson*"
Director

(Signed) "*David McGarel*"
Director

(Signed) "*Andrew Roggensack*"
Director

FT PORTFOLIOS CANADA CO.,
as Promoter of the First Trust ETF

(Signed) "*Andrew Roggensack*"
Chair
(as chief executive officer)

Amendment no. 2 dated February 20, 2026 to the prospectus of the First Trust ETFs dated August 15, 2025, as amended by amendment no. 1 dated November 21, 2025 (the "**Prospectus**").

First Trust Vest U.S. Equity Buffer ETF – February

This amendment no. 2 amends the Prospectus in respect of the First Trust ETF.

This amendment no. 2 to the Prospectus provides certain additional information relating to the First Trust ETF. The Prospectus should be read subject to this additional information.

Summary

On February 20, 2026, the predetermined cap in respect of the First Trust ETF for the next Target Outcome Period was established by Vest Financial LLC, the sub-advisor to the First Trust ETF. The predetermined cap in respect of the First Trust ETF for the next Target Outcome Period has been established as 15.05% before fees, expenses and taxes.

Amendments

Effective February 23, 2026, the Prospectus is hereby amended as follows:

1. The second to last sentence in the fourth paragraph on the cover page is hereby deleted and replaced with the following:

   "The current Target Outcome Period is the period that commenced on Monday, February 23, 2026 to on or about Friday, February 19, 2027."

2. The second to last sentence under the subheading "Prospectus Summary – Investment Objectives – First Trust Vest U.S. Equity Buffer ETF – February" is hereby deleted and replaced with the following:

   "The current Target Outcome Period is the period that commenced on Monday, February 23, 2026 to on or about Friday, February 19, 2027."

3. The third row of the first table under the subheading "Prospectus Summary – Investment Strategies – First Trust Vest Funds" is hereby deleted and replaced with the following:

First Trust Vest U.S. Equity Buffer ETF – February	The current Target Outcome Period is the period that commenced on Monday, February 23, 2026 to on or about Friday, February 19, 2027.

4. The third row of the table under the subheading "Prospectus Summary – Investment Strategies – First Trust Vest Funds – Buffer and Cap" is hereby deleted and replaced with the following:

First Trust Vest U.S. Equity Buffer ETF – February	15.05% (before fees, expenses and taxes)

5. The second to last sentence in the paragraph under the subheading "Investment Objectives – First Trust Vest U.S. Equity Buffer ETF – February" is hereby deleted and replaced with the following:

"The current Target Outcome Period is the period that commenced on Monday, February 23, 2026 to on or about Friday, February 19, 2027."

6. The third row of the first table under the subheading "Investment Strategies – First Trust Vest Funds" is hereby deleted and replaced with the following:

First Trust Vest U.S. Equity Buffer ETF – February	The current Target Outcome Period is the period that commenced on Monday, February 23, 2026 to on or about Friday, February 19, 2027.

7. The third row of the table under the subheading "Investment Strategies – First Trust Vest Funds – Buffer and Cap" is hereby deleted and replaced with the following:

First Trust Vest U.S. Equity Buffer ETF – February	15.05% (before fees, expenses and taxes)

What are your legal rights?

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase ETF securities within 48 hours after the receipt of a confirmation of a purchase of such securities. In several of the provinces and territories, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation, or for non-delivery of the ETF Facts, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory.

The purchaser should refer to the applicable provisions of the securities legislation of the province or territory for the particulars of these rights or consult with a legal advisor.

CERTIFICATE OF THE FIRST TRUST ETF AND THE TRUSTEE, MANAGER AND THE PROMOTER

The prospectus dated August 15, 2025, as amended by amendment no. 1 dated November 21, 2025 and this amendment no. 2 dated February 20, 2026, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus, as amended, as required by the securities legislation of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia, New Brunswick, Prince Edward Island, Newfoundland and Labrador, Yukon, Northwest Territories and Nunavut.

Dated: February 20, 2026.

FT PORTFOLIOS CANADA CO.,
as Trustee and Manager of the First Trust ETF

(Signed) "*Andrew Roggensack*"
Chair
(as chief executive officer)

(Signed) "*Susan Johnson*"
Chief Financial Officer

On behalf of the Board of Directors of FT Portfolios Canada Co.

(Signed) "*Eric Anderson*"
Director

(Signed) "*David McGarel*"
Director

(Signed) "*Andrew Roggensack*"
Director

FT PORTFOLIOS CANADA CO.,
as Promoter of the First Trust ETF

(Signed) "*Andrew Roggensack*"
Chair
(as chief executive officer)

Amendment no. 1 dated November 21, 2025 to the prospectus of the First Trust ETFs dated August 15, 2025 (the "**Prospectus**").

First Trust Vest U.S. Equity Buffer ETF – November
(the "First Trust ETF")

This amendment no. 1 amends the Prospectus in respect of the First Trust ETF.

This amendment no. 1 to the Prospectus provides certain additional information relating to the First Trust ETF. The Prospectus should be read subject to this additional information.

Summary

On November 21, 2025, the predetermined cap in respect of the First Trust ETF for the next Target Outcome Period was established by Vest Financial LLC, the sub-advisor to the First Trust ETF. The predetermined cap in respect of the First Trust ETF for the next Target Outcome Period has been established as 16.58% before fees, expenses and taxes.

Amendments

Effective November 24, 2025, the Prospectus is hereby amended as follows:

1. The second to last sentence in the third paragraph on the cover page is hereby deleted and replaced with the following:

   "The current Target Outcome Period is the period that commenced on Monday, November 24, 2025 to on or about Friday, November 20, 2026."

2. The second to last sentence under the subheading "Prospectus Summary – Investment Objectives – First Trust Vest U.S. Equity Buffer ETF – November" is hereby deleted and replaced with the following:

   "The current Target Outcome Period is the period that commenced on Monday, November 24, 2025 to on or about Friday, November 20, 2026."

3. The second row of the first table under the subheading "Prospectus Summary – Investment Strategies – First Trust Equity Buffer ETFs" is hereby deleted and replaced with the following:

First Trust Vest U.S. Equity Buffer ETF – November	The current Target Outcome Period is the period that commenced on Monday, November 24, 2025 to on or about Friday, November 20, 2026.

4. The second row of the table under the subheading "Prospectus Summary – Investment Strategies – First Trust Equity Buffer ETFs – Buffer and Cap" is hereby deleted and replaced with the following:

First Trust Vest U.S. Equity Buffer ETF – November	16.58% (before fees, expenses and taxes)

5. The second to last sentence in the paragraph under the subheading "Investment Objectives – First Trust Vest U.S. Equity Buffer ETF – November" is hereby deleted and replaced with the following:

"The current Target Outcome Period is the period that commenced on Monday, November 24, 2025 to on or about Friday, November 20, 2026."

6. The second row of the first table under the subheading "Investment Strategies – First Trust Equity Buffer ETFs" is hereby deleted and replaced with the following:

First Trust Vest U.S. Equity Buffer ETF – November	The current Target Outcome Period is the period that commenced on Monday, November 24, 2025 to on or about Friday, November 20, 2026.

7. The second row of the table under the subheading "Investment Strategies – First Trust Equity Buffer ETFs – Buffer and Cap" is hereby deleted and replaced with the following:

First Trust Vest U.S. Equity Buffer ETF – November	16.58% (before fees, expenses and taxes)

What are your legal rights?

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase ETF securities within 48 hours after the receipt of a confirmation of a purchase of such securities. In several of the provinces and territories, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation, or for non-delivery of the ETF Facts, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory.

The purchaser should refer to the applicable provisions of the securities legislation of the province or territory for the particulars of these rights or consult with a legal advisor.

CERTIFICATE OF THE FIRST TRUST ETF AND THE TRUSTEE, MANAGER AND THE PROMOTER

The prospectus dated August 15, 2025, as amended by this amendment no. 1 dated November 21, 2025, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus, as amended, as required by the securities legislation of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia, New Brunswick, Prince Edward Island, Newfoundland and Labrador, Yukon, Northwest Territories and Nunavut.

Dated: November 21, 2025.

FT PORTFOLIOS CANADA CO.,
as Trustee and Manager of the First Trust ETF

(Signed) "*Andrew Roggensack*"
Chair
(as chief executive officer)

(Signed) "*Susan Johnson*"
Chief Financial Officer

On behalf of the Board of Directors of FT Portfolios Canada Co.

(Signed) "*Eric Anderson*"
Director

(Signed) "*David McGarel*"
Director

(Signed) "*Andrew Roggensack*"
Director

FT PORTFOLIOS CANADA CO.,
as Promoter of the First Trust ETF

(Signed) "*Andrew Roggensack*"
Chair
(as chief executive officer)

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

PROSPECTUS

Continuous Offering August 15, 2025



This prospectus qualifies the distribution of units ("**units**") or hedged units ("**Hedged Units**") of the following First Trust exchange traded funds (each, a "**First Trust ETF**" and collectively, the "**First Trust ETFs**"), as applicable. The units and Hedged Units are collectively referred to as the "**Units**". The First Trust ETFs are exchange traded mutual funds established as trusts under the laws of the Province of Ontario.

First Trust Vest U.S. Equity Buffer ETF – August
First Trust Vest U.S. Equity Buffer ETF – November
First Trust Vest U.S. Equity Buffer ETF – February
First Trust Vest U.S. Equity Buffer ETF – May
First Trust Vest Fund of Buffer ETFs (Canada) ETF
(each, a "**Buffer ETF**" and collectively, the "**Buffer ETFs**")

First Trust SMID Cap Rising Dividend Achievers ETF
First Trust Vest SMID Rising Dividend Achievers Target Income ETF
(each, a "**SMID ETF**" and collectively, the "**SMID ETFs**")

First Trust Vest U.S. Equity Buffer ETF – August seeks to provide the holders of Units ("**Unitholders**") with returns (before fees, expenses and taxes) that match the price return of the SPDR® S&P 500® ETF Trust (the "**Reference ETF**") up to a predetermined upside cap (before fees, expenses and taxes), while providing a buffer against the first 10% (before fees, expenses and taxes) of the decrease in market price of the Reference ETF, over a period referred to as the "Target Outcome Period". The current Target Outcome Period is the period that commenced on Monday, August 18, 2025, to on or about Friday, August 21, 2026. Following the current Target Outcome Period, each subsequent Target Outcome Period will be for a period of approximately one year from the Monday following the third Friday of August of each year to on or about the third Friday of August of the following year.

First Trust Vest U.S. Equity Buffer ETF – November seeks to provide Unitholders with returns (before fees, expenses and taxes) that match the price return of the Reference ETF up to a predetermined upside cap (before fees, expenses and taxes), while providing a buffer against the first 10% (before fees, expenses and taxes) of the decrease in market price of the Reference ETF, over a period referred to as the "Target Outcome Period". The current Target Outcome Period is the period that commenced on Monday, November 18, 2024 to on or about Friday, November 21, 2025. Following the current Target Outcome Period, each subsequent Target Outcome Period will be for a period of approximately one year from the Monday following the third Friday of November of each year to on or about the third Friday of November of the following year.

First Trust Vest U.S. Equity Buffer ETF – February seeks to provide Unitholders with returns (before fees, expenses and taxes) that match the price return of the Reference ETF up to a predetermined upside cap (before fees, expenses and taxes), while providing a buffer against the first 10% (before fees, expenses and taxes) of the decrease in market price of the Reference ETF, over a period referred to as the "Target Outcome Period". The current Target Outcome Period is the period that commenced on Monday, February 24, 2025 to on or about Friday, February 20, 2026. Following the current Target Outcome Period, each subsequent Target Outcome Period will be for a period of approximately one year from the Monday following the third Friday of February of each year to on or about the third Friday of February of the following year.

First Trust Vest U.S. Equity Buffer ETF – May seeks to provide Unitholders with returns (before fees, expenses and taxes) that match the price return of the Reference ETF up to a predetermined upside cap (before fees, expenses and

taxes), while providing a buffer against the first 10% (before fees, expenses and taxes) of the decrease in market price of the Reference ETF, over a period referred to as the "Target Outcome Period". The current Target Outcome Period is the period that commenced on Tuesday, May 20, 2025 to on or about Friday, May 15, 2026. Following the current Target Outcome Period, each subsequent Target Outcome Period will be for a period of approximately one year from the Monday following the third Friday of May of each year to on or about the third Friday of May of the following year.

First Trust Vest Fund of Buffer ETFs (Canada) ETF seeks to provide Unitholders with capital appreciation and exposure to U.S. large capitalization companies included in the S&P 500® Index through investment in an equally weighted portfolio of First Trust Vest Funds (as defined herein). Initially, First Trust Vest Fund of Buffer ETFs (Canada) ETF will invest in Hedged Units of First Trust Vest U.S. Equity Buffer ETF – August, First Trust Vest U.S. Equity Buffer ETF – November, First Trust Vest U.S. Equity Buffer ETF – February and First Trust Vest U.S. Equity Buffer ETF – May. Investing in a laddered portfolio of First Trust Vest Funds will reset the downside protection and cap levels on a portion of First Trust Vest Fund of Buffer ETFs (Canada) ETF's portfolio on a quarterly basis.

First Trust SMID Cap Rising Dividend Achievers ETF seeks to replicate, to the extent possible, the performance of an index of U.S. small and mid cap companies, net of expenses, initially the Nasdaq US Small Mid Cap Rising Dividend Achievers™ Index (the "**SMID Index**").

First Trust Vest SMID Rising Dividend Achievers Target Income ETF seeks to provide Unitholders with current income with a secondary objective of providing capital appreciation by investing primarily in a portfolio of equity securities included in the SMID Index as well as listed options on the Russell 2000® Index or exchange-traded funds that track the Russell 2000® Index.

An investor that purchases Units of a First Trust Vest Fund other than on the first day of a Target Outcome Period and/or redeems or sells Units of a First Trust Vest Fund prior to the end of a Target Outcome Period may experience results that are very different from the target outcomes sought by such First Trust Vest Fund for that Target Outcome Period. To achieve the intended target outcomes sought by a First Trust Vest Fund for a Target Outcome Period, an investor must hold Units of the First Trust Vest Fund for that entire Target Outcome Period.

The First Trust ETFs' website (www.firsttrust.ca) provides important information about the First Trust Vest Funds (including Target Outcome Period start and end dates and the cap and buffer in respect of the First Trust Vest Funds) as well as information relating to the potential outcomes of an investment in the First Trust Vest Funds on a daily basis.

FT Portfolios Canada Co. (the "**Manager**") is the trustee, manager and promoter of the First Trust ETFs and is responsible for the administration of the First Trust ETFs. The Manager is located in Toronto, Ontario, Canada. See "Organization and Management Details – The Trustee, Manager and Promoter".

First Trust Advisors L.P. (the "**Portfolio Advisor**"), an affiliate of the Manager, is the portfolio advisor of the First Trust ETFs. The Portfolio Advisor is located in the United States. See "Organization and Management Details – The Portfolio Advisor".

Vest Financial LLC (the "**Sub-Advisor**") is the investment sub-advisor of the Buffer ETFs and First Trust Vest SMID Rising Dividend Achievers Target Income ETF. The Sub-Advisor is located in the United States. See "Organization and Management Details – The Sub-Advisor".

On any Trading Day, Unitholders of any Buffer ETF may exchange the Prescribed Number of Units (or an integral multiple thereof) for cash and Unitholders of any SMID ETF may exchange the Prescribed Number of Units (or an integral multiple thereof) for Basket of Securities and cash or, in discretion of the Manager, cash only.

The Hedged Units of First Trust Vest Funds are listed on the Toronto Stock Exchange (the "**TSX**") and (a) the units of First Trust Vest Fund of Buffer ETFs (Canada) ETF and First Trust Vest SMID Rising Dividend Achievers Target Income ETF and (b) the units and Hedged Units of First Trust SMID Cap Rising Dividend Achievers ETF are listed on Cboe Canada Inc. ("**Cboe Canada**") and Investors may buy or sell Units of the First Trust ETFs on the TSX or Cboe Canada, as the case may be, through registered brokers and dealers in the province or territory where the investor resides.

Cboe Canada has conditionally approved the listing of the Hedged Units of First Trust Vest SMID Rising Dividend Achievers Target Income ETF (the "**Additional Units**"), subject to satisfying Cboe Canada's original listing requirements. Subject to satisfying Cboe Canada's original listing requirements, the Additional Units will be listed on Cboe Canada and offered on a continuous basis, and an investor will be able to buy or sell the Additional Units on Cboe Canada through registered brokers and dealers in the province or territory where the investor resides.

There is no maximum number of Units that may be issued. Investors may incur customary brokerage commissions in buying or selling Units. All orders to purchase Units directly from a First Trust ETF must be placed by Dealers or Designated Brokers. See "Purchases of Units – Buying and Selling Units" and "Purchases of Units – Offerings and Continuous Distribution".

No underwriter has been involved in the preparation of this prospectus or has performed any review of the contents of the prospectus.

An investor that purchases Units of a First Trust Vest Fund other than on the first day of a Target Outcome Period and/or redeems or sells Units of a First Trust Vest Fund prior to the end of a Target Outcome Period may experience results that are very different from the target outcomes sought by such First Trust Vest Fund for that Target Outcome Period. To achieve the intended target outcomes sought by a First Trust Vest Fund for a Target Outcome Period, an investor must hold Units of the First Trust Vest Fund for that entire Target Outcome Period.

The First Trust ETFs' website (www.firsttrust.ca) provides important information about the First Trust ETFs (including Target Outcome Period start and end dates and the cap and buffer in respect of the First Trust Vest Funds) as well as information relating to the potential outcomes of an investment in the First Trust Vest Funds on a daily basis. If you are contemplating purchasing Units of a First Trust Vest Fund, please visit www.firsttrust.ca. Investors considering purchasing Units of a First Trust Vest Fund after the Target Outcome Period has begun or selling or redeeming Units of a First Trust Vest Fund prior to the end of the Target Outcome Period should visit the First Trust ETFs' website to fully understand potential investment outcomes.

As stated above and explained in greater detail within this prospectus, if a First Trust Vest Fund has experienced certain levels of either gains or losses since the beginning of the Target Outcome Period, there may be little to no ability to achieve gains or benefit from the buffer for the remainder of the Target Outcome Period. The First Trust ETFs' website contains important information that will assist you in determining whether an investment in Units of the First Trust Vest Funds is right for you.

For a discussion of the risks associated with an investment in Units of the First Trust ETFs, see "Risk Factors". Your investment in any of the First Trust ETFs is not guaranteed by any entity, including the Manager, the Portfolio Advisor or the Sub-Advisor.

In the opinion of legal counsel to the First Trust ETFs and the Manager, provided that the Units of a First Trust ETF are listed on the TSX or Cboe Canada, as applicable, or that the First Trust ETF qualifies as a mutual fund trust within the meaning of the *Income Tax Act* (Canada), the Units of that First Trust ETF will be qualified investments for trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered disability savings plans, registered education savings plans, first home savings plans and tax-free savings accounts. See "Eligibility for Investment"

Registration of interests in, and transfer of, the Units will be made only through CDS Clearing and Depository Services Inc. Beneficial owners will not have the right to receive physical certificates evidencing their ownership.

Additional information about each First Trust ETF is or will be available in the most recently-filed annual financial statements, including where applicable financial statements included in a previously filed prospectus of the First Trust ETFs, any interim financial statements filed after the most recent annual financial statements, the most recently-filed annual management report of fund performance ("**MRFP**"), any interim MRFP filed after the most recently-filed annual MRFP and the most recently-filed ETF Facts for each First Trust ETF. These documents are or will be incorporated by reference into, and legally form an integral part of, this prospectus. See "Documents Incorporated by Reference".

The First Trust ETFs are not sponsored, endorsed, sold or promoted by the Reference ETF, PDR Services, LLC ("**PDR**"), Standard & Poor's® or their affiliates. The Reference ETF, PDR, Standard & Poor's and their affiliates have not passed on the legality or suitability of, or the accuracy or adequacy of, descriptions and disclosures relating to the First Trust ETFs or the FLEX Options. The Reference ETF, PDR, Standard & Poor's and their affiliates make no representations or warranties, express or implied, regarding the advisability of investing in the First Trust ETFs or the FLEX Options or results to be obtained by the Buffer ETFs or the FLEX Options, Unitholders or any other person or entity from use of the Reference ETF. The Reference ETF, PDR, Standard & Poor's and their affiliates have no liability in connection with the management, administration, marketing or trading of the First Trust ETFs or the FLEX Options.

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GLOSSARY OF TERMS

Unless otherwise indicated, all references to dollar amounts in this prospectus are to Canadian dollars and all references to times in this prospectus are to Toronto time.

Additional Units – as defined under "Overview of the Legal Structure of the First Trust ETFs".

Basket of Securities *– a group of securities or assets determined by the Portfolio Advisor from time to time representing the constituents of a First Trust ETF.*

Buffer ETFs – means, collectively, First Trust Vest U.S. Equity Buffer ETF – August, First Trust Vest U.S. Equity Buffer ETF – November, First Trust Vest U.S. Equity Buffer ETF – February, First Trust Vest U.S. Equity Buffer ETF – May and First Trust Vest Fund of Buffer ETFs (Canada) ETF.

capital gains refund – as defined under "Income Tax Considerations – Taxation of the First Trust ETFs".

Canadian securities legislation – the applicable securities legislation in force in each province and territory of Canada, all regulations, rules, orders and policies made thereunder and all multilateral and national instruments adopted by the securities regulatory authorities.

Capital Gains Designation Limit – as defined under "Income Tax Considerations – Taxation of the First Trust ETFs".

CBOE Canada – CBOE Canada Inc.

CDS – CDS Clearing and Depository Services Inc.

CDS Participant – a participant in CDS that holds Units on behalf of beneficial owners of Units.

CFA – as defined under "Income Tax Considerations – Taxation of the First Trust ETFs".

Constituent Issuers – means the issuers whose securities are included in the portfolio of that First Trust ETF from time to time.

Constituent Securities – means, for each First Trust ETF, the securities of the Constituent Issuers.

CRS Rules – as defined under "International Information Reporting".

Custodian – CIBC Mellon Trust Company.

Custodian Agreement – the custodian agreement dated May 9, 2013 between the First Trust ETFs and the Custodian, as amended, as may be amended from time to time.

Dealer – a registered dealer (that may or may not be a Designated Broker) that has entered into a Dealer Agreement with the Manager, on behalf of one or more First Trust ETFs, pursuant to which the Dealer may subscribe for Units of that First Trust ETF as described under "Purchases of Units – Issuance of Units".

Dealer Agreement – an agreement between the Manager, on behalf of one or more First Trust ETFs, and a Dealer, as amended from time to time.

Declaration of Trust – the amended and restated master declaration of trust dated May 1, 2013, as amended and restated and as may be further amended and restated from time to time governing the First Trust ETFs.

Designated Broker – a registered dealer that has entered into a Designated Broker Agreement with the Manager, on behalf of one or more First Trust ETFs pursuant to which the Designated Broker agrees to perform certain duties in relation to the First Trust ETFs.

Designated Broker Agreement – an agreement between the Manager, on behalf of a First Trust ETF, and a Designated Broker, as amended from time to time.

distribution record date – a date determined by the Manager as a record date for the determination of Unitholders of a First Trust ETF entitled to receive a distribution.

DPSPs – deferred profit sharing plans as defined in the Tax Act.

EBITDA – earnings before interest, taxes, depreciation and amortization.

EIFEL Rules – as defined under "Income Tax Considerations – Taxation of the First Trust ETFs".

ETF – an exchange traded fund.

Exchange – means, the Toronto Stock Exchange and/or Cboe Canada Inc., as applicable.

FHSAs – first home savings account as defined in the Tax Act.

First Trust ETFs – means, collectively, First Trust Vest U.S. Equity Buffer ETF – August, First Trust Vest U.S. Equity Buffer ETF – November, First Trust Vest U.S. Equity Buffer ETF – February, First Trust Vest U.S. Equity Buffer ETF – May, First Trust Vest Fund of Buffer ETFs (Canada) ETF, First Trust SMID Cap Rising Dividend Achievers ETF and First Trust Vest SMID Rising Dividend Achievers Target Income ETF.

First Trust Vest Funds – means, collectively, First Trust Vest U.S. Equity Buffer ETF – August, First Trust Vest U.S. Equity Buffer ETF – November, First Trust Vest U.S. Equity Buffer ETF – February and First Trust Vest U.S. Equity Buffer ETF – May and such other First Trust Vest U.S. Equity Buffer ETFs as may be established in the future.

FLEX Options – for each Buffer ETF, as defined under "Investment Strategies".

FT Portfolios Canada Co. – FT Portfolios Canada Co., a corporation established under the laws of the Province of Nova Scotia and registered as an investment fund manager and mutual fund dealer with the Ontario Securities Commission.

Hedged Unit – in relation to a particular First Trust ETF, a hedged unit of that First Trust ETF.

HST – the harmonized sales tax imposed under the *Excise Tax Act* (Canada) that is applicable in certain provinces of Canada.

IFRS – IFRS Accounting Standards as issued by the International Accounting Standards Board.

IGA – as defined under "International Information Reporting".

Index – with respect to the SMID ETFs, a benchmark or index, provided by the Index Provider, or a replacement or alternative benchmark or index that applies substantially similar criteria to those currently used by the Index Provider for the benchmark or index or a successor index that is comprised of or would be comprised of the same or similar Constituent Securities, used by the SMID ETF (currently the SMID Index); and in relation to the Buffer ETFs means the S&P 500® Index.

Index Provider – the third-party provider of the Index with respect to which FT Portfolios Canada Co. has entered into sub-licensing arrangements permitting FT Portfolios Canada Co. to use the Index and certain trademarks in connection with the operation of the First Trust ETF.

Initial Price – for each Buffer ETF, as defined under "Investment Strategies – First Trust Vest Funds – Buffer and Cap".

IRC – the Independent Review Committee of the First Trust ETFs.

License Agreement – with respect to the First Trust ETF, the license agreement between FT Portfolios Canada Co. and the Index Provider with respect to the Index, or the sub-license agreement between FT Portfolios Canada Co. and First Trust Portfolios L.P. with respect to the Index.

Manager – FT Portfolios Canada Co.

MRFP – management report of fund performance.

NAV and ***NAV per Unit (of a class) –*** in relation to a particular First Trust ETF, the net asset value of the First Trust ETF and the net asset value per Unit of a class of that First Trust ETF, calculated by the Valuation Agent as described under "Calculation of Net Asset Value".

NI 81-102 – National Instrument 81-102 *Investment Funds*.

NI 81-107 – National Instrument 81-107 *Independent Review Committee for Investment Funds.*

NRT Rules – as defined under "Risk Factors – Other Tax-Related Risks".

OIFP Rules – as defined under "Income Tax Considerations – Taxation of the First Trust ETFs".

Other Securities – securities other than Constituent Securities included in the portfolio of the First Trust ETF, including ETFs, mutual funds or other public investment funds or derivative instruments.

Permitted Merger – as defined under "Unitholder Matters – Matters Requiring Unitholder Approval".

Portfolio Advisor – the portfolio advisor of the First Trust ETFs, namely First Trust Advisors L.P., and if applicable, its successors.

Portfolio Advisor Agreement – means the portfolio advisory agreement dated May 1, 2013 between the Portfolio Advisor and the Manager, as amended, as it may be amended from time to time.

Prescribed Number of Units – in relation to a particular First Trust ETF, the number of Units determined by the Manager from time to time for the purpose of subscription orders, exchanges, redemptions or for other purposes.

Proxy Voting Policy – as defined under "Proxy Voting Disclosure for Portfolio Securities Held".

RDSPs – registered disability savings plans as defined in the Tax Act.

Reference ETF – means the SPDR® S&P 500® ETF Trust, an exchange-traded unit investment trust existing under the laws of the State of New York and registered under the United States *Investment Company Act of 1940*, as amended.

Reportable Jurisdictions – as defined under "International Information Reporting".

RESPs – registered education savings plans as defined in the Tax Act.

RRIFs – registered retirement income funds as defined in the Tax Act.

RRSPs – registered retirement savings plans as defined in the Tax Act.

Registered Plans – means, collectively, RRSPs, RRIFs, DPSPs, RDSPs, RESPs, FHSAs and TFSAs.

Registrar and Transfer Agent –TSX Trust Company.

SDVY – as defined under "Investment Strategies - First Trust SMID Cap Rising Dividend Achievers ETF".

securities regulatory authorities – the securities commission or similar regulatory authority in each province and territory of Canada that is responsible for administering the Canadian securities legislation in force in such province or territory.

SEDAR+ – System for Electronic Data Analysis and Retrieval+.

SIFT – a specified investment flow-through trust or partnership as defined in the Tax Act.

SIFT Rules – rules in the Tax Act that are applicable to SIFT trusts and SIFT partnerships as defined in the Tax Act.

SMID ETFs - First Trust SMID Cap Rising Dividend Achievers ETF and First Trust Vest SMID Rising Dividend Achievers Target Income ETF.

SMID Index – means the Nasdaq US Small Mid Cap Rising Dividend Achievers™ Index.

Sub-Advisor – the sub-advisor of the Buffer ETFs and First Trust Vest SMID Rising Dividend Achievers Target Income ETF, namely Vest Financial LLC, and if applicable, its successors.

Sub-Advisory Agreement – means the sub-advisory agreement between the Sub-Advisor and the Portfolio Advisor, as it may be amended from time to time.

substituted property – as defined under "Income Tax Considerations – Taxation of the First Trust ETFs".

Target Outcome Period – as defined under "Investment Objectives – First Trust Vest U.S. Equity Buffer ETF – August", "Investment Objectives – First Trust Vest U.S. Equity Buffer ETF – November", "Investment Objectives – First Trust Vest U.S. Equity Buffer ETF – February" and "Investment Objectives – First Trust Vest U.S. Equity Buffer ETF – May".

Tax Act – the *Income Tax Act* (Canada) and the regulations thereunder, as amended from time to time.

TFSAs – tax-free savings accounts as defined in the Tax Act.

Trading Day – for each First Trust ETF, a day on which: (i) a regular session of the Exchange is held; (ii) the primary market or exchange for the majority of the securities held by the First Trust ETF is open for trading; and (iii) in case of SMID ETFs, the Index Provider calculates and publishes data relating to the Index.

TSX – the Toronto Stock Exchange.

Underlying Fund – as defined under "Investment Strategies – Investments in Other Investment Funds".

Underlying Foreign Trust – as defined under "Income Tax Considerations – Taxation of the First Trust ETF".

unit – as defined below under "Unit".

Unit – in relation to a particular First Trust ETF, a unit or a Hedged Unit of the First Trust ETF, representing a redeemable, transferable unit or Hedged Unit, of that First Trust ETF, as applicable, which represents an equal, undivided interest in the net assets of the First Trust ETF.

Unitholder – a holder of Units of a First Trust ETF.

United States and ***U.S.*** **–** means United States of America.

Valuation Agent **–** CIBC Mellon Trust Company.

Valuation Date **–** each Trading Day and any other day designated by the Manager on which the NAV and NAV per Unit of a class of a First Trust ETF will be calculated. If that First Trust ETF elects to have a December 15 year-end for tax purposes as permitted by the Tax Act, the NAV per Unit of a class will be calculated on December 15.

Valuation Time **–** 4:00 p.m. (Toronto time) or such other time the Manager deems appropriate on each Valuation Date.

PROSPECTUS SUMMARY

The following is a summary of the principal features of the Units of the First Trust ETFs and should be read together with the more detailed information and statements contained elsewhere in this prospectus or incorporated by reference in this prospectus. Capitalized terms used but not defined herein shall have the meanings ascribed thereto under the heading "Glossary of Terms".

Issuers:

First Trust Vest U.S. Equity Buffer ETF - August
First Trust Vest U.S. Equity Buffer ETF - November
First Trust Vest U.S. Equity Buffer ETF - February
First Trust Vest U.S. Equity Buffer ETF - May
First Trust Vest Fund of Buffer ETFs (Canada) ETF
First Trust SMID Cap Rising Dividend Achievers ETF
First Trust Vest SMID Rising Dividend Achievers Target Income ETF

(each, a "**First Trust ETF**" and collectively, the "**First Trust ETFs**").

The First Trust ETFs are exchange traded mutual funds established as trusts under the laws of the Province of Ontario. FT Portfolios Canada Co. is the trustee, manager and promoter of the First Trust ETFs. First Trust Advisors L.P. (the "**Portfolio Advisor**") is the Portfolio Advisor of the First Trust ETFs. Vest Financial LLC (the "**Sub-Advisor**") is the Sub-Advisor of the Buffer ETFs and First Trust Vest SMID Rising Dividend Achievers Target Income ETF.

See "Overview of the Legal Structure of the First Trust ETFs".

Offerings:

Currently (a) First Trust Vest U.S. Equity Buffer ETF – August, First Trust Vest U.S. Equity Buffer ETF – November, First Trust Vest U.S. Equity Buffer ETF – February and First Trust Vest U.S. Equity Buffer ETF – May is offering one class of units designated as "hedged units" ("**Hedged Units**"), (b) First Trust Vest Fund of Buffer ETFs (Canada) ETF is offering one class of units designated as "units" ("**units**") and (c) First Trust SMID Cap Rising Dividend Achievers ETF and First Trust Vest SMID Rising Dividend Achievers Target Income ETF are each offering two classes of units, Hedged Units and units. The units and the Hedged Units are collectively referred to herein as the "**Units**".

The Portfolio Advisor will generally hedge substantially all of the U.S. dollar currency exposure of the portion of a First Trust ETF's portfolio allocable to the Hedged Units of a First Trust ETF back to the Canadian dollar. Accordingly, the net asset value ("**NAV**") per Unit of the units and the Hedged Units may not be the same as a result of such currency hedging. See "Investment Strategies – Foreign Currency Hedging".

Continuous Distribution:

The Hedged Units of First Trust Vest Funds are listed on the Toronto Stock Exchange (the "**TSX**") and (a) the units of First Trust Vest Fund of Buffer ETFs (Canada) ETF and First Trust Vest SMID Rising Dividend Achievers Target Income ETF and (b) the units and Hedged Units of First Trust SMID Cap Rising Dividend Achievers ETF are listed on Cboe Canada Inc. ("**Cboe Canada**") and Investors may buy or sell Units of the First Trust ETFs on the TSX or Cboe Canada, as the case may be, through registered brokers and dealers in the province or territory where the investor resides.

Cboe Canada has conditionally approved the listing of the Hedged Units of First Trust Vest SMID Rising Dividend Achievers Target Income ETF (the "**Additional Units**"), subject to satisfying Cboe Canada's original listing requirements. Subject to satisfying Cboe Canada's original listing requirements, the Additional Units will be listed on Cboe Canada and offered on a continuous basis, and an investor will be able to buy or sell the Additional Units on Cboe

Canada through registered brokers and dealers in the province or territory where the investor resides.

There is no maximum number of Units that may be issued. Investors may incur customary brokerage commissions in buying or selling Units. The First Trust ETFs issue Units directly to Designated Brokers and Dealers. From time to time as may be agreed between a First Trust ETF and the Designated Brokers and Dealers, the Designated Brokers and Dealers may agree to accept Constituent Securities as payment for Units from prospective purchasers.

The Units of the First Trust ETFs are Canadian dollar denominated.

See "Purchases of Units – Buying and Selling Units".

Investment Objectives:

First Trust Vest U.S. Equity Buffer ETF – August

First Trust Vest U.S. Equity Buffer ETF – August seeks to provide the holders of Units ("**Unitholders**") with returns (before fees, expenses and taxes) that match the price return of the SPDR® S&P 500® ETF Trust (the "**Reference ETF**") up to a predetermined upside cap (before fees, expenses and taxes), while providing a buffer against the first 10% (before fees, expenses and taxes) of a decrease in the market price of the Reference ETF, over a period referred to as the "Target Outcome Period". The current Target Outcome Period is the period commencing on Monday, August 18, 2025 to on or about Friday, August 21, 2026. Following this subsequent Target Outcome Period, each additional subsequent Target Outcome Period will be for a period of approximately one year from the Monday following the third Friday of August of each year to on or about the third Friday of August of the following year.

First Trust Vest U.S. Equity Buffer ETF – November

First Trust Vest U.S. Equity Buffer ETF – November seeks to provide Unitholders with returns (before fees, expenses and taxes) that match the price return of the Reference ETF up to a predetermined upside cap (before fees, expenses and taxes), while providing a buffer against the first 10% (before fees, expenses and taxes) of the decrease in market price of the Reference ETF, over a period referred to as the "Target Outcome Period". The current Target Outcome Period is the period that commenced on Monday, November 18, 2024 to on or about Friday, November 21, 2025. Following the current Target Outcome Period, each subsequent Target Outcome Period will be for a period of approximately one year from the Monday following the third Friday of November of each year to on or about the third Friday of November of the following year.

First Trust Vest U.S. Equity Buffer ETF – February

First Trust Vest U.S. Equity Buffer ETF – February seeks to provide Unitholders with returns (before fees, expenses and taxes) that match the price return of the Reference ETF up to a predetermined upside cap (before fees, expenses and taxes), while providing a buffer against the first 10% (before fees, expenses and taxes) of the decrease in market price of the Reference ETF, over a period referred to as the "Target Outcome Period". The current Target Outcome Period is the period that commenced on Monday, February 24, 2025 to on or about Friday, February 20, 2026. Following the current Target Outcome Period, each subsequent Target Outcome Period will be for a period of approximately one year from the Monday following the third Friday of February of each year to on or about the third Friday of February of the following year.

First Trust Vest U.S. Equity Buffer ETF – May

First Trust Vest U.S. Equity Buffer ETF – May seeks to provide Unitholders with returns (before fees, expenses and taxes) that match the price return of the Reference ETF up to a predetermined upside cap (before fees, expenses and taxes), while providing a buffer against the first 10% (before fees, expenses and taxes) of the decrease in market price of the Reference ETF, over a period referred to as the "Target Outcome Period". The current Target Outcome Period is the period that commenced on Tuesday, May 20, 2025 to on or about Friday, May 15, 2026. Following the current Target Outcome Period, each subsequent Target Outcome Period will be for a period of approximately one year from the Monday following the third Friday of May of each year to on or about the third Friday of May of the following year.

First Trust Vest Fund of Buffer ETFs (Canada) ETF

First Trust Vest Fund of Buffer ETFs (Canada) ETF seeks to provide Unitholders with capital appreciation and exposure to U.S. large capitalization companies included in the S&P 500® Index through investment in an equally weighted portfolio of First Trust Vest Funds (as defined herein) which are equity buffer ETFs.

First Trust SMID Cap Rising Dividend Achievers ETF

First Trust SMID Cap Rising Dividend Achievers ETF will seek to replicate, to the extent possible, the performance of an index of U.S. small and mid cap companies, net of expenses, initially the Nasdaq US Small Mid Cap Rising Dividend Achievers™ Index (the "**SMID Index**").

The Manager may, subject to any required Unitholder approval, change the Index of First Trust SMID Cap Rising Dividend Achievers ETF to another index in order to provide investors with substantially the same exposure to the asset class to which the First Trust SMID Cap Rising Dividend Achievers ETF is currently exposed. If the Manager changes the Index of the First Trust SMID Cap Rising Dividend Achievers ETF, or any index replacing such Index, the Manager will issue a press release identifying the new Index, describing its constituent securities and specifying the reasons for the change in the Index.

First Trust Vest SMID Rising Dividend Achievers Target Income ETF

The First Trust Vest SMID Rising Dividend Achievers Target Income ETF seeks to provide Unitholders with current income with a secondary objective of providing capital appreciation by investing primarily in a portfolio of equity securities included in the SMID Index as well as listed options on the Russell 2000® Index or exchange-traded funds that track the Russell 2000® Index.

See "Investment Objectives".

Investment Strategies:

First Trust Vest Funds

To achieve its investment objectives, each First Trust Vest Fund will under normal market conditions invest substantially all of its assets in FLexible EXchange® Options ("**FLEX Options**") that reference the price return of the Reference ETF. FLEX Options are customized equity or index option contracts that trade on an exchange, but provide investors with the ability to customize key contract terms like exercise prices, styles and expiration dates.

The Reference ETF is an exchange-traded unit investment trust that uses a full replication strategy, meaning it invests entirely in the S&P 500® Index. PDR Services, LLC is the sponsor of the Reference ETF. The investment objective of the Reference ETF is to seek to provide investment results that, before expenses, correspond generally to the price and yield performance of the S&P 500® Index. The S&P 500® Index is a market capitalization-weighted

equity index that includes securities of 500 of the largest U.S. public issuers trading. Standard & Poor's Financial Services LLC is the provider of the S&P 500® Index.

Each First Trust Vest Fund uses FLEX Options to employ a "target outcome strategy." Target outcome strategies seek to produce predetermined investment outcomes based upon the performance of an underlying security or index during the Target Outcome Period. The predetermined outcomes sought by the First Trust Vest Fund, which include a buffer against the first 10% (before fees, expenses and taxes) of decrease in the market price of Reference ETF and a predetermined upside cap (before fees, expenses and taxes), are based on the price return of the Reference ETF over the Target Outcome Period. In addition to the fees, expenses and taxes, risks and costs associated with currency hedging may impact the buffer or predetermined upside cap. See "Investment Strategies – Foreign Currency Hedging" and "Risk Factors – Foreign Currency Exposure".

The Target Outcome Periods for the First Trust Vest Funds are as follows:

First Trust Vest U.S. Equity Buffer ETF – August	The current Target Outcome Period is the period commencing on Monday, August 18, 2025 to on or about Friday, August 21, 2026.
First Trust Vest U.S. Equity Buffer ETF – November	The current Target Outcome Period is the period that commenced on Monday, November 18, 2024 to on or about Friday, November 21, 2025.
First Trust Vest U.S. Equity Buffer ETF – February	The current Target Outcome Period is the period that commenced on Monday, February 24, 2025 to on or about Friday, February 20, 2026.
First Trust Vest U.S. Equity Buffer ETF – May	The current Target Outcome Period is the period that commenced on Tuesday, May 20, 2025 to on or about Friday, May 15, 2026.

In general, the target outcomes each First Trust Vest Fund seeks for Unitholders that hold their Units of the First Trust Vest Fund for an entire Target Outcome Period are as follows, though there can be no guarantee these results will be achieved:

- If the market price of the Reference ETF appreciates over the Target Outcome Period, the combination of FLEX Options held by the First Trust Vest Fund provides upside participation that is intended to match that price return appreciation of the Reference ETF, up to a cap (before fees, expenses and taxes) that is determined at the start of the Target Outcome Period.

- If the market price of the Reference ETF decreases over the Target Outcome Period the combination of FLEX Options held by the First Trust Vest Fund provides a payoff at expiration that is intended to compensate for the decrease in the market price of the Reference ETF (if any), in an amount not to exceed 10% before fees, expenses and taxes.

- If the market price of the Reference ETF has decreased over the Target Outcome Period by more than 10%, the First Trust Vest Fund will experience all subsequent decreases on an approximately one-to-one basis.

On the first day of each new Target Outcome Period, each First Trust Vest Fund is rebalanced by investing in a new set of FLEX Options that will provide a new cap for the new Target Outcome Period. See "Investment Strategies – Buffer and Cap".

An investor that purchases Units of a First Trust Vest Fund other than on the first day of a Target Outcome Period and/or sells Units of the First Trust Vest Fund prior to the end of a Target Outcome Period may experience results that are very different from the target outcomes sought by a First Trust Vest Fund for that Target Outcome Period. Both the cap and buffer are fixed levels that are calculated in relation to the market price of the Reference ETF and the First Trust Vest Fund's NAV (as defined herein) at the start of each Target Outcome Period. As the market price of the Reference ETF and the First Trust Vest Fund's NAV will change over the Target Outcome Period, an investor acquiring Units of a First Trust Vest Fund after the start of a Target Outcome Period will likely have a different return potential than an investor who purchased Units of a First Trust Vest Fund at the start of the Target Outcome Period. This is because while the cap and buffer for the Target Outcome Period are fixed levels that remain constant throughout the Target Outcome Period, an investor purchasing Units of a First Trust Vest Fund at market value during the Target Outcome Period likely purchased Units of a First Trust Vest Fund at a market price that is different from the First Trust Vest Fund's NAV at the start of the Target Outcome Period (i.e., the NAV that the cap and buffer reference). In addition, the market price of the Reference ETF is likely to be different from the price of the Reference ETF at the start of the Target Outcome Period. **To achieve the intended target outcomes sought by a First Trust Vest Fund for a Target Outcome Period, an investor must hold Units of the First Trust Vest Fund for that entire Target Outcome Period.**

Buffer and Cap

Each First Trust Vest Fund seeks to provide a buffer on the first 10% of the decrease in the market price of the Reference ETF over each Target Outcome Period. After the market price of the Reference ETF has decreased by more than 10%, the First Trust Vest Fund will experience subsequent decreases on an approximately one-to-one basis (i.e., market price of the Reference ETF decreases by 20%, the First Trust Vest Fund loses 10%). The buffer is before taking into account the fees, expenses and taxes charged to or borne by Unitholders.

If an investor purchases Units of a First Trust Vest Fund during a Target Outcome Period at a time when the market price of the Reference ETF has decreased by 10% or more from its market price on the first day of the Target Outcome Period (the "**Initial Price**"), that Unitholder's buffer will essentially be zero (meaning the investor can lose its entire investment). However, that Unitholder's potential gain will be larger than the First Trust Vest Fund's cap for the Target Outcome Period because the Unitholder may experience the additional gain if the First Trust Vest Fund recovers the value it has lost from the first day of the Target Outcome Period through the date the Unitholder purchased its Units of the First Trust Vest Fund plus any additional gains from the increase in the market price of the Reference ETF from the Initial Price, up to the maximum return of the cap.

Conversely, if an investor purchases Units of a First Trust Vest Fund during a Target Outcome Period at a time when the market price of the Reference ETF has increased from its Initial Price for a Target Outcome Period, then a Unitholder may experience losses prior to gaining the protection offered by the buffer (because the market price of the Reference ETF must first decrease to its Initial Price for the Target Outcome Period before subsequent decreases will be protected by the buffer). While each First Trust Vest Fund seeks to limit losses to a maximum of 90% for Unitholders who hold Units of the First Trust Vest Fund for an entire Target Outcome Period, there is no guarantee it will successfully do so. Depending upon market conditions at the time of purchase, a Unitholder that purchases Units of a First Trust Vest Fund after the first day of a Target Outcome Period may lose their entire investment. An investment in the First Trust Vest Fund is only appropriate for investors willing to bear those losses. Despite the intended buffer, a Unitholder could lose their entire investment.

The returns of a First Trust Vest Fund are subject to a predetermined cap (before fees, expenses and taxes) in respect of the Target Outcome Period.

The cap for the initial or current Target Outcome Period, as the case may be, of each of the First Trust Vest Funds is as follows:

First Trust Vest U.S. Equity Buffer ETF – August	14.55% (before fees, expenses and taxes)
First Trust Vest U.S. Equity Buffer ETF – November	14.34% (before fees, expenses and taxes)
First Trust Vest U.S. Equity Buffer ETF – February	14.60% (before fees, expenses and taxes)
First Trust Vest U.S. Equity Buffer ETF – May	14.97% (before fees, expenses and taxes)

Unlike other investment products, the potential returns a Unitholder can receive from a First Trust Vest Fund are subject to a predetermined upside return cap that represents the maximum percentage return a Unitholder can achieve from an investment in the First Trust Vest Fund for an entire Target Outcome Period (before fees, expenses and taxes). In the event the market price of the Reference ETF increases over a Target Outcome Period, the First Trust Vest Fund seeks to provide investment returns that match the percentage increase of the market price of the Reference ETF, but any percentage gains over amount of the cap will not be experienced by the First Trust Vest Fund. This means that if the market price of the Reference ETF increases during a Target Outcome Period in excess of the cap for that Target Outcome Period, the First Trust Vest Fund will not benefit from those excess gains. Therefore, regardless of the price return of the Reference ETF, the cap is the maximum return a Unitholder can achieve from an investment in the First Trust Vest Fund for that Target Outcome Period.

The cap is set on the first day of each Target Outcome Period and is determined before taking into account the fees, expenses and taxes payable by the First Trust Vest Fund.

The cap for each additional subsequent Target Outcome Period will be based on prevailing market conditions at the time, including then-current interest rate levels, the volatility of the Reference ETF and the S&P 500® Index and the relationship of puts and calls on the underlying FLEX Options. **The cap and buffer, and the First Trust Vest Fund's position relative to each, should be considered before investing in Units of a First Trust Vest Fund.**

Each First Trust Vest Fund will seek to achieve its investment objectives by purchasing and writing a series of call and put FLEX Options on the first day of a Target Outcome Period. The Sub-Advisor will calculate the amount of premiums that the First Trust Vest Fund will owe on the options acquired and sold to provide the buffer and will then go into the market and sell call options with terms that entitle the First Trust Vest Fund to receive premiums such that the net amount of premium paid per unit of the Reference ETF is approximately equal to the price per unit of the Reference ETF. The cap is the strike price of those sold FLEX Options.

The cap, and the First Trust Vest Fund's position relative to it on any given day, should be considered before investing in the First Trust Vest Fund. If an investor purchases Units of a First Trust Vest Fund during a Target Outcome Period, and the market price of the Reference ETF has already increased above its Initial Price for that Target Outcome Period to a level near to the cap, an investor purchasing Units of the First Trust Vest Fund will have limited to no gain potential for the remainder of the Target Outcome Period. However, the investor will remain vulnerable to significant downside risk because the investor will bear the losses between the market price of the Reference ETF at the time it purchased Units of the First Trust Vest Fund and the Initial Price of the Reference ETF for the Target Outcome Period before subsequent decreases will be protected by the buffer.

Investors purchasing Units of a First Trust Vest Fund during a Target Outcome Period will experience different results. The First Trust ETFs' website, at www.firsttrust.ca, provides information relating to the possible outcomes for an investor of an investment in the First Trust

Vest Funds on a daily basis, including each First Trust Vest Fund's position relative to its cap and buffer. **Before purchasing Units of a First Trust Vest Fund's, an investor should visit the First Trust ETF's website to review this information and understand the possible outcomes of an investment in Units of the First Trust Vest Funds on a particular day.**

See "Investment Strategies – General Information on FLEX Options".

First Trust Vest Fund of Buffer ETFs (Canada) ETF

To achieve its investment objectives, First Trust Vest Fund of Buffer ETFs (Canada) ETF will invest in an equally weighted portfolio (at the time of purchase) of First Trust Vest Funds (initially, First Trust Vest U.S. Equity Buffer ETF – August, First Trust Vest U.S. Equity Buffer ETF – November, First Trust Vest U.S. Equity Buffer ETF – February and First Trust Vest U.S. Equity Buffer ETF – May).

Investing in a laddered portfolio of First Trust Vest Funds will reset the downside protection and cap levels on a portion of First Trust Vest Fund of Buffer ETFs (Canada) ETF's portfolio on a quarterly basis.

First Trust SMID Cap Rising Dividend Achievers ETF

To achieve its investment objectives, First Trust SMID Cap Rising Dividend Achiever ETF will provide exposure to the SMID Index by holding securities of First Trust SMID Cap Rising Dividend Achievers ETF ("**SDVY**"), a U.S.-listed index ETF which is managed by an affiliate of the Manager which seeks to replicate or substantially replicate the performance of the SMID Index.

The First Trust SMID Cap Rising Dividend Achievers ETF will invest in derivative instruments in connection with the hedging of the U.S. dollar currency exposure in respect of the Hedged Units. Any investment in derivative instruments shall be in compliance with applicable Canadian securities legislation and be consistent with the investment objective and investment strategy of the First Trust ETF.

First Trust Vest SMID Rising Dividend Achievers Target Income ETF

To achieve its investment objectives, First Trust Vest SMID Rising Dividend Achievers Target Income ETF will invest all or substantially all of its assets in FT Vest SMID Rising Dividend Achievers Target Income ETF. FT Vest SMID Rising Dividend Achievers Target Income ETF seeks to achieve its investment objectives by investing primarily in a portfolio of equity securities within the SMID Index and by utilizing an option strategy consisting of writing (selling) U.S. exchange-traded call options on the Russell 2000® Index, or exchange-traded funds that track the Russell 2000® Index.

Use of Derivative Instruments

The First Trust Vest Funds will purchase FLEX Options which are derivatives on the basis described under "Investment Strategies" and First Trust Vest Fund of Buffer ETFs (Canada) ETF may also use derivative instruments in accordance with applicable securities legislation, including NI 81-102. Any use of derivative instruments by a First Trust ETF will be in compliance with applicable Canadian securities legislation and in a manner which is consistent with its investment objective and investment strategy.

The First Trust ETFs that offer Hedged Units may invest in derivative instruments in connection with the hedging of the U.S. dollar currency exposure in respect of the Hedged Units. Any investment in derivative instruments shall be in compliance with applicable Canadian securities

legislation and be consistent with the investment objective and investment strategy of the First Trust ETF.

See "Investment Strategies – Use of Derivatives".

Investments in Other Investment Funds

In accordance with applicable securities legislation, including NI 81-102 and any exemptive relief granted by the Canadian securities regulatory authorities, as applicable, First Trust Vest Fund of Buffer ETFs (Canada) ETF, First Trust SMID Cap Rising Dividend Achiever ETF and First Trust Vest SMID Rising Dividend Achievers Target Income ETF will and a First Trust Vest Fund may, as an alternative to or in conjunction with investing in and holding FLEX Options, invest in other ETFs (each, an "**Underlying Fund**") in a manner that is consistent with the investment objectives and investment strategies of the First Trust ETF, provided that there shall be no duplication of management fees that are payable by the First Trust ETF that to a reasonable person would duplicate a fee payable by an Underlying Fund for the same service.

See "Investment Strategies – Investments in Other Investment Funds".

Cash and Cash Equivalents

A First Trust ETF may invest part of its assets in cash or cash equivalents for defensive purposes and during periods of high cash inflows or outflows. During such periods, the First Trust ETF may not be able to achieve its investment objective. A First Trust ETF may adopt a defensive strategy when the Portfolio Advisor believes securities in which First Trust ETF would normally invest have elevated risks due to political or economic factors and in other extraordinary circumstances.

The First Trust ETFs may not be fully invested at all times and may hold cash and cash equivalents (including short-term debt instruments) to the extent needed to pay its fees and operating expenses, make distributions and fund redemptions. Additionally, the First Trust ETFs may hold cash or invest in short-term securities if determined to be appropriate for the purposes of enhancing liquidity or preserving capital in light of prevailing market or economic conditions. See "Investment Strategies – Cash and Cash Equivalents".

Special Considerations for Purchasers: The provisions of the so-called "early warning" requirements set out in Canadian securities legislation do not apply in connection with the acquisition of Units. In addition, the First Trust ETFs have obtained exemptive relief from the securities regulatory authorities to permit Unitholders to acquire more than 20% of the Units of a class of any First Trust ETF through purchases on the Exchange without regard to the take-over bid requirements of Canadian securities legislation, provided that any such Unitholder, and any person acting jointly or in concert with the Unitholder, undertakes to not vote more than 20% of the Units of a class of the First Trust ETF at any meeting of Unitholders.

Distributions: Cash distributions on Units of a First Trust ETF will be made as set forth in the following table, if at all.

First Trust ETF	Frequency of Distributions
First Trust Vest U.S. Equity Buffer ETF - August	Annually
First Trust Vest U.S. Equity Buffer ETF - November	Annually
First Trust Vest U.S. Equity Buffer ETF – February	Annually
First Trust Vest U.S. Equity Buffer ETF - May	Annually
First Trust Vest Fund of Buffer ETFs (Canada) ETF	Annually

First Trust SMID Cap Rising Dividend Achievers ETF	Quarterly
First Trust Vest SMID Rising Dividend Achievers Target Income ETF	Monthly

Distributions on Units of a First Trust ETF are expected to be paid primarily out of income or gains received by the First Trust ETF less the expenses of the First Trust ETF, but may also consist of non-taxable amounts including returns of capital, which may be paid in the Manager's sole discretion. To the extent that the expenses of a First Trust ETF exceed the income generated by such First Trust ETF in any given year, quarter or month (as applicable), it is not expected that a distribution for such period will be paid.

On an annual basis, the First Trust ETFs will ensure that the net income and net realized capital gains of the First Trust ETFs have been distributed to Unitholders to such an extent that the First Trust ETFs will not be liable for ordinary income tax thereon. To the extent that a First Trust ETF has not distributed the full amount of its net income or capital gains in any year, the difference between such amount and the amount actually distributed by the First Trust ETF will be paid as a "reinvested distribution". Reinvested distributions, net of any required withholding tax, will be reinvested automatically in additional Units at a price equal to the NAV per Unit of the First Trust ETF and the Units will be immediately consolidated such that the number of outstanding Units following the distribution will equal the number of Units outstanding prior to the distribution. See "Distribution Policy".

In addition to the distributions described above, a First Trust ETF may from time to time pay additional distributions on its Units, including without restriction in connection with a special dividend or in connection with returns of capital.

Foreign Currency Hedging:

Each of First Trust Vest U.S. Equity Buffer ETF – August, First Trust Vest U.S. Equity Buffer ETF – November, First Trust Vest U.S. Equity Buffer ETF – February, First Trust Vest U.S. Equity Buffer ETF – May, First Trust SMID Cap Rising Dividend Achievers ETF and First Trust Vest SMID Rising Dividend Achievers Target Income ETF will seek to hedge its U.S. dollar currency exposure back to the Canadian dollar in respect of its Hedged Units. Therefore all of the gains or losses associated with any hedging transactions in that regard will be solely for the account of the Hedged Units. See "Investment Strategies – Foreign Currency Hedging" and "Risk Factors – Foreign Currency Exposure".

Exchanges and Redemptions:

On any Trading Day, Unitholders may redeem Units for cash, subject to a redemption discount.

On any Trading Day, Unitholders of any Buffer ETF may exchange the Prescribed Number of Units (or an integral multiple thereof) for cash and Unitholders of any SMID ETF may exchange the Prescribed Number of Units (or an integral multiple thereof) for Basket of Securities and cash or, in discretion of the Manager, cash only.

See "Redemption and Exchange of Units".

Termination:

The First Trust ETFs do not have a fixed termination date but may be terminated by the Manager upon not less than 60 days' written notice to Unitholders. See "Termination of the First Trust ETFs".

With respect to the SMID ETFs, in the event that the Index Provider ceases to calculate the Index or the License Agreement is terminated, the Manager may terminate such fund on 60 days' notice, change the investment objective of such fund, seek to replicate an alternative index or make such other arrangements as the Manager considers appropriate and in the best interests of the Unitholders of such fund in the circumstances. See "Investment Strategies – Termination of the Index or License Agreement".

Documents Incorporated by Reference: Additional information about each First Trust ETF is or will be available in the most recently-filed annual financial statements, including where applicable financial statements included in a previously filed prospectus of the First Trust ETFs, any interim financial statements filed after the most recent annual financial statements, the most recently-filed annual MRFP, any interim MRFP filed after the most recently-filed annual MRFP and the most recently-filed ETF Facts for each First Trust ETF. These documents are or will be incorporated by reference into, and legally form an integral part of, this prospectus. These documents are or will be publicly available on the First Trust ETFs' website at www.firsttrust.ca and may be obtained upon request, at no cost, by calling 1-877-622-5552 or by contacting a registered dealer. These documents and other information about the First Trust ETFs are or will be publicly available at www.sedarplus.ca. See "Documents Incorporated by Reference".

Eligibility for Investment: In the opinion of legal counsel to the First Trust ETFs and the Manager, provided that a First Trust ETF qualifies as a mutual fund trust within the meaning of the Tax Act, or that the Units of the First Trust ETF are listed on a "designated stock exchange", within the meaning of the Tax Act, which includes the TSX and Cboe Canada, the Units of the First Trust ETF will be qualified investments for trusts governed by Registered Plans (as defined herein).

Holders of TFSAs, FHSAs or RDSPs, subscribers of RESPs and annuitants of RRSPs or RRIFs, should consult with their tax advisers as to whether Units would be a prohibited investment for such accounts or plans in their particular circumstances.

See "Eligibility for Investment".

Risk Factors: There are certain risks inherent in an investment in the First Trust ETFs (which includes any risks that the First Trust ETF may be exposed, in the event that the First Trust ETF invests in an Underlying Fund to meet its investment objectives) as follows.

General Risks Associated with an Investment in the First Trust ETFs

(i) counterparty risks;

(ii) risks associated with the use of derivatives;

(iii) risks relating to the market and investments in equity securities;

(iv) risks associated with the Portfolio Advisor and Sub-Advisor (as applicable) residing outside of Canada;

(v) the potential absence of a public trading market for the Units;

(vi) risks associated with reliance on the Manager;

(vii) risks associated with reliance on the Portfolio Advisor;

(viii) risks associated with reliance on the Sub-Advisor (as applicable);

(ix) fluctuations in the NAV and NAV per Unit of the First Trust ETFs;

(x) risks relating to the liquidity of the First Trust ETFs investments;

(xi) risks associated with the fluctuations in the trading price of the Units;

(xii) risks associated with changes in legislation, including tax legislation;

(xiii) risks relating to withholding tax;

(xiv) other tax-related risks;

(xv) risks associated with the potential conflicts of interest regarding the allocation of time and resources to the First Trust ETFs by the Manager, Portfolio Advisor, Sub-Advisor (as applicable) and their directors, officers, affiliates and associates;

(xvi) risks relating to investments in Underlying Funds;

(xvii) risks that the asset classes held in a First Trust ETF will underperform the market.

(xviii) risks associated with foreign currency exposure;

(xix) risk of loss, as an investment in Units is not guaranteed;

(xx) risks associated with changes in economic and financial conditions; and

(xxi) risks associated with cyber security.

Risks Associated with an Investment in the Buffer ETFs

(i) risks relating to the buffer strategy of the First Trust Vest Funds;

(ii) risks relating to the change in cap for each Target Outcome Period;

(iii) risks relating to the predetermined upside cap for each Target Outcome Period;

(iv) risks relating to downside losses;

(v) risks relating to the use of options;

(vi) risks relating to the changes in value of the FLEX Options;

(vii) risks relating to the liquidity of FLEX Options;

(viii) risks relating to the use of FLEX Options;

(ix) risks relating to the valuation of FLEX Options;

(x) risks relating to purchases of Units during the Target Outcome Period;

(xi) risks relating to the Reference ETF;

Additional Risks Relating to an Investment in the SMID ETFs

(i) risks associated with investments in listed call options;

(ii) risks associated with portfolio correlation;

(iii) issuer risks;

(iv) U.S. tax risks associated with investment in options;

(v) risk of error in replicating or tracking the Index;

(vi) index investment strategy risk;

(vii) risks relating to the performance of the Designated Brokers in relation to rebalancing of and adjustments to the Index;

(viii) potential difficulties in the calculation of the Index and the possible termination of the calculation of the Index or the License Agreement;

(ix) risks associated with the Index model and data inputs of the Index;

(x) risk the First Trust ETF's portfolio is too concentrated and not sufficiently diversified;

(xi) risks associated with foreign investments;

(i) possibility that Constituent Securities may be cease-traded, which may impact the exchange and redemption rights of the Units; and

(ii) risks associated with a distribution in-kind of assets in connection with the termination of a First Trust ETF.

See "Risk Factors".

Income Tax Considerations: A Unitholder who is resident in Canada for the purposes of the Tax Act will generally be required to include in the Unitholder's income for tax purposes for any year the amount of net income and any net taxable capital gains of the First Trust ETF paid or payable to the Unitholder in the year and deducted by the First Trust ETF in computing its income. Any non-taxable distributions from a First Trust ETF (other than the non-taxable portion of any net realized capital gains of a First Trust ETF) paid or payable to a Unitholder in a taxation year, such as a return of capital, will reduce the adjusted cost base of the Unitholder's Units of that First Trust ETF. To the extent that a Unitholder's adjusted cost base would otherwise be a negative amount, the negative amount will be deemed to be a capital gain realized by the Unitholder and the adjusted cost base of the Unit to the Unitholder will be nil immediately thereafter. Any loss realized by the First Trust ETF cannot be allocated to, and cannot be treated as a loss of, the Unitholders of such First Trust ETF. Upon the actual or deemed disposition of a Unit held by the Unitholder as capital property, including the exchange or redemption of a Unit, a capital gain (or a capital loss) will generally be realized by the Unitholder to the extent that the proceeds of disposition of the Unit exceed (or are less than) the aggregate of the adjusted cost base to the Unitholder of the Unit and any reasonable costs of disposition.

The Declaration of Trust governing each of the First Trust ETFs requires that the First Trust ETF distribute its net income and net realized capital gains, if any, for each taxation year to Unitholders to such an extent that the First Trust ETF will not be liable in any taxation year for ordinary income tax.

If a First Trust ETF is deemed to be a "financial institution" for purposes of the Tax Act it would be subject to special tax rules. See "Income Tax Considerations – Status of the First Trust ETFs".

Each investor should satisfy himself or herself as to the tax consequences of an investment in Units by obtaining advice from his or her own tax advisor. See "Income Tax Considerations".

Organization and Management Details

Trustee, Manager and Promoter:

FT Portfolios Canada Co. is the trustee, manager and promoter of the First Trust ETFs. The Manager was incorporated under the *Companies Act* (Nova Scotia) on November 19, 2001. The Manager operates as the manager of investment funds in Canada. The head office and principal place of business of the Manager is located at 40 King Street West, Suite 5102, Toronto, Ontario M5H 3Y2.

The Manager has taken the initiative and may be considered to be a promoter of the First Trust ETFs and will provide all management and administrative services required for the First Trust ETFs. The Manager may from time to time employ or retain any other person or entity, including the Portfolio Advisor and the Sub-Advisor, to assist the Manager in managing or providing administrative and investment advisory services to the First Trust ETFs. See "Organization and Management Details – The Trustee, Manager and Promoter".

Portfolio Advisor:

First Trust Advisors L.P., an affiliate of the Manager, is the Portfolio Advisor of the First Trust ETFs. The Portfolio Advisor provides asset management and investment advisory services to its clients. The Portfolio Advisor is an investment advisor located in the United States and is a non-Canadian advisor registered as a portfolio manager with the Ontario Securities Commission under the *Securities Act* (Ontario). The Portfolio Advisor is also an investment advisor registered with the U.S. Securities and Exchange Commission under the U.S. Investment Advisers Act of 1940. See "Organization and Management Details – The Portfolio Advisor".

Sub-Advisor:

Vest Financial LLC is the investment sub-advisor of the Buffer ETFs and First Trust Vest SMID Rising Dividend Achievers Target Income ETF. The Sub-Advisor is an investment advisor located in the United States. The Sub-Advisor is also an investment advisor registered with the U.S. Securities and Exchange Commission under the U.S. Investment Advisers Act of 1940. See "Organization and Management Details – The Sub-Advisor".

Custodian and Valuation Agent:

CIBC Mellon Trust Company is the custodian of the assets of the First Trust ETFs and has been given the authority to appoint sub-custodians. The address of the Custodian is 1 York Street, Suite 900, Toronto, Ontario M5J 0B6. The Custodian is entitled to receive fees from the Manager as described under "Fees and Expenses" and to be reimbursed for all expenses and liabilities that are properly incurred by the Custodian in connection with the activities of the First Trust ETFs.

CIBC Mellon Trust Company also acts as the valuation agent of the First Trust ETFs. The valuation agent is responsible for certain fund accounting and valuation services to the First Trust ETFs including, without limitation, calculating the NAV, NAV per Unit, net income and net realized capital gains of the First Trust ETFs. See "Organization and Management Details – Custodian and Valuation Agent".

Registrar and Transfer Agent:

TSX Trust Company, at its principal offices in Toronto, Ontario, is the registrar and transfer agent for the Units of the First Trust ETFs. The register of each of the First Trust ETFs is kept in Toronto. See "Organization and Management Details – Registrar and Transfer Agent".

Auditor:

Deloitte LLP, Chartered Professional Accountants, at its principal offices in Toronto, Ontario, is the auditor of the First Trust ETFs. See "Organization and Management Details – Auditor".

SUMMARY OF FEES AND EXPENSES

The following table lists the fees and expenses payable by the First Trust ETFs. The value of a Unitholder's investment in a First Trust ETF will be reduced by the Unitholder's proportionate share of the fees and expenses charged to such First Trust ETF. For further particulars, see "Fees and Expenses".

Management Fees: Each First Trust ETF will pay the Manager a management fee as set forth in the table below, based on the average daily NAV of the applicable First Trust ETF. The management fee, plus applicable taxes, including HST, will be accrued daily and paid monthly in arrears. The Manager is responsible for providing managerial, administrative and compliance services to the First Trust ETFs. See "Organization and Management Details – The Trustee, Manager and Promoter – Duties and Services to be Provided by the Trustee, Manager and Promoter" for a description of the services provided by the Manager. The Manager may, from time to time in its discretion, waive all or a portion of the management fee charged at any given time.

First Trust ETF	Class of Units	Annual Management Fee (%)
First Trust Vest U.S. Equity Buffer ETF - August	Hedged Units	0.85% of NAV of the Hedged Units
First Trust Vest U.S. Equity Buffer ETF - November	Hedged Units	0.85% of NAV of the Hedged Units
First Trust Vest U.S. Equity Buffer ETF - February	Hedged Units	0.85% of NAV of the Hedged Units
First Trust Vest U.S. Equity Buffer ETF - May	Hedged Units	0.85% of NAV of the Hedged Units
First Trust Vest Fund of Buffer ETFs (Canada) ETF[(1)]	units	0.15% of NAV of the units
First Trust SMID Cap Rising Dividend Achievers ETF[(2)]	Hedged Units	0.15% of NAV of the Hedged Units
First Trust SMID Cap Rising Dividend Achievers ETF[(2)]	units	0.15% of NAV of the units
First Trust Vest SMID Rising Dividend Achievers Target Income ETF[(3)]	Hedged Units	0.15% of NAV of the Hedged Units
First Trust Vest SMID Rising Dividend Achievers Target Income ETF[(3)]	units	0.15% of NAV of the units

Notes:

(1) First Trust Vest Fund of Buffer ETFs (Canada) ETF will invest in the First Trust Vest Funds and accordingly First Trust Vest Fund of Buffer ETFs (Canada) ETF will also bear the management fee (being 0.85% per annum on the net asset value of the applicable First Trust Vest Funds) which is payable on the portion of its portfolio assets invested in each First Trust Vest Fund. Accordingly, the total management fee borne by Unitholders in connection with their Units of First Trust Vest Fund of Buffer ETFs (Canada) ETF will be 1.00% per annum of the NAV of the Units.

(2) First Trust SMID Cap Rising Dividend Achievers ETF will invest in SDVY and accordingly the First Trust SMID Cap Rising Dividend Achievers ETF will also bear the management fee (being 0.60% per annum on the net asset value of SDVY) which is payable on the portion of its portfolio assets invested in SDVY. Accordingly, the total management fee borne by Unitholders in connection with its Units will be 0.75% per annum of the NAV of the Units.

(3) First Trust Vest SMID Rising Dividend Achievers Target Income ETF will invest in FT Vest SMID Rising Dividend Achievers Target Income ETF and accordingly the First Trust Vest SMID Rising Dividend Achievers Target Income ETF will also bear the management fee (being 0.85% per annum on the net asset value of FT Vest SMID Rising Dividend Achievers Target Income ETF) which is payable on the portion of its portfolio assets invested in FT Vest SMID Rising Dividend Achievers Target Income ETF. Accordingly, the total management fee borne by Unitholders in connection with its Units will be 1.00% per annum of the NAV of the Units.

In the event that a First Trust ETF invests in an Underlying Fund, the First Trust ETF will pay the Underlying Fund's management fee on the portion of the First Trust ETF's portfolio assets invested in the Underlying Fund, regardless of whether the Underlying Fund is managed by the Manager or an affiliate of the Manager. The management fee payable to the Manager will not be payable in respect of the portion of the First Trust ETF portfolio assets invested in the

Underlying Fund to the extent that such fee would be duplicative. See "Fees and Expenses – Management Fees".

Operating Expenses: In addition to the payment of the management fee, each First Trust ETF is responsible for the costs and expenses incurred in complying with NI 81-107 (including any expenses related to the implementation and on-going operation of an independent review committee), brokerage expenses and commissions, income and withholding taxes as well as all other applicable taxes, including HST, the costs of complying with any new governmental or regulatory requirement introduced after the First Trust ETF was established and extraordinary expenses and, in the discretion of the Manager, any costs associated with the printing and distribution of any documents that the securities regulatory authorities require be sent or delivered to investors in the First Trust ETFs. The Manager is responsible for all other costs and expenses of the First Trust ETFs, fees payable to the Portfolio Advisor, Sub-Advisor (as applicable), Custodian, Valuation Agent and Registrar and Transfer Agent and fees payable to other service providers. See "Organization and Management Details – The Trustee, Manager and Promoter – Duties and Services to be Provided by the Trustee, Manager, and Promoter".

OVERVIEW OF THE LEGAL STRUCTURE OF THE FIRST TRUST ETFs

The First Trust ETFs are exchange traded mutual funds established as trusts under the laws of the Province of Ontario. The head and registered office of the First Trust ETFs and FT Portfolios Canada Co. is located at 40 King Street West, Suite 5102, Toronto, Ontario M5H 3Y2.

The Hedged Units of First Trust Vest Funds are listed on the TSX and (a) the units of First Trust Vest Fund of Buffer ETFs (Canada) ETF and First Trust Vest SMID Rising Dividend Achievers Target Income ETF and (b) the units and Hedged Units of First Trust SMID Cap Rising Dividend Achievers ETF are listed on Cboe Canada and Investors may buy or sell Units of the First Trust ETFs on the TSX or Cboe Canada, as the case may be, through registered brokers and dealers in the province or territory where the investor resides.

Cboe Canada has conditionally approved the listing of the Hedged Units of First Trust Vest SMID Rising Dividend Achievers Target Income ETF (the "**Additional Units**"), subject to satisfying Cboe Canada's original listing requirements. Subject to satisfying Cboe Canada's original listing requirements, the Additional Units will be listed on Cboe Canada and offered on a continuous basis, and an investor will be able to buy or sell the Additional Units on Cboe Canada through registered brokers and dealers in the province or territory where the investor resides.

Investors may incur customary brokerage commissions in buying or selling Units of the First Trust ETFs.

The following table sets out the full legal name as well as the ticker symbol for each of the First Trust ETFs:

Legal name of First Trust ETF	**Ticker Symbols**	
	units	Hedged Units
First Trust Vest U.S. Equity Buffer ETF - August	N/A	AUGB.F
First Trust Vest U.S. Equity Buffer ETF - November	N/A	NOVB.F
First Trust Vest U.S. Equity Buffer ETF - February	N/A	FEBB.F
First Trust Vest U.S. Equity Buffer ETF - May	N/A	MAYB.F
First Trust Vest Fund of Buffer ETFs (Canada) ETF	BUFR	N/A
First Trust SMID Cap Rising Dividend Achievers ETF	SDVY	SDVY.F

Legal name of First Trust ETF	Ticker Symbols	
	units	Hedged Units
First Trust Vest SMID Rising Dividend Achievers Target Income ETF	SDVD	SDVD.F

INVESTMENT OBJECTIVES

First Trust Vest U.S. Equity Buffer ETF – August

First Trust Vest U.S. Equity Buffer ETF – August seeks to provide the holders of Units ("**Unitholders**") with returns (before fees, expenses and taxes) that match the price return of the SPDR® S&P 500® ETF Trust (the "**Reference ETF**") up to a predetermined upside cap (before fees, expenses and taxes), while providing a buffer against the first 10% (before fees, expenses and taxes) of the decrease in the market price of the Reference ETF, over a period referred to as the "Target Outcome Period". The current Target Outcome Period is the period that commenced on Monday, August 18, 2025 to Friday, August 21, 2026. Following this subsequent Target Outcome Period, each additional subsequent Target Outcome Period will be for a period of approximately one year from the Monday following the third Friday of August of each year to on or about the third Friday of August of the following year.

First Trust Vest U.S. Equity Buffer ETF – November

First Trust Vest U.S. Equity Buffer ETF – November seeks to provide Unitholders with returns (before fees, expenses and taxes) that match the price return of the Reference ETF up to a predetermined upside cap (before fees, expenses and taxes), while providing a buffer against the first 10% (before fees, expenses and taxes) of the decrease in market price of the Reference ETF, over a period referred to as the "Target Outcome Period". The current Target Outcome Period is the period that commenced on Monday, November 18, 2024 to on or about Friday, November 21, 2025. Following the current Target Outcome Period, each subsequent Target Outcome Period will be for a period of approximately one year from the Monday following the third Friday of November of each year to on or about the third Friday of November of the following year.

First Trust Vest U.S. Equity Buffer ETF – February

First Trust Vest U.S. Equity Buffer ETF – February seeks to provide Unitholders with returns (before fees, expenses and taxes) that match the price return of the Reference ETF up to a predetermined upside cap (before fees, expenses and taxes), while providing a buffer against the first 10% (before fees, expenses and taxes) of the decrease in market price of the Reference ETF, over a period referred to as the "Target Outcome Period". The current Target Outcome Period is the period that commenced on Monday, February 24, 2025 to on or about Friday, February 20, 2026. Following the current Target Outcome Period, each subsequent Target Outcome Period will be for a period of approximately one year from the Monday following the third Friday of February of each year to on or about the third Friday of February of the following year.

First Trust Vest U.S. Equity Buffer ETF – May

First Trust Vest U.S. Equity Buffer ETF – May seeks to provide Unitholders with returns (before fees, expenses and taxes) that match the price return of the Reference ETF up to a predetermined upside cap (before fees, expenses and taxes), while providing a buffer against the first 10% (before fees, expenses and taxes) of the decrease in market price of the Reference ETF, over a period referred to as the "Target Outcome Period". The current Target Outcome Period is the period that commenced on Tuesday, May 20, 2025 to on or about Friday, May 15, 2026. Following the current Target Outcome Period, each subsequent Target Outcome Period will be for a period of approximately one year from the Monday following the third Friday of May of each year to on or about the third Friday of May of the following year.

First Trust Vest Fund of Buffer ETFs (Canada) ETF

First Trust Vest Fund of Buffer ETFs (Canada) ETF will invest in an equally weighted portfolio of First Trust Vest Funds (initially, First Trust Vest U.S. Equity Buffer ETF – August, First Trust Vest U.S. Equity Buffer ETF – November, First Trust Vest U.S. Equity Buffer ETF – February and First Trust Vest U.S. Equity Buffer ETF – May). Investing in a laddered portfolio of First Trust Vest Funds will reset the downside protection and cap levels on a portion of the First Trust ETF's portfolio on a quarterly basis.

First Trust SMID Cap Rising Dividend Achievers ETF

First Trust SMID Cap Rising Dividend Achievers ETF will seek to replicate, to the extent possible, the performance of an index of U.S. small and mid cap companies, net of expenses, initially the SMID Index.

The Manager may, subject to any required Unitholder approval, change the index from the SMID Index to another index in order to provide investors with substantially the same exposure to the asset class to which First Trust SMID Cap Rising Dividend Achievers ETF is currently exposed. If the Manager changes the index, the Manager will issue a press release identifying the new index, describing its constituent securities and specifying the reasons for the change in the index.

First Trust Vest SMID Rising Dividend Achievers Target Income ETF

First Trust Vest SMID Rising Dividend Achievers Target Income ETF seeks to provide Unitholders with current income with a secondary objective of providing capital appreciation by investing primarily in a portfolio of equity securities included in the SMID Index as well as listed options on the Russell 2000® Index or exchange-traded funds that track the Russell 2000® Index.

INVESTMENT STRATEGIES

First Trust Vest Funds

To achieve its investment objectives, each First Trust Vest Fund will under normal market conditions invest substantially all of its assets in FLexible EXchange® Options ("**FLEX Options**") that reference the price return of the Reference ETF. FLEX Options are customized equity or index option contracts that trade on an exchange, but provide investors with the ability to customize key contract terms like exercise prices, styles and expiration dates.

The Reference ETF is an exchange-traded unit investment trust that uses a full replication strategy, meaning it invests entirely in the S&P 500® Index. PDR Services, LLC is the sponsor of the Reference ETF. The investment objective of the Reference ETF is to seek to provide investment results that, before expenses, correspond generally to the price and yield performance of the S&P 500® Index. The S&P 500® Index is a market capitalization-weighted equity index that includes securities of 500 of the largest U.S. public issuers trading. Standard & Poor's Financial Services LLC is the provider of the S&P 500® Index.

Each First Trust Vest Fund uses FLEX Options to employ a "target outcome strategy." Target outcome strategies seek to produce predetermined investment outcomes based upon the performance of an underlying security or index during the Target Outcome Period. The predetermined outcomes sought by the First Trust Vest Fund, which include a buffer against the first 10% (before fees, expenses and taxes) of decrease in the market price of Reference ETF and a predetermined upside cap (before fees, expenses and taxes), are based on the price return of the Reference ETF over the Target Outcome Period. In addition to the fees, expenses and taxes, risks and costs associated with currency hedging may impact the buffer or predetermined upside cap. See "Investment Strategies – Foreign Currency Hedging" and "Risk Factors – Foreign Currency Exposure".

The Target Outcome Periods for the First Trust Vest Funds are as follows:

First Trust Vest U.S. Equity Buffer ETF – August	The current Target Outcome Period is the period commencing on Monday, August 18, 2025 to on or about Friday, August 21, 2026.
First Trust Vest U.S. Equity Buffer ETF – November	The current Target Outcome Period is the period that commenced on Monday, November 18, 2024 to on or about Friday, November 21, 2025.
First Trust Vest U.S. Equity Buffer ETF – February	The current Target Outcome Period is the period that commenced on Monday, February 24, 2025 to on or about Friday, February 20, 2026.
First Trust Vest U.S. Equity Buffer ETF – May	The current Target Outcome Period is the period that commenced on Tuesday, May 20, 2025 to on or about Friday, May 15, 2026

In general, the target outcomes each First Trust Vest Fund seeks for Unitholders that hold their Units of the First Trust Vest Fund for an entire Target Outcome Period are as follows, though there can be no guarantee these results will be achieved:

- If the market price of the Reference ETF appreciates over the Target Outcome Period, the combination of FLEX Options held by the First Trust Vest Fund provides upside participation that is intended to match that price return appreciation of the Reference ETF, up to a cap (before fees, expenses and taxes) that is determined at the start of the Target Outcome Period.

- If the market price of the Reference ETF decreases over the Target Outcome Period the combination of FLEX Options held by the First Trust Vest Fund provides a payoff at expiration that is intended to compensate for the decrease in the market price of the Reference ETF (if any), in an amount not to exceed 10% before fees, expenses and taxes.

- If the market price of the Reference ETF has decreased over the Target Outcome Period by more than 10%, the First Trust Vest Fund will experience all subsequent decreases on an approximately one-to-one basis.

On the first day of each new Target Outcome Period, each First Trust Vest Fund is rebalanced by investing in a new set of FLEX Options that will provide a new cap for the new Target Outcome Period. See "Investment Strategies – Buffer and Cap".

An investor that purchases Units of a First Trust Vest Fund other than on the first day of a Target Outcome Period and/or sells Units of the First Trust Vest Fund prior to the end of a Target Outcome Period may experience results that are very different from the target outcomes sought by a First Trust Vest Fund for that Target Outcome Period. Both the cap and buffer are fixed levels that are calculated in relation to the market price of the Reference ETF and the First Trust Vest Fund's NAV (as defined herein) at the start of each Target Outcome Period. As the market price of the Reference ETF and the First Trust Vest Fund's NAV will change over the Target Outcome Period, an investor acquiring Units of a First Trust Vest Fund after the start of a Target Outcome Period will likely have a different return potential than an investor who purchased Units of a First Trust Vest Fund at the start of the Target Outcome Period. This is because while the cap and buffer for the Target Outcome Period are fixed levels that remain constant throughout the Target Outcome Period, an investor purchasing Units of a First Trust Vest Fund at market value during the Target Outcome Period likely purchased Units of a First Trust ETF at a market price that is different from the First Trust Vest Fund's NAV at the start of the Target Outcome Period (i.e., the NAV that the cap and buffer reference). In addition, the market price of the Reference ETF is likely to be different from the price of the Reference ETF at the start of the Target Outcome Period. **To achieve the intended target outcomes sought by a First Trust Vest Fund for a Target Outcome Period, an investor must hold Units of the First Trust Vest Fund for that entire Target Outcome Period.**

Buffer and Cap

Each First Trust Vest Fund seeks to provide a buffer on the first 10% of the decrease in the market price of the Reference ETF over each Target Outcome Period. After the market price of the Reference ETF has decreased by more than 10%, the First Trust Vest Fund will experience subsequent decreases on an approximately one-to-one basis (i.e., market price of the Reference ETF decreases by 20%, the First Trust Vest Fund loses 10%). The buffer is before taking into account the fees, expenses and taxes charged to or borne by Unitholders.

If an investor purchases Units of a First Trust Vest Fund during a Target Outcome Period at a time when the market price of the Reference ETF has decreased by 10% or more from its market price on the first day of the Target Outcome Period (the "Initial Price"), that Unitholder's buffer will essentially be zero (meaning the investor can lose its entire investment). However, that Unitholder's potential gain will be larger than the First Trust Vest Fund's cap for the Target Outcome Period because the Unitholder may experience the additional gain if the First Trust Vest Fund recovers the value it has lost from the first day of the Target Outcome Period through the date the Unitholder purchased its Units of the First Trust Vest Fund plus any additional gains from the increase in the market price of the Reference ETF from the Initial Price, up to the maximum return of the cap.

Conversely, if an investor purchases Units of a First Trust Vest Fund during a Target Outcome Period at a time when the market price of the Reference ETF has increased from its Initial Price for a Target Outcome Period, then a Unitholder may experience losses prior to gaining the protection offered by the buffer (because the market price of the Reference ETF must first decrease to its Initial Price for the Target Outcome Period before subsequent decreases will be protected by the buffer). While each First Trust Vest Fund seeks to limit losses to a maximum of 90% for Unitholders who hold Units of the First Trust Vest Fund for an entire Target Outcome Period, there is no guarantee it will successfully do so. Depending upon market conditions at the time of purchase, a Unitholder that purchases Units of a First Trust Vest Fund after the first day of a Target Outcome Period may lose their entire investment. An investment in the First Trust Vest Fund is only appropriate for investors willing to bear those losses. Despite the intended buffer, a Unitholder could lose their entire investment.

The returns of a First Trust Vest Fund are subject to a predetermined cap (before fees, expenses and taxes) in respect of the Target Outcome Period.

The cap for the initial or current Target Outcome Period, as the case may be, of each First Trust Vest Fund is as follows:

First Trust Vest U.S. Equity Buffer ETF – August	14.55% (before fees, expenses and taxes)
First Trust Vest U.S. Equity Buffer ETF – November	14.34% (before fees, expenses and taxes)
First Trust Vest U.S. Equity Buffer ETF – February	14.60% (before fees, expenses and taxes)
First Trust Vest U.S. Equity Buffer ETF – May	14.97% (before fees, expenses and taxes)

Unlike other investment products, the potential returns a Unitholder can receive from a First Trust Vest Fund are subject to a predetermined upside return cap that represents the maximum percentage return a Unitholder can achieve from an investment in the First Trust Vest Fund for an entire Target Outcome Period (before fees, expenses and taxes). In the event the market price of the Reference ETF increases over a Target Outcome Period, the First Trust Vest Fund seeks to provide investment returns that match the percentage increase of the market price of the Reference ETF, but any percentage gains over amount of the cap will not be experienced by the First Trust Vest Fund. This means that if the market price of the Reference ETF increases during a Target Outcome Period in excess of the cap for that Target Outcome Period, the First Trust Vest Fund will not benefit from those excess gains. Therefore, regardless of the price return of the Reference ETF, the cap is the maximum return a Unitholder can achieve from an investment in the First Trust Vest Fund for that Target Outcome Period.

The cap is set on the first day of each Target Outcome Period and is determined before taking into account the fees, expenses and taxes payable by the First Trust Vest Fund.

The cap for each additional subsequent Target Outcome Period will be based on prevailing market conditions at the time, including then-current interest rate levels, the volatility of the Reference ETF and S&P 500® Index and the relationship of puts and calls on the underlying FLEX Options. **The cap and buffer, and the First Trust Vest Fund's position relative to each, should be considered before investing in Units of a First Trust Vest Fund.**

Each First Trust Vest Fund will seek to achieve its investment objectives by purchasing and writing a series of call and put FLEX Options on the first day of a Target Outcome Period. The Sub-Advisor will calculate the amount of premiums that the First Trust Vest Fund will owe on the options acquired and sold to provide the buffer and will then go into the market and sell call options with terms that entitle the First Trust Vest Fund to receive premiums such that the net amount of premium paid per unit of the Reference ETF is approximately equal to the price per unit of the Reference ETF. The cap is the strike price of those sold FLEX Options.

The cap, and the First Trust Vest Fund's position relative to it on any given day, should be considered before investing in the First Trust Vest Fund. If an investor purchases Units of a First Trust Vest Fund during a Target Outcome Period, and the market price of the Reference ETF has already increased above its Initial Price for that Target Outcome Period to a level near to the cap, an investor purchasing Units of the First Trust Vest Fund will have limited to no gain potential for the remainder of the Target Outcome Period. However, the investor will remain vulnerable to significant downside risk because the investor will bear the losses between the market price of the Reference ETF at the time it purchased Units of the First Trust Vest Fund and the Initial Price of the Reference ETF for the Target Outcome Period before subsequent decreases will be protected by the buffer.

Investors purchasing Units of a First Trust Vest Fund during a Target Outcome Period will experience different results. The First Trust ETFs' website, at www.firsttrust.ca, provides information relating to the possible outcomes for an investor of an investment in the First Trust Vest Funds on a daily basis, including each First Trust Vest Fund's position relative to its cap and buffer. **Before purchasing Units of a First Trust Vest Fund, an investor should visit the First Trust ETF's website to review this information and understand the possible outcomes of an investment in Units of the First Trust Vest Fund on a particular day.**

See "Investment Strategies – General Information on FLEX Options".

General Information on the FLEX Options

FLEX Options are customized equity or index option contracts that trade on an exchange, but provide investors with the ability to customize key contract terms like exercise prices, styles and expiration dates. FLEX Options are guaranteed for settlement by the Options Clearing Corporation ("**OCC**"). The OCC guarantees performance by each of the counterparties to the FLEX Options, becoming the "buyer for every seller and the seller for every buyer," protecting clearing members and options traders from counterparty risk. The OCC may make adjustments to FLEX Options for certain significant events.

The First Trust Vest Funds will purchase and sell call and put FLEX Options based on the price return of the Reference ETF. The FLEX Options that the First Trust Vest Funds will hold that reference the Reference ETF will give the First Trust Vest Funds the right to receive or deliver shares of the Reference ETF on the option expiration date at a strike price, depending on whether the option is a put or call option and whether the First Trust Vest Fund purchases or sells the option. The FLEX Options held by the First Trust Vest Funds are European style options, which are exercisable at the strike price only on the FLEX Option expiration date.

For each Target Outcome Period, the First Trust Vest Funds will invest in both purchased and written put and call FLEX Options that reference the Reference ETF.

The First Trust Vest Funds will generally, under normal conditions, hold four kinds of FLEX Options for each Target Outcome Period. The First Trust Vest Funds will purchase a call option (giving the First Trust Vest Fund the right to receive the shares of the Reference ETF) and a put option (giving the First Trust Vest Fund the right to deliver the shares of the Reference ETF), while simultaneously selling (i.e., writing) a call option (giving the First Trust Vest Fund the obligation to deliver the shares of the Reference ETF) and a put option (giving the First Trust Vest Fund the obligation to receive the shares of the Reference ETF). The First Trust Vest Funds intend to structure the FLEX Options so that any amount owed by a First Trust Vest Fund on the written FLEX Options will be covered by payouts at expiration from the purchased FLEX Options. As a result, the FLEX Options will be fully covered and no additional collateral will be necessary during the life of the First Trust Vest Fund. The First Trust Vest Funds will receive premiums in exchange for the written FLEX Options and pay premiums in exchange for the purchased FLEX Options. The OCC and securities exchanges on which the FLEX Options are listed do not charge ongoing fees to writers or purchasers of the FLEX Options during their life for continuing to hold the option contracts, but may charge

transaction fees. Each of the FLEX Options purchased and sold throughout the Target Outcome Period will have the same terms, such as strike price and expiration date, as the FLEX Options purchased and sold on the first day of the Target Outcome Period.

First Trust Vest Fund of Buffer ETFs (Canada) ETF

To achieve its investment objectives, First Trust Vest Fund of Buffer ETFs (Canada) ETF invests in an equally weighted portfolio (at the time of purchase) of First Trust Vest Funds (initially, First Trust Vest U.S. Equity Buffer ETF – August, First Trust Vest U.S. Equity Buffer ETF – November, First Trust Vest U.S. Equity Buffer ETF – February and First Trust Vest U.S. Equity Buffer ETF – May).

Investing in a laddered portfolio of First Trust Vest Funds will reset the downside protection and cap levels on a portion of First Trust Vest Fund of Buffer ETFs (Canada) ETF's portfolio on a quarterly basis.

First Trust SMID Cap Rising Dividend Achievers ETF

To achieve its investment objectives, First Trust SMID Cap Rising Dividend Achievers ETF provides exposure to the SMID Index by holding securities of First Trust SMID Cap Rising Dividend Achievers ETF ("**SDVY**"), a U.S.-listed index ETF which is managed by an affiliate of the Manager which seeks to replicate or substantially replicate the performance of the SMID Index.

First Trust Vest SMID Rising Dividend Achievers Target Income ETF

To achieve its investment objectives, First Trust Vest SMID Rising Dividend Achievers Target Income ETF invests all or substantially all of its assets in FT Vest SMID Rising Dividend Achievers Target Income ETF, a U.S.-listed index ETF which is managed by an affiliate of the Manager. FT Vest SMID Rising Dividend Achievers Target Income ETF seeks to achieve its investment objectives by investing primarily in a portfolio of equity securities within SMID Index and by utilizing an option-strategy consisting of writing (selling) U.S. exchange-traded call options on the Russell 2000® Index or U.S.-listed ETFs that track the Russell 2000® Index. FT Vest SMID Rising Dividend Achievers Target Income ETF seeks to provide investors with a target income of approximately 8.0% (before fees and expenses) above the Russell 2000® Index annualized yield.

The Portfolio Advisor has retained the Sub-Advisor to act as the sub-advisor to provide investment advisory and portfolio management services in respect of FT Vest SMID Rising Dividend Achievers Target Income ETF in connection with FT Vest SMID Rising Dividend Achievers Target Income ETF's option-strategy.

The Index – SMID ETFs

NASDAQ, Inc. (the "**Index Provider**") is the index provider for SMID Index.

According to the Index Provider, the SMID Index is designed to measure the performance of securities in the small- to mid-capitalization space determined by the Index Provider to have increased their dividend value over the previous three year and five year annual periods, while being best positioned to continue the dividend increase. See "Overview of the Sectors to which the First Trust ETFs Invest" for further information.

Further information about the SMID Index is available on the First Trust website at www.firsttrust.ca.

Change in the Index

The Manager may, subject to any required Unitholder approval, change the index of First Trust SMID Cap Rising Dividend Achievers ETF to another index that provides investors with substantially the same exposure to the asset class to which First Trust SMID Cap Rising Dividend Achievers ETF is currently exposed. If the Manager changes the index of First Trust SMID Cap Rising Dividend Achievers ETF, or any index replacing such index, the Manager will issue a press release identifying the new index, describing its constituent securities and specifying the reasons for the change in the index.

The Portfolio Advisor (and in turn, the Manager) may, subject to any required unitholder approval, change the index of First Trust Vest SMID Rising Dividend Achievers Target Income ETF (and of its Underlying Fund, FT Vest SMID Rising Dividend Achievers Target Income ETF) to another index that provides investors with substantially the same exposure to the asset class to which the underlying fund is currently exposed. If the Portfolio Advisor (and in turn, the Manager) changes the index of either First Trust Vest SMID Rising Dividend Achievers Target Income ETF or FT Vest SMID Rising Dividend Achievers Target Income ETF, or any index replacing such index, the Manager will issue a press release identifying the new index, describing its constituent securities and specifying the reasons for the change in the index.

Termination of the Index or License Agreement

The Index Provider calculates, determines and maintains the SMID Index. In the event that the Index Provider ceases to calculate the index or the License Agreement is terminated, the Manager may terminate the SMID ETFs on 60 days' notice, change the investment objective of the ETFs, seek to replicate an alternative index or make such other arrangements as the Manager considers appropriate and in the best interests of Unitholders in the circumstances.

Use of the Index

The Manager and the SMID ETFs are permitted to use the SMID Index pursuant to the License Agreement described below under "Material Contracts – License Agreement". The Manager and the SMID ETFs do not accept responsibility for, or guarantee the accuracy and/or completeness of, the SMID Index or any data included in the SMID Index.

Use of Derivative Instruments

The First Trust Vest Funds will purchase FLEX Options which are derivatives on the basis described under "Investment Strategies" and First Trust Vest Fund of Buffer ETFs (Canada) ETF may also use derivative instruments in accordance with applicable securities legislation, including NI 81-102. Any use of derivative instruments by a First Trust ETF will be in compliance with applicable Canadian securities legislation and in a manner which is consistent with its investment objective and investment strategy.

The First Trust ETFs that offer Hedged Units may invest in derivative instruments in connection with the hedging of the U.S. dollar currency exposure in respect of the Hedged Units. Any investment in derivative instruments shall be in compliance with applicable Canadian securities legislation and be consistent with the investment objective and investment strategy of the First Trust ETF.

Details of the risks associated with derivative instruments are set out in the section entitled "Risk Factors".

Investments in Other Investment Funds

In accordance with applicable securities legislation, including NI 81-102 and any exemptive relief granted by the Canadian securities regulatory authorities, as applicable, First Trust Vest Fund of Buffer ETFs (Canada) ETF, First Trust SMID Cap Rising Dividend Achiever ETF and First Trust Vest SMID Rising Dividend Achievers Target Income ETF will and a First Trust Vest Fund may, as an alternative to or in conjunction with investing in and holding FLEX Options, invest in other ETFs (each, an "**Underlying Fund**") in a manner that is consistent with the investment objectives and investment strategies of the First Trust ETF, provided that there shall be no duplication of management fees that are payable by the First Trust ETF that to a reasonable person would duplicate a fee payable by the Underlying Fund for the same service.

Cash and Cash Equivalents

A First Trust ETF may invest part of its assets in cash or cash equivalents for defensive purposes and during periods of high cash inflows or outflows. During such periods, the First Trust ETF may not be able to achieve its investment objective. A First Trust ETF may adopt a defensive strategy when the Portfolio Advisor believes securities

in which First Trust ETF would normally invest have elevated risks due to political or economic factors and in other extraordinary circumstances.

The First Trust ETFs may not be fully invested at all times and may hold cash and cash equivalents (including short-term debt instruments) to the extent needed to pay its fees and operating expenses, make distributions and fund redemptions. Additionally, the First Trust ETFs may hold cash or invest in short-term securities if determined to be appropriate for the purposes of enhancing liquidity or preserving capital in light of prevailing market or economic conditions.

Foreign Currency Hedging

Each of First Trust Vest U.S. Equity Buffer ETF – August, First Trust Vest U.S. Equity Buffer ETF – November, First Trust Vest U.S. Equity Buffer ETF – February, First Trust Vest U.S. Equity Buffer ETF – May, First Trust SMID Cap Rising Dividend Achievers ETF and First Trust Vest SMID Rising Dividend Achievers Target Income ETF will seek to hedge its U.S. dollar currency exposure back to the Canadian dollar in respect of its Hedged Units. Therefore all of the gains or losses associated with any hedging transactions in that regard will be solely for the account of the Hedged Units. See "Risk Factors – Foreign Currency Exposure".

OVERVIEW OF THE SECTORS IN WHICH THE FIRST TRUST ETFs INVEST

Buffer ETFs

The First Trust Vest Funds will purchase and sell call and put FLEX Options to gain exposure to the price return of the Reference ETF. The FLEX Options that the First Trust Vest Funds will hold that reference the Reference ETF will give the First Trust Vest Funds the right to receive or deliver shares of the Reference ETF on the option expiration date at a strike price, depending on whether the option is a put or call option and whether the First Trust Vest Fund purchases or sells the option. The FLEX Options held by the First Trust Vest Funds are European style options, which are exercisable at the strike price only on the FLEX Option expiration date.

The Reference ETF will provide exposure to the S&P 500® Index. The S&P 500® Index is a market capitalization-weighted equity index that includes securities of 500 of the largest U.S. public issuers trading. Standard & Poor's Financial Services LLC is the provider of the S&P 500® Index.

First Trust Vest Fund of Buffer ETFs (Canada) ETF invests in an equally weighted portfolio consisting of First Trust Vest Funds which obtain exposure to U.S. large capitalization companies included in the S&P 500® Index.

First Trust SMID Cap Rising Dividend Achievers ETF

First Trust SMID Cap Rising Dividend Achievers ETF invests all or substantially all of its assets in SDVY to provide exposure to the SMID Index. The SMID Index is comprised of securities in the small- to mid-capitalization space determined by the Index Provider to have increased their dividend value over the previous three year and five year annual periods, while being best positioned to continue the dividend increases. The SMID Index is rebalanced on a quarterly basis.

First Trust Vest SMID Rising Dividend Achievers Target Income ETF

First Trust Vest SMID Rising Dividend Achievers Target Income ETF invests all or substantially all of its assets in FT Vest SMID Rising Dividend Achievers Target Income ETF. The FT Vest SMID Rising Dividend Achievers Target Income ETF invests primarily in a portfolio of equity securities included in the SMID Index and by utilizing an option strategy consisting of writing (selling) U.S. exchange-traded call options on the Russell 2000® Index, or exchange-traded funds that track the Russell 2000® Index. The Russell 2000® Index measures the performance of the small-cap segment of the U.S. equity universe. The Russell 2000® Index is a subset of the Russell 3000® Index representing approximately 7% of the total market capitalization of that index, as of the most recent reconstitution. It includes approximately 2,000 of the smallest securities based on a combination of their market cap and current index membership. The Russell 2000® Index is constructed to provide a comprehensive and unbiased

small-cap barometer and is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small-cap opportunity set.

INVESTMENT RESTRICTIONS

The First Trust ETFs are subject to certain restrictions and practices contained in Canadian securities legislation. The First Trust ETFs are managed in accordance with these restrictions and practices, except as otherwise permitted by exemptions provided by Canadian securities regulatory authorities. See "Exemptions and Approvals". A change to the fundamental investment objective of a First Trust ETF would require the approval of the Unitholders of that fund. See "Unitholder Matters – Matters Requiring Unitholder Approval".

FEES AND EXPENSES

Management Fees

Each First Trust ETF will pay the Manager a management fee as set forth in the table below based on the average daily NAV of the applicable First Trust ETF. The management fee, plus applicable taxes including HST, will be accrued daily and paid monthly in arrears. The Manager is responsible for providing managerial, administrative and compliance services to the First Trust ETFs. See "Organization and Management Details – The Trustee, Manager and Promoter – Duties and Services to be Provided by the Trustee, Manager and Promoter" for a description of the services provided by the Manager. The Manager may, from time to time in its discretion, waive all or a portion of the management fee charged at any given time.

First Trust ETF	Class of Units	Annual Management Fee (%)
First Trust Vest U.S. Equity Buffer ETF - August	Hedged Units	0.85% of NAV of the Hedged Units
First Trust Vest U.S. Equity Buffer ETF - November	Hedged Units	0.85% of NAV of the Hedged Units
First Trust Vest U.S. Equity Buffer ETF - February	Hedged Units	0.85% of NAV of the Hedged Units
First Trust Vest U.S. Equity Buffer ETF - May	Hedged Units	0.85% of NAV of the Hedged Units
First Trust Vest Fund of Buffer ETFs (Canada) ETF[(1)]	units	0.15% of NAV of the units
First Trust SMID Cap Rising Dividend Achievers ETF[(2)]	Hedged Units	0.15% of NAV of the Hedged Units
First Trust SMID Cap Rising Dividend Achievers ETF[(2)]	units	0.15% of NAV of the units
First Trust Vest SMID Rising Dividend Achievers Target Income ETF[(3)]	Hedged Units	0.15% of NAV of the Hedged Units
First Trust Vest SMID Rising Dividend Achievers Target Income ETF[(3)]	units	0.15% of NAV of the units

Notes:

(4) First Trust Vest Fund of Buffer ETFs (Canada) ETF will invest in the First Trust Vest Funds and accordingly First Trust Vest Fund of Buffer ETFs (Canada) ETF will also bear the management fee (being 0.85% per annum on the net asset value of the applicable First Trust Vest Funds) which is payable on the portion of its portfolio assets invested in each First Trust Vest Fund. Accordingly, the total management fee borne by Unitholders in connection with their Units of First Trust Vest Fund of Buffer ETFs (Canada) ETF will be 1.00% per annum of the NAV of the Units.

(5) First Trust SMID Cap Rising Dividend Achievers ETF will invest in SDVY and accordingly the First Trust SMID Cap Rising Dividend Achievers ETF will also bear the management fee (being 0.60% per annum on the net asset value of SDVY) which is payable on the portion of its portfolio assets invested in SDVY. Accordingly, the total management fee borne by Unitholders in connection with its Units will be 0.75% per annum of the NAV of the Units.

(6) First Trust Vest SMID Rising Dividend Achievers Target Income ETF will invest in FT Vest SMID Rising Dividend Achievers Target Income ETF and accordingly the First Trust Vest SMID Rising Dividend Achievers Target Income ETF will also bear the management fee (being

0.85% per annum on the net asset value of FT Vest SMID Rising Dividend Achievers Target Income ETF) which is payable on the portion of its portfolio assets invested in FT Vest SMID Rising Dividend Achievers Target Income ETF. Accordingly, the total management fee borne by Unitholders in connection with its Units will be 1.00% per annum of the NAV of the Units.

In the event that a First Trust ETF invests in an Underlying Fund, the First Trust ETF will pay the Underlying Fund's management fee on the portion of the First Trust ETF's portfolio assets invested in the Underlying Fund, regardless of whether the Underlying Fund is managed by the Manager or an affiliate of the Manager. The management fee payable to the Manager will not be payable in respect of the portion of the First Trust ETF portfolio assets invested in the Underlying Fund to the extent that such fee would be duplicative.

Operating Expenses

In addition to the payment of the management fee, each First Trust ETF is responsible for the costs and expenses incurred in complying with NI 81-107 (including any expenses related to the implementation and on-going operation of an independent review committee), brokerage expenses and commissions, income and withholding taxes as well as all other applicable taxes, including HST, the costs of complying with any new governmental or regulatory requirement introduced after the First Trust ETF was established and extraordinary expenses and, in the discretion of the Manager, any costs associated with the printing and distribution of any documents that the securities regulatory authorities require be sent or delivered to investors in the First Trust ETFs. The Manager is responsible for all other costs and expenses of the First Trust ETFs, fees payable to the Portfolio Advisor, Sub-Advisor (as applicable), Custodian, Valuation Agent and Registrar and Transfer Agent and fees payable to other service providers retained by the Manager. See "Organization and Management Details – The Trustee, Manager and Promoter – Duties and Services to be Provided by the Trustee, Manager and Promoter".

RISK FACTORS

There are certain risks inherent in an investment in the First Trust ETFs (which includes any risks that a First Trust ETF may be exposed, in the event that the First Trust ETF invests in an Underlying Fund to meet its investment objectives), including:

General Risks Associated with an Investment in the First Trust ETFs

Counterparty Risk

Transactions with a First Trust ETF involving a counterparty are subject to the risk that the counterparty will not fulfill its obligation to the First Trust ETF. Counterparty risk may arise because of the counterparty's financial condition (i.e., financial difficulties, bankruptcy, or insolvency), market activities and developments, or other reasons, whether foreseen or not. A counterparty's inability to fulfill its obligation may result in significant financial loss to the First Trust ETF. The First Trust ETF may be unable to recover its investment from the counterparty or may obtain a limited recovery, and/or recovery may be delayed.

Although the First Trust Vest Funds will invest in FLEX Options which will trade on the Cboe Exchange, Inc. (an Options Clearing Corporation participant exchange) and therefore will not be subject to traditional counterparty risk it is possible as a result of the financial condition of the Cboe Exchange, Inc., market activities and developments or other reasons that the First Trust Vest Funds could be exposed to counterparty risk as a result of its investment in FLEX Options.

Use of Derivative Instruments

Each First Trust ETF may invest in and/or use derivative instruments as described under "Investment Strategies – Use of Derivative Instruments". The use of derivative instruments involves risks different from, and possibly greater than, the risks associated with investing directly in securities and other traditional investments. Risks associated with the use of derivatives include: (i) there is no guarantee that hedging to reduce risk will not result in a loss or that there will be a gain; (ii) there is no guarantee that a market will exist when the First Trust ETFs want to complete the derivative contract, which could prevent the First Trust ETFs from reducing a loss or making a profit;

(iii) securities exchanges may impose trading limits on options and futures contracts, and these limits may prevent the First Trust ETFs from completing the derivative contract; (iv) the First Trust ETFs could experience a loss if the other party to the derivative contract is unable to fulfill its obligations; (v) if the First Trust ETF has an open position in an option, a futures contract or a forward contract with a dealer who goes bankrupt, the First Trust ETF could experience a loss and, for an open futures or forward contract, a loss of margin deposited with that dealer; and (vi) if a derivative is based on a security such as the Reference ETF or stock market index and trading is halted on such security or a substantial number of stocks in the index or there is a change in the composition of the index, there could be an adverse effect on the derivative. In circumstances where there is an interest rate hedge employed to protect against rising interest rates, total return on the investment portfolio of a First Trust ETF may be higher with the hedge than without it when interest rates rise significantly, but may be lower when interest rates are stable or decrease.

Equity Investment and Market Risk

Equities such as common shares give the holder part ownership in a company. The value of an equity security changes with the fortunes of the company that issued it. General market conditions and the health of the economy as a whole can also affect equity prices. War, acts of terrorism, spread of infectious diseases or other public health issues, recessions, or other events may also lead to increased short-term market volatility and may have adverse long-term effects on world economies and markets generally.

The ongoing adversarial political climate in the U.S., as well as political and diplomatic events both in North America and internationally, have and may continue to have an adverse impact on the North American regulatory landscape, markets and investor behavior, which could have a negative impact on the Fund's investments and operations. The change in administration resulting from the 2024 U.S. national elections could result in significant impacts to U.S. international trade relations, tax and immigration policies, and other aspects of the U.S. national and international political and financial landscape, which could affect, among other things, inflation and the securities markets in North America. Other unexpected political, regulatory and diplomatic events both in North America and around the world may affect investor and consumer confidence and may adversely impact financial markets and the broader economy. For example, ongoing armed conflicts between Russia and Ukraine in Europe and among Israel, Iran, Hamas and other militant groups in the Middle East, have caused and could continue to cause significant market disruptions and volatility within the markets in Russia, Europe, the Middle East and North America. The hostilities and sanctions resulting from those hostilities have and could continue to have a significant impact on certain Fund investments as well as Fund performance and liquidity. The economies of the United States and its trading partners including Canada, Mexico and China, as well as the financial markets generally, may be adversely impacted by trade disputes, increased trade restrictions (including the imposition of new tariffs) and other matters. These events may have an adverse effect on the North American securities markets generally as well as a significant negative impact on certain issuers and their business operations.

Such events may affect certain geographic regions, countries, sectors and industries more significantly than others. Certain securities may be particularly sensitive to general market movements, which may result in a greater degree of price volatility for such securities under specific market conditions and over time. Equity related securities that provide indirect exposure to the equity securities of an issuer, such as convertible debentures, can also be affected by equity and market risk.

These risks could also adversely affect inflation and other factors relating to the securities held in a First Trust ETF's portfolio which either alone or together with the above-noted matters may result in volatility and decline in the NAV of the First Trust ETF.

Residency of the Portfolio Advisor and Sub-Advisor

Each of the Portfolio Advisor and Sub-Advisor is resident outside Canada and all or a substantial portion of their assets are located outside Canada. As a result, anyone seeking to enforce legal rights against the Portfolio Advisor or the Sub-Advisor (as applicable) may find it difficult to do so.

Risk of No Active Market for the Units

Although the Units of the First Trust ETFs are listed on an Exchange, there can be no assurance that an active public market for the Units of the First Trust ETFs will develop or be sustained.

Reliance on the Manager

Unitholders will be dependent on the ability of the Manager to effectively manage the First Trust ETFs in a manner consistent with the investment objectives, strategies and restrictions of the First Trust ETFs. There is no certainty that the individuals who are principally responsible for providing administration to the First Trust ETFs will continue to be employed by the Manager.

Reliance on the Portfolio Advisor

The returns to Unitholders will be dependent on the ability of the Portfolio Advisor providing investment advisory services to the First Trust ETFs. There is no certainty that the individuals who are principally responsible for providing such advisory services to the First Trust ETFs will continue to be employed by the Portfolio Advisor or that they will continue to provide such services over the entire life of the applicable First Trust ETF.

Reliance on the Sub-Advisor

The returns to Unitholders of the Buffer ETFs and First Trust Vest SMID Rising Dividend Achievers Target Income ETF will be dependent on the ability of the Sub-Advisor providing investment sub-advisory services to such First Trust ETFs. There is no certainty that the individuals who are principally responsible for providing such sub-advisory services to the Buffer ETFs and First Trust Vest SMID Rising Dividend Achievers Target Income ETF will continue to be employed by the Sub-Advisor or that they will continue to provide such services over the entire life of the applicable First Trust ETF.

Fluctuations in NAV and NAV per Unit

The NAV per Unit will vary according to, among other things, the value of the securities held by the First Trust ETFs. The Manager, the Portfolio Advisor, the Sub-Advisor (as applicable) and the First Trust ETFs have no control over the factors that affect the value of the securities held by the First Trust ETFs of the underlying funds, including factors that affect the equity and bond markets generally such as general economic and political conditions, fluctuations in interest rates and factors unique to each Constituent Issuer such as changes in management, changes in strategic direction, achievement of strategic goals, mergers, acquisitions and divestitures, changes in distribution and dividend policies and other events.

Illiquid Securities

If a First Trust ETF is unable to dispose of some or all of the securities held by it, that First Trust ETF may experience a delay in the receipt of the proceeds of disposition until such time as it is able to dispose of such securities or may be able to do so only at prices which may not reflect the true value of such investments. Likewise, if certain Constituent Securities are particularly illiquid, the Manager may be unable to acquire the number of securities necessary at a price acceptable to the Manager on a timely basis.

Trading Price of Units

Units of a class may trade in the market at a premium or discount to the NAV per Unit of the class. There can be no assurance that Units will trade at prices that reflect their NAV. The trading price of the Units will fluctuate in accordance with changes in the First Trust ETF's NAV, as well as market supply and demand on the Exchange. However, given that generally only a Prescribed Number of Units are issued to Designated Brokers and Dealers, and that holders of a Prescribed Number of Units (or an integral multiple thereof) may redeem such Units at their NAV, the Manager believes that large discounts or premiums to the NAV of the Units of a class should not be sustained.

Changes in Legislation

There can be no assurance that tax, securities or other laws will not be changed in a manner that adversely affects the distributions received by the First Trust ETFs or by the Unitholders. There can be no assurance that Canadian federal income tax laws and the administrative policies and assessing practices of the Canada Revenue Agency will not be changed in a manner that adversely affects the First Trust ETFs or Unitholders.

For example, changes to tax legislation or the administration thereof could affect the taxation of a First Trust ETF or the issuers in which it invests.

Further, from time to time, various legislative initiatives are proposed by governments which may have a negative impact on certain issuers whose securities are held in the portfolio of a mutual fund. In addition, litigation regarding any of such issuers or the industries represented by these issuers may negatively impact the prices of securities. The impact on the portfolio of a mutual fund of any pending or proposed legislation or pending or threatened litigation cannot be predicted.

Withholding Tax Risk

The First Trust ETFs invest in foreign securities and accordingly, at the date hereof, the First Trust ETFs may be subject to foreign withholding tax on such securities. There is no guarantee that the rate of withholding tax will not increase which may significantly affect returns.

Other Tax-Related Risks

If a First Trust ETF were to not qualify as a "mutual fund trust" for the purposes of the Tax Act for any period of time, there could be negative tax consequences for such First Trust ETF and its investors.

There can be no assurances that the Canada Revenue Agency will agree with the tax treatment adopted by the First Trust ETFs in filing their tax return and the Canada Revenue Agency could reassess a First Trust ETF on a basis that results in tax being payable by the First Trust ETF.

If a First Trust ETF experiences a "loss restriction event" (i) the First Trust ETF will be deemed to have a year-end for tax purposes, and (ii) the First Trust ETF will become subject to the loss restriction rules generally applicable to corporations that experience an acquisition of control, including a deemed realization of any unrealized capital losses and restrictions on their ability to carry forward losses. Generally, a First Trust ETF will be subject to a loss restriction event when a person becomes a "majority-interest beneficiary" of the First Trust ETF, or a group of persons becomes a "majority-interest group of beneficiaries" of the First Trust ETF, as those terms are defined in the affiliated persons rules contained in the Tax Act, with appropriate modifications. Generally, a majority-interest beneficiary of a First Trust ETF will be a beneficiary who, together with the beneficial interests of persons and partnerships with whom the beneficiary is affiliated, owns Units of a First Trust ETF having a fair market value that is greater than 50% of the fair market value of all the Units of the First Trust ETF. A First Trust ETF will generally be exempt from the loss restriction event rules if it meets certain asset diversification requirements and other conditions to qualify as an "investment fund" as defined in the Tax Act. The Manager intends that each First Trust ETF will qualify as an "investment fund" at all material times. Such status is generally expected to preclude the First Trust ETFs from being subject to the consequences of a "loss restriction event" described above.

In addition, a First Trust ETF that does not qualify as a "mutual fund trust" under the Tax Act will be treated as a "financial institution" for purposes of certain special mark-to-market rules in the Tax Act if more than 50% of the Units of the First Trust ETF are held by one or more Unitholders that are themselves considered to be financial institutions. In such event, the tax year of the First Trust ETF will be deemed to end immediately before that time and any gains or losses on certain securities accrued before that time will be deemed realized by the First Trust ETF and will be distributed to Unitholders. In addition, the First Trust ETF will be required to recognize at least annually on income account any gains and losses accruing on certain types of debt obligations and equity securities that it holds and also will be subject to special rules with respect to income inclusion on these securities. Any income arising from such treatment will be included in amounts to be distributed to Unitholders. If more than 50% of the Units of such a

First Trust ETF cease to be held by financial institutions, the tax year of the First Trust ETF will be deemed to end immediately before that time and any gains or losses on certain securities accrued before that time will be deemed realized by the First Trust ETF and will be distributed to Unitholders. A new taxation year for the First Trust ETF will then begin and for that and subsequent taxation years, for so long as not more than 50% of the Units of the First Trust ETF are held by financial institutions, or the First Trust ETF is a mutual fund trust for purposes of the Tax Act, the First Trust ETF will not be subject to these special mark-to-market rules. Given the manner in which Units are distributed, there will be circumstances in which it will not be possible to control or identify whether a First Trust ETF has, or has ceased to, become a "financial institution". As a result, there can be no assurance that a First Trust ETF is not a "financial institution" or will not in the future become, or cease to be, a "financial institution" and no assurance as to when and to whom any distributions arising on the change in "financial institution" status of a First Trust ETF will be made, or that the First Trust ETF will not be required to pay tax on any undistributed income or taxable capital gains realized by the First Trust ETF on such event.

Certain tax rules apply to direct and indirect investments by Canadian residents in non-resident trusts (the "**NRT Rules**"). It is not expected that the NRT Rules would be applied in respect of investments, if any, made by a First Trust ETF in non-resident funds that are trusts; however, no assurances can be given in this regard.

Certain rules in the Tax Act apply to SIFT trusts and SIFT partnerships as defined in the Tax Act. If the SIFT Rules apply to a trust, including a First Trust ETF, the trust will be taxed on certain income and gains on a basis similar to that which applies to a corporation. Distributions of such income received by unitholders of SIFT trusts (and allocations of such income made to members of SIFT partnerships) are treated as eligible dividends from a taxable Canadian corporation.

In determining its income for tax purposes, each of the First Trust ETFs will treat option premiums received on the writing of options and any gains or losses sustained on closing out such options in accordance with the Canada Revenue Agency's published administrative practice. The First Trust ETFs will also take the position that gains or losses in respect of foreign currency hedges entered into in respect of amounts invested in its portfolio will constitute capital gains and capital losses to the First Trust ETF if there is sufficient linkage. The Canada Revenue Agency's practice is not to grant advance income tax rulings on the characterization of items as capital or income and no advance income tax ruling has been applied for or received from the Canada Revenue Agency. Accordingly, there is a risk that the Canada Revenue Agency may not agree with the tax treatment adopted by the First Trust ETFs. Where a First Trust ETF pays an option premium, the amount of such premium will constitute a capital loss of the First Trust ETF in the year in which the option expires unexercised. Having regard to the investment strategy of the First Trust ETFs, there can be no assurance that any losses arising on the expiry of options will be available or sufficient to shelter gains deemed to arise to the First Trust ETF on the receipt of option premiums.

If some or all of the transactions undertaken by a First Trust ETF in respect of options, foreign currency hedges or securities in such First Trust ETF's portfolio were treated on income rather than capital account, the net income of the First Trust ETF for tax purposes and the taxable component of distributions to Unitholders of the First Trust ETF could increase, and the First Trust ETF could be liable for income tax. Any such redetermination by the Canada Revenue Agency may also result in the First Trust ETF being liable for unremitted withholding taxes on prior distributions made to unitholders who were not resident in Canada for the purposes of the Tax Act at the time of the distribution. Such potential liability may reduce NAV, NAV per Unit or the trading prices of the Units.

Potential Conflicts of Interest

The Manager, the Portfolio Advisor, the Sub-Advisor (as applicable) and their directors, officers, affiliates and associates may engage in the promotion, management or investment management of other accounts, funds or trusts that invest primarily in the securities held by one or more First Trust ETFs or an Underlying Fund or that have similar investment objectives to the First Trust ETFs or an Underlying Fund.

Although officers, directors and professional staff of the Manager, the Portfolio Advisor and the Sub-Advisor (as applicable) will devote as much time to the First Trust ETFs or an Underlying Fund, as applicable, as is deemed appropriate to perform their duties, the staff of the Manager, the Portfolio Advisor and the Sub-Advisor (as applicable) may have conflicts in allocating their time and services among the First Trust ETFs, an Underlying Fund and the other funds managed by the Manager, the Portfolio Advisor or the Sub-Advisor (as applicable).

Fund of Funds Investment Risk

The First Trust ETFs may invest in one or more Underlying Funds. In the event that a First Trust ETF invests in an Underlying Fund, the First Trust ETF will be subject to the risks of such Underlying Fund. Also, if an Underlying Fund held by a First Trust ETF suspends redemptions, the First Trust ETF will be unable to accurately value part of its investment portfolio and may be unable to redeem its Units.

Asset Class Risk

The Constituent Securities may underperform the returns of other securities that have exposure to other countries, regions, industries, asset classes or sectors. Various asset classes tend to experience cycles of outperformance and underperformance in comparison to the general securities markets.

Foreign Currency Exposure

As the First Trust ETFs will invest directly or indirectly in securities traded in U.S. dollars and other foreign currencies, the NAV of the First Trust ETFs when measured in Canadian dollars, will, to the extent such U.S. dollar currency exposure has not been hedged against, be affected by changes in the value of the U.S. dollar relative to the Canadian dollar.

Each of First Trust Vest U.S. Equity Buffer ETF – August, First Trust Vest U.S. Equity Buffer ETF – November, First Trust Vest U.S. Equity Buffer ETF – February, First Trust Vest U.S. Equity Buffer ETF – May, First Trust SMID Cap Rising Dividend Achievers ETF and First Trust Vest SMID Rising Dividend Achievers Target Income ETF will seek to hedge its U.S. dollar currency exposure in respect of its Hedged Units, all of the gains or losses associated with any hedging transactions in that regard will be solely for the account of the Hedged Units.

While a First Trust Vest Fund will hedge its exposure to the U.S. dollar by entering into currency forward transactions with financial institutions that have a "designated rating" as defined in NI 81-102, there is no assurance that these currency forward transactions will be effective. The Manager expects such currency forward transactions to be substantially effective; however, as a result of the costs, risks and other performance impacts (including, the cap and buffer applicable to the First Trust Vest Funds) of the currency hedging strategy, some deviations from the price return of the Reference ETF are expected to occur and the total returns of a First Trust Vest Fund may be materially impacted. The effectiveness of a First Trust Vest Fund's currency hedging strategy will in general be affected by the volatility of both the price return of the Reference ETF and the volatility of the Canadian dollar relative to the U.S. dollar. Increased volatility will generally reduce the effectiveness of a First ETF's currency hedging strategy. The effectiveness of this currency hedging strategy and its impact on the returns of the strategy will, in general, be affected by the volatility of both the FLEX Options and the volatility of the Canadian dollar relative to U.S. dollar. Increased volatility will generally reduce the effectiveness of the currency hedging strategy. The effectiveness of this currency hedging strategy may also be affected by any significant difference between Canadian interest rates and U.S. interest rates.

Where the SMID ETF employs a currency hedge specific to its Hedged Units, the hedging is carried out in respect of the portfolio assets attributable to the Hedged Units and it is intended that the gains/losses on, and the costs of, the relevant derivatives entered into for hedging purposes will accrue to holders of the Hedged Units. However, the assets and liabilities attributable to the Hedged Units are not "ring-fenced" from the liabilities attributable to the other class of units within the same SMID ETF due to the fact that there is no legal segregation of assets between classes of units of a trust. Accordingly, in the unlikely event that the SMID ETF is unable to meet liabilities attributable to its Hedged Units out of the assets attributable to that class, the excess liabilities would have to be met out of the assets attributable to the other class of units of the same SMID ETF and in those circumstances the other class of units within the SMID ETF may be adversely affected by the hedging transactions undertaken in respect of the Hedged Units.

The use of hedges involves special risks, including the possible default by the other party to the transaction, illiquidity and, to the extent that the Portfolio Advisor's assessment of certain market movements is incorrect, the risk that the use of hedges could result in losses greater than if the hedging had not been used. Hedging arrangements may have the effect of limiting or reducing the total returns of the Hedged Units of a First Trust ETF if the Portfolio

Advisor's expectations concerning future events or market conditions prove to be incorrect. In addition, the costs associated with a hedging program may outweigh the benefits of the arrangements in such circumstances.

Accordingly, the hedging strategies utilized by a First Trust ETF may not completely eliminate the effect of fluctuations in the value of the Canadian and U.S. dollar.

Risk of Loss

Your investment in a First Trust ETF is not guaranteed by any entity. Unlike bank accounts or guaranteed investment certificates, your investment in a First Trust ETF is not covered by the Canada Deposit Insurance Corporation or any other government deposit insurer.

Economic Conditions Risk

The performance of the First Trust ETFs will be affected by changes in the general economic and financial conditions in Canada, North America and the world.

Cyber Security Risk

As businesses continue to rely heavily on information technology systems, cyber security incidents continue to be a risk they must consider. A cyber security incident is an adverse intentional or unintentional action or event that threatens the integrity, confidentiality or availability of a First Trust ETF's information resources. A cyber security incident may involve gaining unauthorized access (e.g. through hacking or malicious software) to the First Trust ETF's electronic systems to disrupt business operations or steal confidential information, or which may cause system failures and disrupt business operations. Furthermore, failures or breaches of the electronic systems of a First Trust ETFs' service providers (e.g. custodian, registrar and transfer agent, etc.), or the issuers of securities in which the First Trust ETF invests could cause disruptions and negatively impact the First Trust ETF's business operations, potentially resulting in financial losses to the First Trust ETF and Unitholders.

Although to date, the First Trust ETFs and the Manager have not experienced any material losses relating to cyber security incidents, there is no guarantee that the First Trust ETFs or the Manager will not suffer material losses relating to cyber security incidents in the future. If they occurred, such losses could materially adversely impact a First Trust ETF's net asset value.

Risks Associated with an Investment in the Buffer ETFs

Buffered Loss Risk

There can be no guarantee that a First Trust Vest Fund will be successful in its strategy to buffer against decreases in the market price of the Reference ETF if the market price of the Reference ETF decreases over the Target Outcome Period. A Unitholder may lose their entire investment. The investment strategy of the First Trust Vest Funds seeks to deliver returns that match the price return of the Reference ETF (up to the predetermined cap), while limiting downside losses, if Units are bought on the day on which the First Trust Vest Fund enters into the FLEX Options and held until those FLEX Options expire at the end of each Target Outcome Period. In the event an investor purchases Units after the date on which the FLEX Options were entered into or sells Units prior to the expiration of the FLEX Options, the buffer that the First Trust Vest Fund seeks to provide may not be available.

Cap Change Risk

A new cap is established at the beginning of each Target Outcome Period and is dependent on prevailing market conditions. As a result, the cap may rise or fall from one Target Outcome Period to the next and is unlikely to remain the same for consecutive Target Outcome Periods.

Capped Upside Risk

The investment strategy of each of the First Trust Vest Funds seeks to provide returns that match the price return of the Reference ETF in respect of Units purchased on the first day of a Target Outcome Period and held for the entire Target Outcome Period, subject to a predetermined upside cap (before fees, expenses and taxes). If a Unitholder does not hold its Units of a First Trust Vest Fund for an entire Target Outcome Period, the returns realized by that Unitholder may not match the price return the First Trust Vest Fund seeks to achieve. If the market price of the Reference ETF increases during a Target Outcome Period, the First Trust Vest Fund will not participate in those gains beyond the cap. In the event an investor purchases Units of a First Trust Vest Fund after the first day of a Target Outcome Period and the market price of the Reference ETF has risen to a level near to the cap, there may be little or no ability for that investor to experience an investment gain on their Units.

Downside Risk

The investment strategy of the First Trust Vest Funds seeks to provide exposure to the price return of the Reference ETF in respect of Units of the First Trust Vest Funds purchased on the first day of a Target Outcome Period and held for the entire Target Outcome Period (subject to the applicable cap) while limiting, or providing a buffer against, downside losses. In the event an investor purchases Units after the first day of a Target Outcome Period, the buffer the First Trust Vest Fund seeks to provide may not be available and the investor may not get the full benefit of the cap. A First Trust Vest Fund might not achieve its investment objective in certain circumstances. The First Trust Vest Funds do not provide principal protection and a Unitholder may experience significant losses on its investment, including loss of its entire investment.

Options Risk

The use of options involves investment strategies and risks different from those associated with ordinary portfolio securities transactions and depends on the ability of an Underlying Fund's portfolio managers or the Sub-Advisor (as applicable) to forecast market movements correctly. The prices of options are volatile and are influenced by, among other things, actual and anticipated changes in the value of the underlying instrument, or in interest or currency exchange rates, including the anticipated volatility, which in turn are affected by fiscal and monetary policies and by national and international political and economic events. The effective use of options also depends on the First Trust ETF's or underlying fund's ability to terminate option positions at times deemed desirable to do so. There is no assurance that a First Trust ETF or an Underlying Fund will be able to effect closing transactions at any particular time or at an acceptable price. In addition, there may at times be an imperfect correlation between the movement in values of options and their underlying securities and there may at times not be a liquid secondary market for certain options.

FLEX Options Correlation Risk

The FLEX Options held by the First Trust Vest Funds will be exercisable at the strike price only on their expiration date. Prior to the expiration date, the value of the FLEX Options will be determined based upon market quotations or using other recognized pricing methods. The value of the FLEX Options prior to the expiration date may vary because of related factors other than the price of the Reference ETF. Factors that may influence the value of the FLEX Options, other than changes in the price of the Reference ETF, may include changes in the value of the Index, interest rate changes, changing supply and demand, decreased liquidity of the FLEX Options and changing volatility levels of the Reference ETF.

FLEX Options Liquidity Risk

The FLEX Options are listed on an exchange; however, no one can guarantee that a liquid secondary trading market will exist for the FLEX Options. In the event that trading in the FLEX Options is limited or absent, the value of a First Trust Vest Fund's FLEX Options may decrease. In a less liquid market for the FLEX Options, liquidating the FLEX Options may require the payment of a premium (for written FLEX Options) or acceptance of a discounted price (for purchased FLEX Options) and may take longer to complete. A less liquid trading market may adversely impact the value of the FLEX Options and the Units of a First Trust Vest Fund if the First Trust Vest Fund is unable

to achieve its investment objective. The trading in FLEX Options may be less deep and liquid than the market for certain other securities. FLEX Options may be less liquid than certain non-customized options. In a less liquid market for the FLEX Options, the liquidation of a large number of options may more significantly impact the price. A less liquid trading market may adversely impact the value of the FLEX Options and the value of your investment.

FLEX Options Risk

The OCC may be unable or unwilling to perform its obligations under the FLEX Options contracts. Additionally, FLEX Options may be less liquid than other exchange-traded options. The value of the FLEX Options prior to their expiration date may vary because of factors other than fluctuations in the price of the Reference ETF, such as an increase in interest rates, a change in the actual and perceived volatility of the stock market and the Reference ETF and the remaining time to expiration. Additionally, the value of the FLEX Options does not increase or decrease at the same rate as the price of the Reference ETF or its underlying securities. FLEX Option prices may be highly volatile and may fluctuate substantially during a short period of time. Trading FLEX Options involves risks different from, or possibly greater than, the risks associated with investing directly in securities.

FLEX Options Valuation Risk

The FLEX Options held by a First Trust Vest Fund will be exercisable at the strike price only on their expiration date. Prior to the expiration date, the value of the FLEX Options will be determined based upon market quotations or using other recognized pricing methods. The value of the FLEX Options prior to the expiration date may vary because of related factors other than the value of the Index or the price of the Reference ETF. During periods of reduced market liquidity or in the absence of readily available market quotations for the holdings of a First Trust Vest Fund, the ability of such First Trust Vest Fund to value the FLEX Options becomes more difficult and the judgment of the Sub-Advisor may play a greater role in the valuation of a First Trust Vest Fund's holdings due to reduced availability of reliable objective pricing data.

Target Outcome Period Risk

The investment strategy of each of the First Trust Vest Funds is designed to deliver returns that match the Reference ETF if Units are bought on the day on which the First Trust Vest Fund enters into the FLEX Options (i.e., the first day of a Target Outcome Period) and held until those FLEX Options expire at the end of the Target Outcome Period. In the event an investor purchases Units after the first day of a Target Outcome Period or sells shares prior to the expiration of the Target Outcome Period, the value of that Unitholder's Units may not be buffered against a decline in the market price of the Reference ETF and may not participate in any gain as a result of the increase in the market price of the Reference ETF up to the predetermined cap for the Unitholder's investment period.

Reference ETF Risk

The First Trust Vest Funds will invest in FLEX Options that reference the price return of the Reference ETF accordingly, the First Trust Vest Funds will be subject to the risks of the Reference ETF. The market price of the Reference ETF will fluctuate over time based on the value of the securities held by the Reference ETF which may be affected by changes in general economic conditions, expectations for future growth and profits, interest rates and supply and demand for the securities in which the Reference ETF invests.

The Reference ETF was not created by and is not managed by the Manager. The Reference ETF may be terminated without regard to the particular interests of the Manager, the First Trust ETFs or Unitholders. In the event that the Reference ETF is terminated the Manager may seek to purchase FLEX Options which track an alternative exchange-traded fund or make other arrangements as the Manager considers appropriate and in the best interest of Unitholders in the circumstances which may, if deemed appropriate by the Manager, include terminating the First Trust ETFs.

Additional Risks Relating to an Investment in the SMID ETFs

Call Options Risk

The use of call options involves risks different from those associated with ordinary portfolio securities transactions and depends on the ability of the underlying fund's portfolio managers to forecast market movements correctly. As the seller (writer) of a call option, a First Trust ETF will lose money if the value of the reference index or security rises above the strike price and the buyer exercises the option; however, such loss will be partially offset by any premium received from the sale of the option. When writing a call option, an Underlying Fund will have no control over the exercise of the option by the option holder. A number of factors may influence the option holder's decision to exercise the option, including the value of the underlying security or index, price volatility, currency exchange rates, dividend yield and interest rates. To the extent that these factors increase the value of the call option, the option holder is more likely to exercise the option, which may negatively affect a First Trust ETF. The effective use of options also depends on the underlying fund's ability to terminate option positions at times deemed desirable to do so. There is no assurance that an Underlying Fund will be able to effect closing transactions at any particular time or at an acceptable price. In addition, there may at times be an imperfect correlation between the movement in values of options and their reference index or security and there may at times not be a liquid secondary market for certain options. Additionally, in respect of First Trust Vest SMID Rising Dividend Achievers Target Income ETF, the options on the Russell 2000® Index may perform differently than options on an ETF that tracks the Russell 2000® Index due to differences in the performance of such underlying ETF itself due to cash drag, differences between the portfolio of the underlying ETF and the components of the index, expenses and other factors. Options may also involve the use of leverage, which could result in greater price volatility than other securities.

Portfolio Correlation Risk

First Trust Vest SMID Rising Dividend Achievers Target Income ETF will invest indirectly in equity securities and written call options. Because the equity securities held by First Trust Vest SMID Rising Dividend Achievers Target Income ETF are securities contained in the SMID Index and the options are written on the Russell 2000® Index or ETFs that track the Russell 2000® Index, the First Trust ETF's investments are not correlated, meaning their performance is independent of one another. Market events may impact one position held by the fund more than the other position and the returns from the fund's investments in equity securities and written call options may not move in the same direction as one another.

Issuer Risk

The value of a security may decline for a number of reasons that directly relate to the issuer or an entity providing credit support or liquidity support, such as management performance, financial leverage, and reduced demand for the issuer's goods, services or securities.

Underlying Fund US Tax Risks Associated with Investment in Options

FT Vest SMID Rising Dividend Achievers Target Income ETF, the Underlying Fund that First Trust Vest SMID Rising Dividend Achievers Target Income ETF invests in, may invest a portion of its assets in options on indexes. The treatment of such derivatives to the Underlying Fund may, in part, be based upon informal guidance issued by the Internal Revenue Service a number of years ago. Although the Underlying Fund believes that it is treating such derivatives consistently with current U.S. tax law, if the Internal Revenue Service were to disagree, the fund could lose its status as a "regulated investment company" ("**RIC**"). The Underlying Fund may also invest a portion of its assets in certain options on an underlying ETF that may not qualify as "Section 1256 contracts" under Section 1256 of the U.S. Internal Revenue Code, and disposition of such options will likely result in short-term or long-term capital gains or losses. If the underlying fund did not qualify as a RIC for any taxable year and certain relief provisions were not available, the fund's taxable income would be subject to tax at the fund level and to a further tax at the shareholder level when such income is distributed. In such event, in order to requalify for taxation as a RIC, the fund might be required to recognize unrealized gains, pay substantial taxes and interest and make certain distributions. This would cause investors to incur higher tax liabilities than they otherwise would have incurred and would have a negative

impact on fund returns. In such event, the Underlying Fund's Board of Trustees may determine to reorganize or close the fund or materially change the fund's investment objective and strategies.

Risk of Error in Replicating or Tracking the Index

The Underlying Funds in which the SMID ETFs will invest, will not replicate exactly the performance of the SMID Index because the total return generated by the securities of the Underlying Funds will be reduced by the management fee payable to the Manager and transaction costs incurred in adjusting the portfolio of securities held by the Underlying Funds and other expenses of the Underlying Funds, whereas such transaction costs and expenses are not included in the calculation of the SMID Index.

Also, deviations in the tracking of the SMID Index by the SMID ETFs (and the Underlying Funds that they invest in) could occur for a variety of reasons, including as a result of certain other securities being included in the portfolio of securities held by the Underlying Funds. It is also possible that, for a period of time, the Underlying Funds may not fully replicate the performance of the SMID Index due to extraordinary circumstances.

Adjustments to the Basket of Securities necessitated by the rebalancing of or adjustment to the SMID Index could affect the underlying market for Constituent Securities of the SMID Index, which in turn would be reflected in the value of the SMID Index. Similarly, subscriptions for Units by Designated Brokers and Dealers may impact the market for Constituent Securities of the SMID Index, as the Designated Broker or Dealer seeks to buy or borrow such securities to constitute Baskets of Securities to deliver to the First Trust ETF (or the applicable Underlying Fund) as payment for the units to be issued.

Index Investment Strategy Risk

The SMID ETFs will seek to replicate, to the extent possible, the performance of the SMID Index. SDVY will be "passively managed" by employing an investment strategy of (a) buying and holding a proportionate share of the Constituent Securities of the SMID Index in the same proportion as they are reflected in SMID Index or securities intended to replicate the performance of the SMID Index including by a sampling methodology that is consistent with the investment objective of the fund or (b) investing in securities of an underlying fund which will employ the investment strategy noted in (a) above. In general, if First Trust SMID Cap Rising Dividend Achievers ETF (or SDVY) uses a sampling methodology, or certain other securities, to construct its portfolio holdings, then the SMID ETF will tend to have greater tracking error to the SMID Index versus if the fund fully replicates the SMID Index. In selecting securities for the First Trust SMID Cap Rising Dividend Achievers ETF (or SDVY), the manager and portfolio advisor of such ETF will not "actively manage" the ETF by undertaking any fundamental analysis of the securities it invests in for the ETF nor will the manager or portfolio advisor buy or sell securities for the ETF based on its market, financial or economic analysis. Because the manager and portfolio advisor of the ETF will not attempt to take defensive positions in declining markets, the adverse financial condition of an issuer represented in the SMID Index will not necessarily result in the fund ceasing to hold the issuer's securities, unless such securities are removed from SMID Index.

Rebalancing and Adjustment Risk

Adjustments to the portfolio of an Underlying Fund held by a SMID ETF to reflect rebalancing of and adjustments to its Index may depend on the ability of such Underlying Fund's authorized participants, ability to deliver Constituent Securities to the Underlying Fund. If an authorized participant fails to perform, the Underlying Fund may be required to sell or purchase, as the case may be, Constituent Securities of the Index in the market. If this happens, the Underlying Fund would incur additional transaction costs and security mis-weights that would cause the performance of the SMID ETF to deviate more significantly from the performance of the Index than would otherwise be expected.

Calculation and Termination of the Index

With respect to the SMID ETFs, if the computer or other facilities of the Index Provider or the relevant stock exchange malfunction for any reason, calculation of value of the SMID Index and the determination by the Manager

of the Prescribed Number of Units and Baskets of Securities in respect of the SMID ETFs may be delayed and trading in Units may be suspended for a period of time.

In the event that the Index Provider ceases to calculate the SMID Index or the License Agreement is terminated, the Manager may terminate a SMID ETF on 60 days' notice, change the investment objective of the SMID ETF, seek to replicate an alternative index or make such other arrangements as the Manager considers appropriate and in the best interests of Unitholders of each SMID ETF in the circumstances.

Data Risk of Index

The model used to determine the Constituent Securities of the SMID Index relies on the accuracy of the underlying data (such as stock market prices) that are the inputs used to generate the data upon which rebalancing decisions are made. If such underlying data is inaccurate then the conclusions drawn from the model will similarly be less reliable predictors from which to make index constituent determinations.

Concentration Risk

The portfolio of each of the SMID ETFs may be less diversified when compared to a less concentrated investment portfolio. Each SMID ETF seeks to replicate the performance of the SMID Index and may have more of its net assets invested in one or more issuers than is usually permitted for mutual funds. Also, the NAV of the Underlying Fund that the SMID ETF invests and the SMID ETF itself may be more volatile than that of a more broadly-diversified portfolio and may fluctuate substantially over short periods of time.

Foreign Investment Risk

The SMID ETFs will have exposure to non-Canadian (and may provide exposure to non-United States issuers) which may expose the SMID ETFs to unique risks compared to investing in securities of Canadian or United States issuers, including, among others, greater market volatility than Canadian or United States securities, less complete financial information than for Canadian or United States issuers and detrimental exposure to foreign tax regimes. In addition, adverse political, economic or social developments could undermine the value of a SMID ETF's investments or prevent the SMID ETF from realizing the full value of its investments. Finally, the value of the currency of the country in which the SMID ETF has invested could decline relative to the value of the Canadian dollar.

Participation in transactions by the SMID ETF may involve the execution and clearing of trades on or subject to the rules of a foreign market. None of the Canadian securities regulatory authorities or Canadian exchanges regulates activities of any foreign markets, including the execution, delivery and clearing of transactions, or has the power to compel enforcement of the rule of a foreign market or any applicable foreign law. Generally, any foreign transaction will be governed by applicable foreign laws. This is true even if the foreign market is formally linked to a Canadian market so that a position taken on a market may be liquidated by a transaction on another market. Moreover, such laws or regulations will vary depending on the foreign country in which the transaction occurs. For these reasons, entities such as the SMID ETF may not be afforded certain of the protective measures provided by Canadian legislation or Canadian exchanges. In particular, funds received from investors for transactions by the SMID ETF on foreign exchanges may not be provided the same protection as funds received in respect of transactions by the SMID ETF on Canadian exchanges.

Cease Trading of Constituent Securities

If Constituent Securities are cease-traded at any time by order of an exchange, a securities regulatory authority or other relevant regulator, the Manager may suspend the exchange or redemption of Units until such time as the transfer of the securities is permitted by law. Thus, Units bear the risk of cease trade orders against any Constituent Security held by the First Trust ETFs.

Distributions In Kind

A portion of a First Trust ETF's portfolio may be invested in illiquid securities and instruments. There can be no assurance that all of a First Trust ETF's investments will be liquidated prior to the termination of such First Trust ETF and that only cash will be distributed to its Unitholders. The securities and instruments that Unitholders may receive on termination may not be readily marketable and may have to be held for an indefinite period of time and may not be qualified investments for Registered Plans.

INVESTMENT RISK CLASSIFICATION METHODOLOGY

The investment risk level of the First Trust ETFs is required to be determined in accordance with a standardized risk classification methodology that is based on the First Trust ETF's historical volatility as measured by the 10-year standard deviation of the returns of the ETF. Given that the First Trust ETFs have not been offered for 10 years, the following reference indices were considered for the period prior to their inception:

First Trust ETF:	**Reference Index for Risk Rating Methodology:**
First Trust Vest U.S. Equity Buffer ETF - August	Cboe S&P 500 Buffer Protect Index August Series
First Trust Vest U.S. Equity Buffer ETF - November	Cboe S&P 500 Buffer Protect Index November Series
First Trust Vest U.S. Equity Buffer ETF - February	Cboe S&P 500 Buffer Protect Index February Series
First Trust Vest U.S. Equity Buffer ETF - May	Cboe S&P 500 Buffer Protect Index May Series
First Trust Vest Fund of Buffer ETFs (Canada) ETF	25% Cboe S&P 500 Buffer Protect Index August Series, 25% Cboe S&P 500 Buffer Protect Index November Series, 25% Cboe S&P 500 Buffer Protect Index February Series and 25% Cboe S&P 500 Buffer Protect Index May Series
First Trust SMID Cap Rising Dividend Achievers ETF	Nasdaq US Small Mid Cap Rising Dividend Achievers™ Index
First Trust Vest SMID Rising Dividend Achievers Target Income ETF	Russell 2000 Dividend Select Index

Using this methodology, the Manager will generally assign a risk rating of low, low to medium, medium, medium to high or high to a First Trust ETF. The standardized risk classification methodology allows for the use of discretion to classify an ETF at a higher investment risk level should the Manager deem that appropriate. The Manager has assigned the risk ratings to the First Trust ETFs as set forth in a First Trust ETF's ETF facts document. The risk ratings below do not necessarily correspond to an investor's risk tolerance assessment. Investors are advised to consult their financial advisor for advice regarding an individual investor's personal circumstances.

First Trust Vest U.S. Equity Buffer ETF – August's risk classification is based on the returns of the First Trust Vest U.S. Equity Buffer ETF – August and, for the period prior to its inception, on the return of the Cboe S&P 500 Buffer Protect Index August Series. The Cboe S&P 500 Buffer Protect Index August Series measures the performance of a portfolio of hypothetical exchange traded FLEX Options that are based on the S&P 500 Index. The series is designed to track the returns of a hypothetical investment that over a period of approximately one year seeks to "buffer protect" against the first 10% of losses due to a decline in the S&P 500 Index while providing participation up to a capped level. The capped level is determined on each annual roll date such that there is no premium or discount to enter into the hypothetical investment compared to an investment in the S&P 500 Index.

First Trust Vest U.S. Equity Buffer ETF - November's risk classification is based on the returns of the First Trust Vest U.S. Equity Buffer ETF - November and, for the period prior to its inception, on the return of the Cboe S&P 500 Buffer Protect Index November Series. The Cboe S&P 500 Buffer Protect Index November Series measures the performance of a portfolio of hypothetical exchange traded FLEX Options that are based on the S&P 500 Index. The series is designed to track the returns of a hypothetical investment that over a period of approximately one year seeks to "buffer protect" against the first 10% of losses due to a decline in the S&P 500 Index while providing

participation up to a capped level. The capped level is determined on each annual roll date such that there is no premium or discount to enter into the hypothetical investment compared to an investment in the S&P 500 Index.

First Trust Vest U.S. Equity Buffer ETF - February's risk classification is based on the returns of the First Trust Vest U.S. Equity Buffer ETF – February and, for the period prior to its inception, on the return of the Cboe S&P 500 Buffer Protect Index February Series. The Cboe S&P 500 Buffer Protect Index February Series measures the performance of a portfolio of hypothetical exchange traded FLEX Options that are based on the S&P 500 Index. The series is designed to track the returns of a hypothetical investment that over a period of approximately one year seeks to "buffer protect" against the first 10% of losses due to a decline in the S&P 500 Index while providing participation up to a capped level. The capped level is determined on each annual roll date such that there is no premium or discount to enter into the hypothetical investment compared to an investment in the S&P 500 Index.

First Trust Vest U.S. Equity Buffer ETF - May's risk classification is based on the returns of the First Trust Vest U.S. Equity Buffer ETF - May and, for the period prior to its inception, on the return of the Cboe S&P 500 Buffer Protect Index May Series. The Cboe S&P 500 Buffer Protect Index May Series measures the performance of a portfolio of hypothetical exchange traded FLEX Options that are based on the S&P 500 Index. The series is designed to track the returns of a hypothetical investment that over a period of approximately one year seeks to "buffer protect" against the first 10% of losses due to a decline in the S&P 500 Index while providing participation up to a capped level. The capped level is determined on each annual roll date such that there is no premium or discount to enter into the hypothetical investment compared to an investment in the S&P 500 Index.

First Trust Vest Fund of Buffer ETFs (Canada) ETF's risk classification is based on the returns of the First Trust Vest Fund of Buffer ETFs (Canada) ETF and, for the period prior to its inception, on the blended returns of (a) 25% Cboe S&P 500 Buffer Protect Index August Series, (b) 25% Cboe S&P 500 Buffer Protect Index November Series, (c) 25% Cboe S&P 500 Buffer Protect Index February Series and (d) 25% Cboe S&P 500 Buffer Protect Index May Series and, for the period prior to the inception of the funds listed in (a) through (d), on the blended return of (a) Cboe S&P 500 Buffer Protect Index August Series, (b) Cboe S&P 500 Buffer Protect Index November Series, (c) Cboe S&P 500 Buffer Protect Index February Series and (d) S&P 500 Buffer Protect Index May Series.

First Trust SMID Cap Rising Dividend Achievers ETF's risk classification is based on the returns of the First Trust ETF and, for the period prior to its inception, on the returns of the Index. See "Investment Strategies" and "Overview of the Sectors in which the First Trust ETF Invests" for a description of SMID Index.

First Trust Vest SMID Rising Dividend Achievers Target Income ETF's risk classification is based on the returns of the First Trust ETF and, for the period prior to its inception, on the returns of the Russell 2000® Dividend Select Index which represents the total dividends paid by the stocks of companies included in the Russell 2000® Index. The index is designed to measure equity performance independent of stock price changes, and it can be used as the basis for index-linked financial products such as exchange-traded funds and derivatives. See "Overview of the Sectors in which the First Trust ETF Invests" for a description of the Russell 2000® Index.

A copy of the standardized risk classification methodology used by the Manager to identify the investment risk levels of the First Trust ETFs is available on request, at no cost, by calling 1-877-622-5552.

DISTRIBUTION POLICY

Distributions

Cash distributions on Units of a First Trust ETF will be made as set forth in the following table, if at all.

First Trust ETF	Frequency of Distributions
First Trust Vest U.S. Equity Buffer ETF - August	Annually
First Trust Vest U.S. Equity Buffer ETF - November	Annually

First Trust ETF	Frequency of Distributions
First Trust Vest U.S. Equity Buffer ETF - February	Annually
First Trust Vest U.S. Equity Buffer ETF - May	Annually
First Trust Vest Fund of Buffer ETFs (Canada) ETF	Annually
First Trust SMID Cap Rising Dividend Achievers ETF	Quarterly
First Trust Vest SMID Rising Dividend Achievers Target Income ETF	Monthly

Distributions on Units of a First Trust ETF are expected to be paid primarily out of income or gains received by the First Trust ETF less the expenses of the First Trust ETF but may also consist of non-taxable amounts including return of capital, which may be paid in the Manager's sole discretion. To the extent that the expenses of a First Trust ETF exceed the income generated by such First Trust ETF in any given year, quarter or month (as applicable), it is not expected that a distribution for such period will be paid.

On an annual basis, each First Trust ETF will ensure that all of its income (including income received from special dividends on securities held by the First Trust ETF) and net realized capital gains have been distributed to Unitholders to such an extent that the First Trust ETF will not be liable for ordinary income tax thereon. To the extent that a First Trust ETF has not distributed the full amount of its net income or capital gains in any year, the difference between such amount and the amount actually distributed by the First Trust ETF will be paid as a "reinvested distribution". Reinvested distributions on Units, net of any required withholding taxes, will be reinvested automatically in additional Units of the First Trust ETF at a price equal to the NAV per Unit of the First Trust ETF and the Units will be immediately consolidated such that the number of outstanding Units following the distribution will equal the number of Units outstanding prior to the distribution. The tax treatment to Unitholders of reinvested distributions is discussed under the heading "Income Tax Considerations – Taxation of Unitholders – Distributions".

In addition to the distributions described above, a First Trust ETF may from time to time pay additional distributions on its Units, including without restriction in connection with a special dividend or in connection with returns of capital.

In any case in which a subscription order from a Dealer or Designated Broker is received by a First Trust ETF on or after the date of declaration of a distribution by that First Trust ETF payable in cash and before the ex-dividend date on the Exchange for that distribution (generally, the trading day prior to the record date or such other date where the purchaser becomes entitled to rights connected to the Units subscribed), an additional amount equal to the amount of cash per Unit of that distribution will be added to the NAV per Unit and will be delivered in cash to the First Trust ETF in respect of each issued Unit.

PURCHASES OF UNITS

Designated Brokers

The Manager, on behalf of each of the First Trust ETFs, has entered into a Designated Broker Agreement with a Designated Broker pursuant to which the Designated Broker agrees to perform certain duties relating to the First Trust ETF including, without limitation: (i) to subscribe for a sufficient number of Units to satisfy the Exchange's original listing requirements; (ii) to subscribe for Units on an ongoing basis and when cash redemptions of Units occur as described under "Redemption and Exchange of Units – Redemption of Units for Cash"; and (iii) to post a liquid two-way market for the trading of Units on the Exchange. The Manager may, in its discretion from time to time, reimburse any Designated Broker for certain expenses incurred by the Designated Broker in performing these duties.

The Designated Broker Agreement provides that the Manager may from time to time and, in any event not more than once quarterly, require the Designated Broker to subscribe for Units of a First Trust ETF for cash in a dollar amount not to exceed 0.30% of the NAV of the First Trust ETF. The number of Units issued will be the subscription amount divided by the NAV per Unit next determined following the delivery by the Manager of a subscription notice

to the Designated Broker. Payment for the Units must be made by the Designated Broker, and the Units will be issued, by no later than the next Trading Day after the subscription notice has been delivered.

Issuance of Units

To Designated Brokers and Dealers

All orders to purchase Units directly from the First Trust ETFs must be placed by Designated Brokers or Dealers. The First Trust ETFs reserve the absolute right to reject any subscription order placed by a Designated Broker or Dealer. No fees will be payable by a First Trust ETF to a Designated Broker or Dealer in connection with the issuance of Units. On the issuance of Units, the Manager may, in its discretion, charge an administrative fee to a Designated Broker or Dealer to offset the expenses (including any applicable Exchange additional listing fees) incurred in issuing the Units.

On any Trading Day, a Designated Broker or Dealer may place a subscription order for the Prescribed Number of Units (or an integral multiple thereof) of a First Trust ETF. If a subscription order is received by the First Trust ETF by 9:00 a.m. (Toronto time) on a Trading Day (or such later time on such Trading Day as the Manager may permit), the First Trust ETF will issue to the Designated Broker or Dealer the Prescribed Number of Units (or an integral multiple thereof) by no later than the next Trading Day after the date on which the subscription order is accepted, provided that payment for such Units has been received.

For each Prescribed Number of Units issued, a Designated Broker or Dealer must deliver payment consisting of the following: (a) in the case of Buffer ETFs, cash in an amount equal to the NAV of the Units next determined following the receipt of the subscription order; and (b) in the case of the SMID ETFs, in the Manager's discretion (i) one Basket of Securities and cash in an amount sufficient so that the value of the securities and the cash received is equal to the NAV of the Units next determined following the receipt of the subscription order; (ii) cash in an amount equal to the NAV of the Units next determined following the receipt of the subscription order; or (iii) a combination of securities and cash, as determined by the Manager, in an amount sufficient so that the value of the securities and cash received is equal to the NAV of the Units next determined following the receipt of the subscription order.

The Manager may, in its discretion, increase or decrease the Prescribed Number of Units from time to time. The Prescribed Number of Units will be available on the First Trust ETFs' website at http://www.firsttrust.ca/Retail/ETF/ExchangeTradedFundsBrokerDealerInfo.aspx.

To Designated Brokers in Special Circumstances

Units may be issued by a First Trust ETF to Designated Brokers when cash redemptions of Units occur as described below under "Redemption and Exchange of Units – Redemption of Units for Cash".

To Unitholders as Reinvested Distributions

Units may be issued by a First Trust ETF to Unitholders of the First Trust ETF on the automatic reinvestment of special dividends and other reinvested distributions. See "Distribution Policy".

Buying and Selling Units

The Hedged Units of First Trust Vest Funds are listed on the TSX and (a) the units of First Trust Vest Fund of Buffer ETFs (Canada) ETF and First Trust Vest SMID Rising Dividend Achievers Target Income ETF and (b) the units of First Trust SMID Cap Rising Dividend Achievers ETF are listed on Cboe Canada and Investors may buy or sell Units of the First Trust ETFs on the TSX or Cboe Canada, as the case may be, through registered brokers and dealers in the province or territory where the investor resides.

Cboe Canada has conditionally approved the listing of the Hedged Units of First Trust Vest SMID Rising Dividend Achievers Target Income ETF, subject to satisfying Cboe Canada's original listing requirements. Subject to satisfying Cboe Canada's original listing requirements, the Additional Units will be listed on Cboe Canada and offered

on a continuous basis, and an investor will be able to buy or sell the Additional Units on Cboe Canada through registered brokers and dealers in the province or territory where the investor resides.

There is no maximum number of Units that may be issued. Investors may incur customary brokerage commissions in buying or selling Units of the First Trust ETFs.

From time to time as may be agreed by the First Trust ETFs and the Designated Brokers and Dealers, the Designated Brokers and Dealers may agree to accept Constituent Securities as payment for Units from prospective purchasers.

Special Considerations for Unitholders

The provisions of the so-called "early warning" requirements set out in Canadian securities legislation do not apply in connection with the acquisition of Units. In addition, the First Trust ETFs have obtained exemptive relief from the securities regulatory authorities to permit Unitholders to acquire more than 20% of the Units of the class of any First Trust ETF through purchases on the Exchange without regard to the take-over bid requirements of Canadian securities legislation, provided that any such Unitholder, and any person acting jointly or in concert with the Unitholder, undertakes to not vote more than 20% of the Units of the class of that First Trust ETF at any meeting of Unitholders.

Non-Resident Unitholders

At no time may: (i) non-residents of Canada; (ii) partnerships that are not Canadian partnerships; or (iii) a combination of non-residents of Canada and such partnerships (all as defined in the Tax Act) be the beneficial owners of a majority of the Units of a class of a First Trust ETF. The Manager may require declarations as to the jurisdictions in which a beneficial owner of Units is resident and, if a partnership, its status as a Canadian partnership. If the Manager becomes aware, as a result of requiring such declarations as to beneficial ownership or otherwise, that the beneficial owners of 40% of the Units of a class of a First Trust ETF then outstanding are, or may be, non-residents and/or partnerships that are not Canadian partnerships, or that such a situation is imminent, the Manager may make a public announcement thereof. If the Manager determines that more than 40% of such Units are beneficially held by non-residents and/or partnerships that are not Canadian partnerships, the Manager may send a notice to such non-resident Unitholders and partnerships, chosen in inverse order to the order of acquisition or in such manner as the Manager may consider equitable and practicable, requiring them to sell their Units or a portion thereof within a specified period of not less than 30 days. If the Unitholders receiving such notice have not sold the specified number of Units or provided the Manager with satisfactory evidence that they are not non-residents or partnerships other than Canadian partnerships within such period, the Manager may on behalf of such Unitholders sell such Units and, in the interim, shall suspend the voting and distribution rights attached to such Units. Upon such sale, the affected holders shall cease to be beneficial holders of Units and their rights shall be limited to receiving the net proceeds of sale of such Units.

Notwithstanding the foregoing, the Manager may determine not to take any of the actions described above if the Manager has been advised by legal counsel that the failure to take any of such actions would not adversely impact the status of the First Trust ETF as a mutual fund trust for purposes of the Tax Act or, alternatively, may take such other action or actions as may be necessary to maintain the status of the First Trust ETF as a mutual fund trust for purposes of the Tax Act.

Registration and Transfer through CDS

Registration of interests in, and transfers of, the Units will be made only through CDS. Units must be purchased, transferred and surrendered for exchange or redemption only through a CDS Participant. All rights of an owner of Units must be exercised through, and all payments or other property to which such owner is entitled will be made or delivered by, CDS or the CDS Participant through which the owner holds such Units. Upon purchase of any Units, the owner will receive only the customary confirmation and physical certificates evidencing ownership will not be issued. References in this prospectus to a holder of Units mean, unless the context otherwise requires, the owner of the beneficial interest in such Units.

Neither the First Trust ETFs nor the Manager will have any liability for: (i) records maintained by CDS relating to the beneficial interests in the Units or the book entry accounts maintained by CDS; (ii) maintaining, supervising or reviewing any records relating to such beneficial ownership interests; or (iii) any advice or representation made or given by CDS and made or given with respect to the rules and regulations of CDS or any action taken by CDS or at the direction of the CDS Participants.

The ability of a beneficial owner of Units to pledge such Units or otherwise take action with respect to such owner's interest in such Units (other than through a CDS Participant) may be limited due to the lack of a physical certificate.

The First Trust ETFs have the option to terminate registration of the Units through the book based system in which case certificates for Units in fully registered form may be issued to beneficial owners of such Units or to their nominees.

REDEMPTION AND EXCHANGE OF UNITS

Redemption of Units for Cash

On any Trading Day, Unitholders may redeem Units of any First Trust ETF for cash at a redemption price per Unit equal to the lesser of (a) 95% of the closing price for the Units on the Exchange on the effective day of the redemption; and (b) the NAV per Unit. Because Unitholders will generally be able to sell Units at the market price on the Exchange through a registered broker or dealer subject only to customary brokerage commissions, Unitholders are advised to consult their brokers, dealers or investment advisors before redeeming their Units for cash.

In order for a cash redemption to be effective on a Trading Day, a cash redemption request in the form prescribed by the Manager from time to time must be delivered to the applicable First Trust ETF at its registered office by 9:00 a.m. (Toronto time) on the Trading Day (or such later time on such Trading Day as the Manager may permit). If a cash redemption request is not received by the delivery deadlines noted immediately above on a Trading Day, the cash redemption request will be effective only on the next Trading Day. Payment of the redemption price will be made by no later than the next Trading Day after the effective day of the redemption. The cash redemption request forms may be obtained from any registered broker or dealer.

Investors that redeem Units prior to the distribution record date for any distribution will not be entitled to receive that distribution.

In connection with the redemption of Units, a First Trust ETF may dispose of securities or other assets to satisfy the redemption.

Exchange of Units

On any Trading Day, Unitholders may exchange the Prescribed Number of Units (or an integral multiple thereof) for: (a) in the case of Buffer ETFs, cash; and (b) in the case of the SMID ETFs, cash and/or Baskets of Securities in the discretion of the Manager.

To effect an exchange of Units, a Unitholder must submit an exchange request in the form prescribed by the Manager from time to time to the applicable First Trust ETF at its registered office by 9:00 a.m. (Toronto time) on a Trading Day (or such later time on such Trading Day as the Manager may permit). The exchange price will be equal to the NAV of the Units on the effective day of the exchange request, payable by delivery of cash and/or Baskets of Securities (as applicable). The Units will be redeemed in the exchange.

If an exchange request is not received by the submission deadlines noted immediately above on a Trading Day, the exchange order will be effective only on the next Trading Day. Settlements for exchanges in cash, Baskets of Securities or a combination of both in connection with an exchange order will be made by no later than the next Trading Day after the effective day of the exchange request. The securities to be included in the Baskets of Securities delivered on an exchange shall be selected by the Portfolio Advisor, in its discretion.

Unitholders should be aware that the NAV per Unit will decline on the date of declaration of any distribution payable in cash on Units. A Unitholder that is no longer a holder of record on the applicable distribution record date will not be entitled to receive that distribution.

If Constituent Securities are cease traded at any time by order of a securities regulatory authority or other relevant regulator or stock exchange, the delivery of such securities to a Unitholder on an exchange in the Prescribed Number of Units may be postponed until such time as the transfer of the securities is permitted by law.

In the case of an exchange of Units of a SMID ETF for a Basket of Securities of the SMID ETF, the investor will receive securities. The securities received by an investor as a result of an exchange of Units or a distribution in-kind may or may not be qualified investments for Registered Plans. Investors should consult their own tax counsel for advice on whether or not such securities would be qualified investments for Registered Plans.

Requests for Exchange and Redemption

A Unitholder submitting an exchange or redemption request is deemed to represent to the First Trust ETF and the Manager that: (i) it has full legal authority to tender the Units for exchange or redemption and to receive the proceeds of the exchange or redemption; and (ii) the Units have not been loaned or pledged and are not the subject of a repurchase agreement, securities lending agreement or a similar arrangement that would preclude the delivery of the Units to the First Trust ETF. The Manager reserves the right to verify these representations at its discretion. Generally, the Manager will require verification with respect to an exchange or redemption request if there are unusually high levels of exchange or redemption activity or short interest in the applicable First Trust ETF. If the Unitholder, upon receipt of a verification request, does not provide the Manager with satisfactory evidence of the truth of the representations, the Unitholder's exchange or redemption request will not be considered to have been received in proper form and will be rejected.

Conversion of Units

Unitholders may convert units of a SMID ETF into Hedged Units of the same SMID ETF or Hedged Units of a SMID ETF into units of the same SMID ETF in any given month. To do so, Units must be surrendered and the Unitholder's CDS Participant must deliver to CDS (at its office in the City of Toronto) on behalf of the Unitholder, notice of the Unitholder's intention to convert at any time during the period from the first day of a month until 5:00 p.m. (Toronto time) on the last business day prior to the 16th day of such month. Units surrendered for conversion will be converted on the last Trading Day of the month (the "**Conversion Date**").

For each unit so converted, a holder will receive a number of Hedged Units equal to the Net Asset Value per unit as of the Conversion Date divided by the Net Asset Value per Hedged Unit as of the Conversion Date.

For each Hedged Unit so converted, a holder will receive a number of units equal to the Net Asset Value per Hedged Unit as of the Conversion Date divided by the Net Asset Value per unit as of the Conversion Date.

Unitholders should consult with their own tax advisors about the tax consequences of undertaking a Unit conversion.

Suspension of Exchange and Redemption

The Manager may suspend the redemption of Units or payment of redemption proceeds of a First Trust ETF: (i) during any period when normal trading is suspended on a stock exchange or other market on which securities owned by the First Trust ETF are listed and traded, if these securities represent more than 50% by value or underlying market exposure of the total assets of the First Trust ETF, without allowance for liabilities, and if these securities are not traded on any other exchange that represents a reasonably practical alternative for the First Trust ETF; or (ii) with the prior permission of the securities regulatory authorities, for any period not exceeding 30 days during which the Manager determines that conditions exist that render impractical the sale of assets of the First Trust ETF or that impair the ability of the Valuation Agent to determine the value of the assets of the First Trust ETF. The suspension may apply to all requests for redemption received prior to the suspension but as to which payment has not been made, as well as to all requests received while the suspension is in effect. All Unitholders making such requests shall be advised

by the Manager of the suspension and that the redemption will be effected at a price determined on the first Valuation Date following the termination of the suspension. All such Unitholders shall have and shall be advised that they have the right to withdraw their requests for redemption. The suspension shall terminate in any event on the first day on which the condition giving rise to the suspension has ceased to exist, provided that no other condition under which a suspension is authorized then exists. To the extent not inconsistent with official rules and regulations promulgated by any government body having jurisdiction over the First Trust ETFs, any declaration of suspension made by the Manager shall be conclusive.

Costs Associated with Exchange and Redemption

Unitholders who buy and sell Units of the First Trust ETFs through the facilities of the Exchange (or other exchange on which the Units of the First Trust ETFs are traded) do not pay a fee directly to the Manager or the First Trust ETFs in respect of those purchases and sales.

For exchanges or redemption of Units of Buffer ETFs, the Manager or a First Trust ETF may, in its discretion, charge Designated Brokers and/or Dealers an administrative fee of up to 0.30% of the exchange or redemption proceeds of the First Trust ETF to offset certain transaction costs associated with the exchange or redemption of Units of a First Trust ETF by such Designated Broker and/or Dealer.

For exchanges or redemption of Units of SMID ETFs, the Manager or a First Trust ETF may, in its discretion, charge Designated Brokers and/or Dealers an administrative fee of up to 0.15% of the exchange or redemption proceeds of the First Trust ETF to offset certain transaction costs associated with the exchange or redemption of Units of a First Trust ETF by such Designated Broker and/or Dealer

Exchange and Redemption of Units through CDS Participants

The exchange and redemption rights described above must be exercised through the CDS Participant through which the owner holds Units. Beneficial owners of Units should ensure that they provide exchange and/or redemption instructions to the CDS Participants through which they hold Units sufficiently in advance of the cut-off times described above to allow such CDS Participants to notify CDS and for CDS to notify the Manager prior to the relevant cut-off time.

Short-Term Trading

At the present time, the Manager is of the view that it is not necessary to impose any short-term trading restrictions on the First Trust ETFs as Units of the First Trust ETFs are generally traded by investors on an exchange in the secondary market in the same way as other listed securities. In the few situations where the First Trust ETFs are not purchased in the secondary market, purchases usually involve a Designated Broker or a Dealer upon whom the Manager may impose a redemption fee, which is intended to compensate the applicable First Trust ETF for any costs and expenses incurred in relation to the trade.

INCOME TAX CONSIDERATIONS

In the opinion of Osler, Hoskin & Harcourt LLP, the following is a summary of the principal Canadian federal income tax considerations under the Tax Act for the First Trust ETFs and for a prospective investor in a First Trust ETF that, for the purpose of the Tax Act, is an individual, other than a trust, is resident in Canada, holds Units of the First Trust ETF, and any securities of Constituent Issuers accepted as payment for Units of a First Trust ETF, as capital property, has not entered into a "derivative forward agreement" as defined in the Tax Act in respect of Units of a First Trust ETF or securities of such Constituent Issuers, and is not affiliated and deals at arm's length with the First Trust ETF. This summary is based upon the current provisions of the Tax Act, all specific proposals to amend the Tax Act that have been publicly announced by the Minister of Finance (Canada) prior to the date hereof (the "**Tax Proposals**"), and counsel's understanding of the current administrative policies and assessing practices of the Canada Revenue Agency published in writing prior to the date hereof. This summary does not take into account or anticipate any other changes in law whether by legislative, administrative or judicial action and it does not take into account provincial,

territorial or foreign income tax legislation or considerations, which may differ from the considerations described below. No assurances can be given that the Tax Proposals will become law as proposed or at all.

This summary is of a general nature only and is not exhaustive of all possible income tax considerations. Prospective investors should therefore consult their own tax advisors about their individual circumstances.

This summary is also based on the assumptions that: (i) none of the issuers of securities held by a First Trust ETF will be a foreign affiliate of the First Trust ETF or any Unitholder; (ii) none of the securities held by a First Trust ETF will be a "tax shelter investment" within the meaning of section 143.2 of the Tax Act; (iii) none of the securities held by the First Trust ETF will be an "offshore investment fund property" that would require the First Trust ETF to include significant amounts in its income pursuant to section 94.1 of the Tax Act; (iv) none of the securities held by a First Trust ETF will be an interest in a non-resident trust other than an "exempt foreign trust" as defined in the Tax Act; and (v) no First Trust ETF will enter into any arrangement where the result is a dividend rental arrangement for the purposes of the Tax Act.

Status of the First Trust ETFs

Unless otherwise set out below, this summary is based on the assumption that each First Trust ETF will comply at all material times with the conditions prescribed in the Tax Act and otherwise so as to qualify as a "mutual fund trust" as defined in the Tax Act.

A First Trust ETF that does not qualify as a mutual fund trust under the Tax Act will be treated as a "financial institution" for purposes of certain special mark-to-market rules in the Tax Act if more than 50% of the Units of the First Trust ETF are held by one or more Unitholders that are themselves considered to be financial institutions under those rules.

In such event, the tax year of the First Trust ETF will be deemed to end immediately before that time and any gains or losses on certain securities accrued before that time will be deemed realized by the First Trust ETF and will be distributed to Unitholders. In addition, the First Trust ETF will be required to recognize at least annually on income account any gains and losses accruing on certain types of debt obligations and equity securities that it holds and also will be subject to special rules with respect to income inclusion on these securities. Any income arising from such treatment will be included in amounts to be distributed to Unitholders. If more than 50% of the Units of such a First Trust ETF cease to be held by "financial institutions", the tax year of the First Trust ETF will be deemed to end immediately before that time and any gains or losses on certain securities accrued before that time will be deemed realized by the First Trust ETF and will be distributed to Unitholders. A new taxation year for the First Trust ETF will then begin and for that and subsequent taxation years, for so long as not more than 50% of the Units of the First Trust ETF are held by "financial institutions", or the First Trust ETF is a mutual fund trust for purposes of the Tax Act, the First Trust ETF will not be subject to these special mark-to-market rules. Given the manner in which Units are distributed, there will be circumstances in which it will not be possible to control or identify whether a First Trust ETF has, or has ceased to, become a "financial institution". As a result, there can be no assurance that a First Trust ETF is not a "financial institution" or will not in the future become, or cease to be, a "financial institution" and no assurance as to when and to whom any distributions arising on the change in "financial institution" status of a First Trust ETF will be made, or that the First Trust ETF will not be required to pay tax on any undistributed income or taxable capital gains realized by the First Trust ETF on such event.

Provided that a First Trust ETF qualifies as a mutual fund trust within the meaning of the Tax Act, is a "registered investment" within the meaning of the Tax Act, or that the Units of the First Trust ETF are listed on a "designated stock exchange" within the meaning of the Tax Act, which includes the TSX and Cboe Canada, the Units of such First Trust ETF will be qualified investments for trusts governed by Registered Plans.

In the case of an exchange of Units of a SMID ETF for a Basket of Securities of the SMID ETF, or a distribution in kind on the termination of a SMID ETF, the investor will receive securities. The securities received by an investor as a result of an exchange of Units or a distribution in kind may or may not be qualified investments for Registered Plans. Investors should consult their own tax counsel for advice on whether or not such securities would be qualified investments for Registered Plans.

Taxation of the First Trust ETFs

A First Trust ETF will include in computing its income taxable distributions received on securities held by it, including any special dividends and the taxable portion of capital gains realized by the First Trust ETF on the disposition of securities held by it. Under the SIFT Rules, certain income earned by issuers of Constituent Securities that are SIFT trusts or SIFT partnerships, when such income is distributed or allocated to the First Trust ETF, would be treated as eligible dividends from a taxable Canadian corporation.

The Declaration of Trust governing each of the First Trust ETFs requires that the First Trust ETF distribute its net income and net realized capital gains, if any, for each taxation year of the First Trust ETF to Unitholders to such an extent that the First Trust ETF will not be liable in any taxation year for ordinary income tax (after taking into account any applicable losses of the First Trust ETF and any capital gains refunds (defined below) to which the First Trust ETF is entitled). If in a taxation year the income for tax purposes of a First Trust ETF exceeds the cash available for distribution by the First Trust ETF, such as in the case of the receipt by the First Trust ETF of special dividends, the First Trust ETF will distribute its income through a payment of reinvested distributions.

A First Trust ETF that is not a "mutual fund trust" under the Tax Act throughout a taxation year (i) may become liable for alternative minimum tax under the Tax Act in such year, (ii) may be subject to a special tax under Part XII.2 of the Tax Act in such year, (iii) would not be eligible for capital gains refunds under the Tax Act and (iv) may be subject to rules applicable to financial institutions discussed above.

If a First Trust ETF invests in another fund that is a Canadian resident trust (an "**Underlying Trust**"), other than a SIFT trust, the Underlying Trust may designate a portion of amounts that it distributes to the First Trust ETF as may reasonably be considered to consist of: (i) taxable dividends (including eligible dividends) received by the Underlying Trust on shares of taxable Canadian corporations; and (ii) net taxable capital gains realized by the Underlying Trust. Any such designated amounts will be deemed for tax purposes to be received or realized by the First Trust ETF as such a taxable dividend or taxable capital gain, respectively. An Underlying Trust that pays foreign withholding tax may make designations such that a First Trust ETF may be treated as having paid its share of such foreign tax for purposes of the foreign tax credit rules in the Tax Act.

If a First Trust ETF invests in another fund that for Canadian federal income tax purposes is a trust that is not resident in Canada (an "**Underlying Foreign Trust**") that is an "exempt foreign trust" for purposes of the Tax Act and the total fair market value at any time of all fixed interests of a particular class in the Underlying Foreign Trust held by a First Trust ETF and/or persons or partnerships not dealing at arm's length with a First Trust ETF, is at least 10% of the total fair market value at that time of all fixed interests of the particular class of the Underlying Foreign Trust, the Underlying Foreign Trust will be deemed by section 94.2 of the Tax Act to be at that time a controlled foreign affiliate ("**CFA**") of the First Trust ETF.

If the Underlying Foreign Trust is deemed to be a CFA of a First Trust ETF at the end of a particular taxation year of the Underlying Foreign Trust and earns income that is characterized as foreign accrual property income ("**FAPI**") in that taxation year of the Underlying Foreign Trust, the First Trust ETF's proportionate share of the FAPI of the Underlying Foreign Trust (computed under Canadian federal income tax principles and reducible by certain deductions) must be included in computing the income of the First Trust ETF for Canadian federal income tax purposes for the taxation year of the First Trust ETF in which that taxation year of the Underlying Foreign Trust ends, whether or not the First Trust ETF actually receives a distribution of that FAPI.

Under section 94.2 of the Tax Act, in computing the amount of FAPI of an Underlying Foreign Trust that is required to be included in income by a First Trust ETF, there may be deducted the portion of such FAPI that has been distributed or otherwise made payable to the First Trust ETF in the applicable taxation year.

To the extent that an investment by a First Trust ETF is an "offshore investment fund property" (within the meaning of the Tax Act), the First Trust ETF may be required to include in its income the amount determined in accordance with section 94.1 of the Tax Act (the "**OIFP Rules**"). In general terms, the OIFP Rules will apply to a First Trust ETF if it is reasonable to conclude, having regard to all the circumstances, that one of the main reasons for a First Trust ETF acquiring or holding an investment in a non-resident entity (including potentially debt or equity of a non-resident person) is to derive a benefit from "portfolio investments" of the non-resident entity in such a manner

that taxes under the Tax Act on income, profits and gains for any year are significantly less than they would have been if such income, profits and gains had been earned directly by such First Trust ETF. If section 94.1 of the Tax Act were to apply to an investment by a First Trust ETF, the First Trust ETF would generally include an amount in income in respect of each month equal to the "designated cost" of the investment at the end of the month multiplied by one-twelfth of the sum of a prescribed rate of interest and 2%. The amount to be included in income under section 94.1 of the Tax Act in respect of an investment will be reduced by any income (other than a capital gain) from the investment for the taxation year. The adjusted cost base of a First Trust ETF's investment will be correspondingly increased by any such amount included in income. The prescribed rate of interest is linked to the yield on 90-day Government of Canada Treasury Bills and is adjusted quarterly.

The First Trust ETFs may be subject to the suspended loss rules contained in the Tax Act. A loss realized on a disposition of property may be considered to be a suspended loss when a First Trust ETF acquires a property (a "**substituted property**") that is the same or identical to the property disposed of, within 30 days before and 30 days after the disposition and the First Trust ETF owns the substituted property 30 days after the original disposition. If a loss is suspended, the applicable First Trust ETF cannot deduct the loss from the First Trust ETF's gains until the substituted property is sold and is not reacquired within 30 days before and after the sale.

In determining the income of a First Trust ETF, gains or losses realized upon dispositions of securities in which the First Trust ETF has invested will constitute capital gains or capital losses of the First Trust ETF in the year realized unless the First Trust ETF is a "financial institution" as described above, or is considered to be trading or dealing in securities or otherwise carrying on a business of buying and selling securities, or the First Trust ETF has acquired the securities in a transaction or transactions considered to be an adventure in the nature of trade.

A First Trust ETF will be entitled for each taxation year throughout which it is a "mutual fund trust" for purposes of the Tax Act to reduce (or receive a refund in respect of) its liability, if any, for tax on its net realized capital gains by an amount determined under the Tax Act based on the redemptions of its Units during the year ("**capital gains refund**"). The capital gains refund in a particular taxation year may not completely offset the tax liability of the First Trust ETF for such taxation year which may arise upon the sale of its investments in connection with redemptions of Units.

Pursuant to the Declaration of Trust, each First Trust ETF may allocate and designate as payable any capital gains realized by the First Trust ETF as a result of any disposition of property of the First Trust ETF. In addition, a First Trust ETF may distribute, allocate and designate any capital gains of such First Trust ETF to a Unitholder of such First Trust ETF who has redeemed or exchanged Units during a year. Any such allocations and designations will reduce the redemption price otherwise payable to the redeeming Unitholder. The taxable portion of the capital gain so designated must be included in the income of the redeeming Unitholder (as taxable capital gains) and may be deductible by the First Trust ETF in computing its income, subject to subsection 132(5.3) and subsection 132(5.31) of the Tax Act.

The Manager has advised counsel that, generally, each First Trust ETF will include gains and deduct losses on income account in connection with investments made through derivatives transactions, except where a First Trust ETF is not a "financial institution" for purposes of the Tax Act, such derivatives are not "derivative forward agreements" as defined in the Tax Act, and are entered into in order to hedge securities that are held on capital account by the First Trust ETF and are sufficiently linked thereto. Such gains or losses will be recognized for tax purposes at the time they are realized by the First Trust ETF.

Premiums received on options written by a First Trust ETF which are not exercised prior to the end of the taxation year will constitute capital gains of the First Trust ETF in the taxation year received, unless such premiums are received by the First Trust ETF as income from a business or the First Trust ETF has engaged in a transaction or transactions considered to be an adventure or concern in the nature of trade. The Manager has advised counsel that each of the First Trust ETFs intends to report gains and losses from transactions in options on capital account and follow this practice consistently from year to year in accordance with the Canada Revenue Agency's published administrative policies.

Premiums received on options will be reported by the First Trust ETFs as capital gains arising in the year received. Where a First Trust ETF pays an option premium, the amount of such premium will constitute a capital loss

of the First Trust ETF in the year in which the option expires unexercised. Having regard to the investment strategy of the First Trust ETFs, there can be no assurance that any losses arising on the expiry of options will be available or sufficient to shelter gains deemed to arise to the First Trust ETF on the receipt of option premiums.

Each First Trust ETF is required to compute its income and gains for tax purposes in Canadian dollars. Therefore, the amount of income, cost, proceeds of disposition and other amounts in respect of investments that are not Canadian dollar denominated will be affected by fluctuations in the exchange rate of the Canadian dollar against the relevant foreign currency although, in some cases, such fluctuations may be offset through hedging transactions**.**

A First Trust ETF may pay foreign withholding or other taxes in connection with investments in foreign securities in respect of which foreign tax credits may not be available.

Under the Tax Act, the excessive interest and financing expenses limitation rules (the "**EIFEL Rules**"), if applicable to an entity, may limit the deductibility of interest and other financing-related expenses by the entity to the extent that such expenses, net of interest and other financing-related income, exceed a fixed ratio of the entity's adjusted EBITDA. The EIFEL Rules and their application are highly complex, and there can be no assurances that the EIFEL Rules will not have adverse consequences to a First Trust ETF or its Unitholders. In particular, if these rules were to apply to restrict deductions otherwise available to a First Trust ETF, the taxable component of distributions paid by the First Trust ETF to Unitholders may be increased, which could reduce the after-tax return associated with an investment in Units. Although certain investment funds that are considered to be "excluded entities" for purposes of the EIFEL Rules are excluded from the application of the EIFEL Rules, there can be no assurance that a First Trust ETF would qualify as an "excluded entity" for these purposes, and hence the First Trust ETF could be subject to the EIFEL Rules.

Taxation of Unitholders

Distributions

A Unitholder will be required to include in the Unitholder's income for tax purposes for any year the amount of net income and net taxable capital gains of the First Trust ETF, if any, paid or payable to the Unitholder in the year and deducted by the First Trust ETF in computing its income, whether or not such amounts are reinvested in additional Units.

The non-taxable portion of any net realized capital gains of a First Trust ETF that is not a "financial institution", as described above, that is paid or payable to a Unitholder in a taxation year will not be included in computing the Unitholder's income for the year and will not reduce the adjusted cost base of the Unitholder's Units of that First Trust ETF. Any other non-taxable distribution, such as a return of capital, will not be included in computing the Unitholder's income for the year but will reduce the Unitholder's adjusted cost base (unless the First Trust ETF elects to treat such amount as a distribution of additional income). To the extent that a Unitholder's adjusted cost base would otherwise be a negative amount, the negative amount will be deemed to be a capital gain realized by the Unitholder and the Unitholder's adjusted cost base will be nil immediately thereafter.

Each First Trust ETF will designate, to the extent permitted by the Tax Act, the portion of the net income distributed to Unitholders as may reasonably be considered to consist of, respectively: (i) taxable dividends (including eligible dividends) received or considered to be received by the First Trust ETF on shares of taxable Canadian corporations; and (ii) net taxable capital gains realized or considered to be realized by the First Trust ETF. Any such designated amount will be deemed for tax purposes to be received or realized by Unitholders in the year as a taxable dividend and as a taxable capital gain, respectively. The dividend gross-up and tax credit treatment normally applicable to taxable dividends (including eligible dividends) paid by a taxable Canadian corporation will apply to amounts designated by the First Trust ETF as such taxable dividends. Capital gains so designated will be subject to the general rules relating to the taxation of capital gains described below. In addition, a First Trust ETF may make designations in respect of income from foreign sources, if any, so that Unitholders may be able to claim a foreign tax credit in accordance with the provisions of and subject to the general limitations under the Tax Act for a portion of foreign tax, if any, paid by the First Trust ETF or an Underlying Trust. Any loss realized by a First Trust ETF for purposes of the Tax Act cannot be allocated to, and cannot be treated as a loss of, the Unitholders of such First Trust ETF.

Composition of Distributions

Unitholders will be informed each year of the composition of the amounts distributed to them, including amounts in respect of both cash and reinvested distributions. This information will indicate whether distributions are to be treated as ordinary income, taxable dividends (including eligible dividends), taxable capital gains, non-taxable amounts or foreign source income, and as to foreign tax deemed paid by the Unitholder as those items are applicable.

Disposition of Units

Upon the actual or deemed disposition of a Unit, including the exchange or redemption of a Unit, and including upon the termination of a First Trust ETF, a capital gain (or a capital loss) will generally be realized by the Unitholder to the extent that the proceeds of disposition of the Unit exceed (or are less than) the aggregate of the adjusted cost base to the Unitholder of the Unit and any reasonable costs of disposition. In general, the adjusted cost base of all Units of a particular First Trust ETF held by the Unitholder is the total amount paid for the Units (including brokerage commissions paid and the amount of reinvested distributions), regardless of when the investor bought them, less any non-taxable distributions (other than the non-taxable portion of capital gains) such as a return of capital and less the adjusted cost base of any Units of that First Trust ETF previously redeemed/exchanged by the Unitholder. For the purpose of determining the adjusted cost base of Units to a Unitholder, when Units of a First Trust ETF are acquired, the cost of the newly acquired Units will be averaged with the adjusted cost base of all Units of a class of that First Trust ETF owned by the Unitholder as capital property immediately before that time. The cost of Units acquired on the reinvestment of distributions will be the amount so reinvested.

Where Units of a SMID ETF are exchanged by the redeeming Unitholder for Baskets of Securities, or where securities are received by a Unitholder on a distribution in kind on the termination of a SMID ETF, the proceeds of disposition to the Unitholder of the Units will be equal to the fair market value of the securities so received, plus the amount of any cash received on the exchange. The cost for tax purposes of securities acquired by a redeeming Unitholder on the exchange or redemption of Units will generally be the fair market value of such securities at that time.

Where Securities of Constituent Issuers are Accepted as Payment for Units of the First Trust ETF

Where securities of Constituent Issuers are accepted as payment for Units acquired by a Unitholder, such Unitholder will generally realize a capital gain (or capital loss) in the taxation year of the Unitholder in which the disposition of such securities takes place to the extent that the proceeds of disposition for such securities, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of such securities to the Unitholder. For this purpose, the proceeds of disposition to the Unitholder will equal the aggregate of the fair market value of the Units received and the amount of any cash received in lieu of fractional Units. The cost to a Unitholder of Units so acquired will be equal to the fair market value of the securities of the Constituent Issuers disposed of in exchange for such Units at the time of disposition less any cash received in lieu of fractional Units, which sum would generally be equal to or would approximate the fair market value of the Units received as consideration for the securities of Constituent Issuers. In computing the adjusted cost base of a Unit so acquired by a Unitholder, the cost of such Unit must be averaged with the adjusted cost base of any other Units then held by that Unitholder as capital property.

Taxation of Capital Gains and Capital Losses

One-half of any capital gain realized by an investor and the amount of any net taxable capital gains realized or considered to be realized by a First Trust ETF and designated by the First Trust ETF in respect of an investor will be included in the investor's income as a taxable capital gain. One-half of a capital loss realized by an investor will be an allowable capital loss that may be deducted from taxable capital gains subject to and in accordance with detailed rules in the Tax Act.

Taxation of Registered Plans

In general, a Registered Plan will not be taxable on the amount of a distribution paid or payable to a Registered Plan from a First Trust ETF, nor on gains realized by a Registered Plan on a disposition of a Unit. As is

the case for all investments held in Registered Plans, amounts withdrawn from a Registered Plan (other than from a TFSA or a return of contributions from a RESP or certain withdrawals from a RDSP or a FHSA) will generally be subject to tax.

Tax Implications of the First Trust ETFs' Distribution Policy

When an investor purchases Units, a portion of the price paid may reflect income or capital gains accrued or realized before such person acquired such Units. When these amounts are payable to such Unitholder as distributions, they must be included in the Unitholder's income for tax purposes subject to the provisions of the Tax Act, even though the First Trust ETF earned or accrued these amounts before the Unitholder owned the Units. This may particularly be the case if Units are purchased near year-end before the final year-end distributions have been made.

INTERNATIONAL INFORMATION REPORTING

The First Trust ETFs are required to comply with due diligence and reporting obligations imposed under amendments to the Tax Act that implemented the Intergovernmental Agreement for the Enhanced Exchange of Tax Information Agreement under the Canada-U.S. Tax Convention entered into by Canada and the U.S. (the "**IGA**"). As long as Units of the First Trust ETFs continue to be registered in the name of CDS and regularly traded on the TSX, or any other established securities market, the First Trust ETFs should not have any U.S. reportable accounts and, as a result, should not be required to provide information to the Canada Revenue Agency in respect of its Unitholders. However, dealers through which Unitholders hold their Units are subject to due diligence and reporting obligations with respect to financial accounts they maintain for their clients. Unitholders (and, if applicable, the controlling person(s) of a Unitholder) may be requested to provide information to their dealer to identify U.S. persons holding Units. If a Unitholder, or its controlling person(s), is a "Specified U.S. Person" as defined under the IGA (including a U.S. citizen who is a resident of Canada) or if a Unitholder fails to provide the required information and indicia of U.S. status are present, then Part XVIII of the Tax Act will generally require information about the Unitholder's investments held in the financial account maintained by the dealer to be reported to the Canada Revenue Agency, unless the investments are held within a Registered Plan. The Canada Revenue Agency will then provide that information to the U.S. Internal Revenue Service.

In addition, reporting obligations in the Tax Act have been enacted to implement the Organization for Economic Co-operation and Development Common Reporting Standard (the "**CRS Rules**"). Pursuant to the CRS Rules, Canadian financial institutions are required to have procedures in place to identify accounts held by tax residents of foreign countries other than the U.S. ("**Reportable Jurisdictions**") or by certain entities any of whose "controlling persons" are tax residents of Reportable Jurisdictions. The CRS Rules provide that Canadian financial institutions must report certain account information and other personal identifying details of Unitholders (and, if applicable, of the controlling persons of such Unitholders) who are tax residents of Reportable Jurisdictions to the Canada Revenue Agency annually. Such information would generally be exchanged on a reciprocal, bilateral basis with Reportable Jurisdictions in which the account holders or such controlling persons are tax resident under the provisions and safeguards of the Multilateral Convention on Mutual Administrative Assistance in Tax Matters or the relevant bilateral tax treaty. Under the CRS Rules, Unitholders will be required to provide such information regarding their investment in the First Trust ETFs to their dealer for the purpose of such information exchange, unless the investment is held within a Registered Plan. The Canada Revenue Agency will then provide that information to the tax authorities of the relevant Reportable Jurisdiction.

ELIGIBILITY FOR INVESTMENT

In the opinion of Osler, Hoskin & Harcourt LLP, provided that a First Trust ETF qualifies as a mutual fund trust within the meaning of the Tax Act, is a registered investment within the meaning of the Tax Act, or that the Units of the First Trust ETF are listed on a "designated stock exchange" within the meaning of the Tax Act, which includes the TSX and Cboe Canada, the Units of that First Trust ETF will be qualified investments for trusts governed by Registered Plans.

Notwithstanding the foregoing, if Units are a "prohibited investment" for a TFSA, FHSA, RESP, RDSP, RRSP or a RRIF that acquires Units, the holder, subscriber, or annuitant will be subject to a penalty tax as set out in the Tax Act. A "prohibited investment" includes a unit of a trust that does not deal at arm's length with the controlling individual. Controlling individuals of Registered Plans should consult with their tax advisors in this regard. Generally, a controlling individual will not be considered to have a "significant interest" in a First Trust ETF unless the controlling individual owns 10% or more of the value of the outstanding Units of the First Trust ETF, either alone or together with persons and partnerships with which the controlling individual does not deal at arm's length. In addition, the Units of a First Trust ETF will not be a "prohibited investment" at any time during the first 24 months of existence of the First Trust ETF provided that the First Trust qualifies as a mutual fund trust or as a registered investment under the Tax Act and remains in substantial compliance with NI 81-102 during that period or if such Units are otherwise "excluded property" as defined in the Tax Act for trusts governed by a TFSA, RRSP, FHSA, RESP, RDSP or RRIF.

In the case of an exchange of Units of a SMID ETF for a Basket of Securities of the SMID ETF, the investor will receive securities. The securities received by an investor as a result of an exchange of Units or a distribution in-kind may or may not be qualified investments for Registered Plans. Investors should consult their own tax counsel for advice on whether or not such securities would be qualified investments for Registered Plans.

ORGANIZATION AND MANAGEMENT DETAILS

The Trustee, Manager and Promoter

FT Portfolios Canada Co. is the trustee, manager and promoter of the First Trust ETFs and is responsible for the administration of the First Trust ETFs. FT Portfolios Canada Co. is registered with the Ontario Securities Commission as a mutual fund dealer and investment fund manager. Its head office and principal place of business is located at 40 King Street West, Suite 5102, Toronto, Ontario M5H 3Y2. It is a privately owned company and an affiliate of First Trust Portfolios L.P., a U.S. registered broker-dealer, and First Trust Advisors L.P., a U.S. registered investment advisor. The First Trust companies are a global enterprise with a history in the U.S. market since 1991 and in Canada since 1996.

Duties and Services to be Provided by the Trustee, Manager and Promoter

FT Portfolios Canada Co. is the trustee, manager and promoter of each of the First Trust ETFs and, as such, is responsible for providing managerial, administrative and compliance services to the First Trust ETFs including, without limitation, authorizing the payment of operating expenses incurred on behalf of the First Trust ETFs, preparing financial statements and financial and accounting information as required by the First Trust ETFs, ensuring that Unitholders are provided with financial statements (including interim and annual financial statements) and other reports as are required by applicable law from time to time, ensuring that the First Trust ETFs comply with regulatory requirements and applicable stock exchange listing requirements, preparing the First Trust ETFs' reports to Unitholders and the securities regulatory authorities, determining the amount of distributions to be made by the First Trust ETFs and negotiating contractual agreements with third-party providers of services, including Designated Brokers, the Custodian, the Registrar and Transfer Agent, the auditor and printers.

FT Portfolios Canada Co. is required to exercise its powers and discharge its duties honestly, in good faith and in the best interests of Unitholders, and in connection therewith, to exercise the degree of care, diligence and skill that a reasonably prudent trustee and manager would exercise in similar circumstances.

FT Portfolios Canada Co. may resign as trustee and/or manager of any of the First Trust ETFs upon 60 days' notice to the Unitholders. If the Manager resigns it may appoint its successor but, unless its successor is an affiliate of the Manager, its successor must be approved by the Unitholders. If the Manager is in material default of its obligations under the Declaration of Trust and such default has not been cured within 30 days after notice of the same has been given to the Manager, the Unitholders may remove the Manager and appoint a successor trustee and/or manager.

FT Portfolios Canada Co. is entitled to fees for its services as manager under the Declaration of Trust as described under "Fees and Expenses – Management Fees". In addition, FT Portfolios Canada Co. and its affiliates and each of their directors, officers, employees and agents will be indemnified by each of the First Trust ETFs for all

liabilities, costs and expenses incurred in connection with any action, suit or proceeding that is proposed or commenced or other claim that is made against any of them in the exercise of FT Portfolios Canada Co.'s duties under the Declaration of Trust, if they do not result from FT Portfolios Canada Co.'s wilful misconduct, bad faith, gross negligence or material breach of its obligations thereunder.

The management and trustee services of FT Portfolios Canada Co. are not exclusive and nothing in the Declaration of Trust or any agreement prevents FT Portfolios Canada Co. from providing similar services to other investment funds and other clients (whether or not their investment objectives and policies are similar to those of the First Trust ETFs) or from engaging in other business activities.

FT Portfolios Canada Co. has taken the initiative in founding and organizing the First Trust ETFs and is, accordingly, the promoter of the First Trust ETFs within the meaning of securities legislation of certain provinces and territories of Canada.

Officers and Directors of the Trustee, Manager and Promoter

The name and municipality of residence of each of the directors and executive officers of FT Portfolios Canada Co., the trustee, manager, and promoter of the First Trust ETFs, and their principal occupations are as follows:

Name and Municipality of Residence	**Position with Manager**	**Principal Occupation in the last 5 years**
ANDREW ROGGENSACK Western Springs, Illinois	Chair (as chief executive officer), Corporate Secretary and Director	President, First Trust Portfolios L.P., First Trust Advisors L.P. and First Trust Global Enterprises L.P.
DAVID G. MCGAREL Western Springs, Illinois	Director	Managing Director, Chief Investment Officer and Chief Operating Officer of First Trust Portfolios L.P., and First Trust Advisors L.P., and Chief Operating Officer of First Trust Global Enterprises L.P.
ERIC ANDERSON West Chicago, Illinois	Director	Senior Vice President, First Trust Portfolios L.P. and First Trust Advisors L.P.
SUSAN JOHNSON Oakville, Ontario	Chief Financial Officer, Chief Compliance Officer and Ultimate Designated Person	Chief Financial Officer and Chief Compliance Officer of FT Portfolios Canada Co.

Each of the foregoing individuals has held his or her current office or a senior position with the Manager or an affiliate thereof during the past five years.

As the table illustrates, Mr. Roggensack is President of First Trust Portfolios L.P., First Trust Advisors L.P. and First Trust Global Enterprises L.P. Mr. McGarel is Managing Director, Chief Investment Officer and the Chief Operating Officer of First Trust Portfolios L.P., First Trust Advisors L.P. and Chief Operating Officer of First Trust Global Enterprises L.P. Mr. Anderson is a Senior Vice President of First Trust Portfolios L.P. and First Trust Advisors L.P. First Trust Global Enterprises L.P., is a holding company that indirectly holds all of the shares of the Manager through FDPM Trust and First Trust Portfolios L.P. is a privately owned investment manager, affiliated with the Manager and located in Wheaton, Illinois.

The Portfolio Advisor

First Trust Advisors L.P. is the Portfolio Advisor of the First Trust ETFs and is responsible for providing investment advisory services to the First Trust ETFs. First Trust Advisors L.P. is registered with the Ontario Securities Commission as a portfolio manager. The Portfolio Advisor was established in 1991 and together with its affiliate, First Trust Portfolios L.P., has over 1,100 employees in North America. The principal office of First Trust Advisors L.P. is located at 120 E Liberty Drive, #400, Wheaton, Illinois, 60187, United States.

Duties and Services to be Provided by the Portfolio Advisor

The Portfolio Advisor Agreement sets out the duties of the Portfolio Advisor. Under the Portfolio Advisor Agreement, the Portfolio Advisor is responsible for the implementation of the overall investment strategy of the First Trust ETFs which includes the acquisition of the securities for the portfolio of the First Trust ETFs.

Under the Portfolio Advisor Agreement, the Portfolio Advisor is required to act at all times on a basis which is fair and reasonable to the First Trust ETFs, to act honestly and in good faith with a view to the best interests of the Unitholders of the applicable First Trust ETF, and, in connection therewith, to exercise the degree of care, diligence and skill that a reasonably prudent portfolio advisor would exercise in comparable circumstances. The Portfolio Advisor Agreement provides that the Portfolio Advisor shall not be liable to the Manager, the First Trust ETFs, a Unitholder thereof or any other person for any loss in respect of an investment decision if such decision shall have been made with due care and in good faith, provided the Portfolio Advisor has satisfied the duties and standard of care, diligence and skill set forth above and further provided the Portfolio Advisor has not acted with wilful misconduct, bad faith, reckless disregard or gross negligence in the performance of its obligations and duties under the Portfolio Advisor Agreement or materially breached the terms of such agreement. The First Trust ETFs shall indemnify the Portfolio Advisor and its directors, officers, employees and agents and save them harmless in respect of all losses, liabilities, damages, expenses and costs incurred in connection with any action, suit or proceeding or other claim that is made against the Portfolio Advisor or any of its directors, officers, employees or agents in the exercise of their duties under the Portfolio Advisor Agreement, except those resulting from the Portfolio Advisor's wilful misconduct, bad faith, reckless disregard, gross negligence or material breach of its obligations and duties under such agreement.

The Portfolio Advisor Agreement, unless terminated in accordance with its terms, will continue in effect until the termination of the Manager as manager of the First Trust ETFs. The Manager can terminate the Portfolio Advisor Agreement at any time on 30 days' notice for breach thereof by the Portfolio Advisor. The Portfolio Advisor's appointment under the Portfolio Advisor Agreement may be immediately terminated by the Manager if (i) the Portfolio Advisor shall cease to carry on business, become bankrupt or insolvent, resolve to wind up, dissolve or liquidate, if a receiver of any of the assets of the Portfolio Advisor is appointed or if the Portfolio Advisor makes a general assignment for the benefit of its creditors, (ii) the Manager establishes that the Portfolio Advisor has committed any fraud or material wrongdoing in conducting its business, generally or under the Portfolio Advisor Agreement or (iii) the Portfolio Advisor has lost any registration, license or other authorization required of it to perform its services under the Portfolio Advisor Agreement. The Portfolio Advisor Agreement may be terminated by either party on 60 days' notice to the other party. The Portfolio Advisor Agreement may be assigned by the Portfolio Advisor to an affiliate thereof. In addition, pursuant to the terms of the Portfolio Advisor Agreement, the Portfolio Advisor may retain a sub-advisor to provide investment advisory and portfolio management services.

The Portfolio Advisor is entitled to fees for providing investment management services. All such fees will be paid to the Portfolio Advisor by the Manager.

The services of the Portfolio Advisor and its officers and directors are not exclusive to the Manager. The Portfolio Advisor or any of its affiliates and associates may, at any time, engage in the promotion, management or investment management of any other entity which invests primarily in the same securities as those held by the First Trust ETFs and provide similar services to other investment funds and other clients and engage in other activities. Investment decisions for the First Trust ETFs will be made independently of those made for other clients and independently of investments of the Portfolio Advisor. On occasion, however, the Portfolio Advisor may identify the same investment for the First Trust ETFs and for one or more of its other clients. If the First Trust ETFs and one or more of the other clients of the Portfolio Advisor are engaged in the purchase or sale of the same security, the transactions will be effected on an equitable basis.

There is no one individual primarily responsible for investment management decisions made by the Portfolio Advisor for the First Trust ETFs. Rather, investment decisions are made under the direction of an investment committee. The investment committee for the First Trust ETFs consists of Roger F. Testin, Jon C. Erickson, David G. McGarel, Daniel J. Lindquist, John H. Sherren and Chris Peterson. The below table sets forth information about these individuals.

Name	Title with the Portfolio Advisor	Length of Service
Roger. F. Testin	Senior Vice President	Since 2001
Jon C. Erickson	Senior Vice President	Since 1994
David G. McGarel	Managing Director, Chief Investment Officer and Chief Operating Officer	Since 1997
Daniel J. Lindquist	Managing Director	Since 2004
John H. Sherren	Vice President	Since 1998
Chris Peterson	Senior Vice President	Since 2000
Stan Ueland	Senior Vice President	Since 2005
Erik Russo	Vice President	Since 2010

Each of the foregoing individuals has held his or her current office or a senior position with the Portfolio Advisor or an affiliate thereof during the past five years.

Roger F. Testin is a senior vice president of the Portfolio Advisor and chairman of the investment committee in respect of Canadian funds advised by the Portfolio Advisor and presides over its meetings. As the head of the portfolio management group for the Portfolio Advisor, Mr. Testin is responsible for overseeing the implementation of investment strategies for investment funds being advised by the Portfolio Advisor's strategy research group and equity research group.

Jon C. Erickson is a senior vice president of the Portfolio Advisor. As head of the Portfolio Advisor's equity research group, Mr. Erickson is responsible for determining the securities to be purchased and sold by funds that do not utilize quantitative investment strategies.

David G. McGarel is a managing director, chief investment officer and chief operating officer of the Portfolio Advisor. As chief investment officer, Mr. McGarel consults with the investment committee on market conditions and the Portfolio Advisor's general investment philosophy.

Daniel J. Lindquist is a managing director of the Portfolio Advisor. He acts as the chairman of the investment committee and presides over investment committee meetings. Mr. Lindquist is also responsible for overseeing the implementation of investment strategies for investment funds being advised by the Portfolio Advisor.

John H. Sherren is a vice president of the Portfolio Advisor and a member of the investment committee in respect of Canadian funds advised by the Portfolio Advisor. As vice president of the Portfolio Advisor's research department, Mr. Sherren is responsible for assisting in the selection, supervision, and management of securities for the equity portion of the Portfolio Advisor's product line. Mr. Sherren has acted in this capacity since 2007. From 1998 to 2007, Mr. Sherren held the position of equity analyst in the research department.

Stan Ueland is a senior vice president of the Portfolio Advisor. He plays an important role in executing the investment strategies of each portfolio of exchange-traded funds advised by the Portfolio Advisor.

Chris Peterson is a senior vice president of the Portfolio Advisor and head of the strategy research group. Mr. Peterson is responsible for developing and implementing quantitative equity investment strategies.

Erik Russo is a vice president of the Portfolio Advisor. He plays an important role in executing the investment strategies of each portfolio of exchange-traded funds advised by the Portfolio Advisor.

The Sub-Advisor

Vest Financial LLC is the investment sub-advisor of the First Trust ETFs and is responsible for the selection and ongoing monitoring of the securities in the Fund's portfolio. The Sub-Advisor was established in 2012 and is an investment advisor located in the United States. The Sub-Advisor is also an investment advisor registered with the U.S. Securities and Exchange Commission under the U.S. Investment Advisers Act of 1940. The principal office of Vest Financial LLC is located at 1765 Greensboro Station Place, Tower 1, 9th Floor, McLean, Virginia, United States.

The Sub-Advisor is a wholly-owned subsidiary of Vest Group Inc. ("**VG**"). First Trust Capital Partners, LLC, an affiliate of the Manager, owns a 44.3% ownership interest (49.3% voting) in VG. The remaining portion of VG is owned by certain individuals who operate VG, the Sub-Advisor and by Cboe® Vest, LLC, a wholly-owned subsidiary of Cboe® Global Markets, Inc. VG was organized in 2012. Cboe® Global Markets, Inc. is the holding company for the Chicago Board Options Exchange, Incorporated ("**Cboe**") and other subsidiaries. Cboe is the largest U.S. options exchange and creator of listed options. Cboe offers equity, index and ETF options, including proprietary products, such as the S&P 500 Index options, which is the most actively traded U.S. index option, and these products may trade on Cboe affiliated exchanges resulting in transaction and other revenues accruing to Cboe. In the future and subject to the qualifications described in the principal investment strategies of the applicable First Trust ETF, a First Trust ETF may trade options on Cboe, including options on the S&P 500 Index. A First Trust ETF will not pay, and Cboe (and its parent and affiliates) will not receive any special compensation or consideration in connection with such transactions other than the typical costs that are associated with conducting such transactions by any other non-affiliated party. Certain options used by a First Trust ETF may trade on one or more Cboe affiliated exchanges, in some cases exclusively on these exchanges, resulting in transaction and other revenues accruing to Cboe.

Duties and Services to be Provided by the Sub-Advisor

The Sub-Advisory Agreement sets out the duties of the Sub-Advisor. Under the Sub-Advisory Agreement, the Sub-Advisor is responsible for the implementation of the overall investment strategy of the First Trust ETFs which includes the acquisition of the securities for the portfolio of the First Trust ETFs.

Under the Sub-Advisory Agreement, the Sub-Advisor is required to act at all times on a basis which is fair and reasonable to the First Trust ETFs, to act honestly and in good faith with a view to the best interests of the Unitholders of the applicable Fund, and, in connection therewith, to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. The Sub-Advisory Agreement provides that the Sub-Advisor shall not be liable to the Portfolio Advisor, the Manager, the First Trust ETFs, a Unitholder thereof or any other person for any loss in respect of an investment decision if such decision shall have been made with due care and in good faith, provided the Sub-Advisor has satisfied the duties and standard of care, diligence and skill set forth above and further provided the Sub-Advisor has not acted with wilful misfeasance, bad faith or gross negligence in the performance of its obligations and duties under the Sub-Advisory Agreement or materially breached the terms of such agreement. The Sub-Advisory Agreement also provides that the Sub-Advisor shall be responsible to the First Trust ETFs for any loss that arises out of the failure of the Sub-Advisor to exercise the powers and discharge the duties of its office honestly, in good faith and in the best interests of the Portfolio Advisor and the First Trust ETFs or to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances. The First Trust ETFs shall indemnify the Sub-Advisor and its directors, officers and employees in respect of all losses, liabilities, damages, expenses and costs incurred in connection with any action, suit or proceeding or other claim that is made against the Sub-Advisor or any of its directors, officers or employees in the exercise of their duties under the Sub-Advisory Agreement, except those resulting from the Sub-Advisor's wilful misfeasance, bad faith or gross negligence or material breach of its obligations and duties under such agreement.

The Sub-Advisory Agreement, unless terminated in accordance with its terms, will continue in effect until the termination of the Portfolio Advisor, as portfolio advisor of the First Trust ETFs. The Portfolio Advisor can terminate the Sub-Advisory Agreement at any time on 30 days' notice for breach thereof by the Sub-Advisor. The Sub-Advisor's appointment under the Sub-Advisory Agreement may be immediately terminated by the Portfolio Advisor if (i) the Sub-Advisor shall cease to carry on business, become bankrupt or insolvent, resolve to wind up, dissolve or liquidate, if a receiver of any of the assets of the Sub-Advisor is appointed or if the Sub-Advisor makes a general assignment for the benefit of its creditors, (ii) the Portfolio Advisor establishes that the Sub-Advisor has committed any fraud or material wrongdoing in conducting its business, generally or under the Sub-Advisory

Agreement or (iii) the Sub-Advisor has lost any registration, license or other authorization required of it to perform its services under the Sub-Advisory Agreement. The Sub-Advisory Agreement may be terminated by either party on 60 days' written notice to the other party. The Sub-Advisory Agreement may be assigned by the Sub-Advisor to an affiliate thereof.

The Sub-Advisor is entitled to fees for providing investment management services. All such fees will be paid to the Sub-Advisor by the Portfolio Advisor.

The services of the Sub-Advisor and its officers and directors are not exclusive to the Manager. The Sub-Advisor or any of its affiliates and associates may, at any time, engage in the promotion, management or investment management of any other entity which invests primarily in the same securities as those held by the First Trust ETFs and provide similar services to other investment funds and other clients and engage in other activities. Investment decisions for the First Trust ETFs will be made independently of those made for other clients and independently of investments of the Sub-Advisor. On occasion, however, the Sub-Advisor may identify the same investment for the First Trust ETFs and for one or more of its other clients. If the First Trust ETFs and one or more of the other clients of the Sub-Advisor are engaged in the purchase or sale of the same security, the transactions will be effected on an equitable basis.

There is no one individual primarily responsible for investment management decisions made by the Sub-Advisor for the First Trust ETFs. Rather, investment decisions are made under the direction of the following individuals.

Name	**Title with the Sub-Advisor**	**Length of Service**
Karan Sood	Managing Director	Since 2012
Trevor Lack	Managing Director and Portfolio Manager	Since 2019

Each of the foregoing individuals has held his or her current office or a senior position with the Sub- Advisor or an affiliate thereof during the past five years.

Karan Sood

Karan Sood has over ten years of experience in derivative based investment strategy design and trading. Mr. Sood joined the Sub-Advisor in 2012. Prior to joining the Sub-Advisor, Mr. Sood worked at ProShares Advisors LLC ("**ProShares**"). Prior to working at ProShares, Mr. Sood was a Vice President at Barclays Capital. Last based in New York, he was responsible for using derivatives to design structured investment strategies and solutions for the firm's institutional clients in the Americas. Prior to his role in New York, Mr. Sood worked in similar capacity in London with Barclays Capital's European clients. Mr. Sood received a master's degree in Decision Sciences & Operations Research from London School of Economics & Political Science. He also holds a bachelor's degree in engineering from the Indian Institute of Technology, Delhi.

Trevor Lack

Trevor Lack has over 10 years of experience as a portfolio manager. Mr. Lack joined the Sub-Advisor in 2019. Prior to joining the Sub-Advisor, Mr. Lack worked at ProShares from 2011 to 2019. Mr. Lack received a master's degree in finance from Johns Hopkins University. He also holds a bachelor's degree in business from Northeastern University.

Brokerage Arrangements

The Sub-Advisor is responsible for decisions to buy and sell securities for the Fund and for the placement of the Fund's securities business, the negotiation of the commissions to be paid on brokered transactions, the prices for principal trades in securities, and the allocation of portfolio brokerage and principal business. It is the policy of the Sub-Advisor to seek the best execution at the best security price available with respect to each transaction, and with respect to brokered transactions in light of the overall quality of brokerage and research services provided to the Sub-

Advisor and its clients. The best price to the Fund means the best net price without regard to the mix between purchase or sale price and commission, if any. Purchases may be made from underwriters, dealers and, on occasion, the issuers. Commissions will be paid on the Fund's futures and options transactions, if any. The purchase price of portfolio securities purchased from an underwriter or dealer may include underwriting commissions and dealer spreads. The Fund may pay markups on principal transactions. In selecting broker-dealers and in negotiating commissions, the Sub-Advisor considers, among other things, the firm's reliability, the quality of its execution services on a continuing basis and its financial condition. Fund portfolio transactions may be effected with broker-dealers who have assisted investors in the purchase of shares.

The Sub-Advisor has advised the Portfolio Advisor and Manager that it does not currently intend to use soft dollars. Notwithstanding the foregoing, in selecting brokers, the Sub-Advisor may in the future consider investment and market information and other research, such as economic, securities and performance measurement research, provided by such brokers, and the quality and reliability of brokerage services, including execution capability, performance and financial responsibility. Accordingly, the commissions charged by any such broker may be greater than the amount another firm might charge if the Sub-Advisor determines in good faith that the amount of such commissions is reasonable in relation to the value of the research information and brokerage services provided by such broker to the Sub-Advisor or the Fund. In addition, the Sub-Advisor must determine that the research information received in this manner provides the Fund with benefits by supplementing the research otherwise available to the Fund. The higher commissions will not be paid by the Fund unless the Manager determines in good faith that the amount is reasonable in relation to the services provided. The investment advisory fees paid by the Fund to the Manager would not be reduced as a result of receipt by the Sub-Advisor of research services.

The Sub-Advisor places portfolio transactions for other advisory accounts advised by it, and research services furnished by firms through which the Fund effects its securities transactions may be used by the Sub-Advisor in servicing all of its accounts; not all of such services may be used by the Sub-Advisor in connection with the Fund. The Sub-Advisor believes it is not possible to measure separately the benefits from research services to each of the accounts (including the Fund) advised by it. Because the volume and nature of the trading activities of the accounts are not uniform, the amount of commissions in excess of those charged by another broker paid by each account for brokerage and research services will vary. However, the Sub-Advisor believes such costs to the Fund will not be disproportionate to the benefits received by the Fund on a continuing basis. The Sub-Advisor seeks to allocate portfolio transactions equitably whenever concurrent decisions are made to purchase or sell securities by the Fund and another advisory account. In some cases, this procedure could have an adverse effect on the price or the amount of securities available to the Fund. In making such allocations between the Fund and other advisory accounts, the main factors considered by the Sub-Advisor are the respective investment objective, the relative size of portfolio holding of the same or comparable securities, the availability of cash for investment and the size of investment commitments generally held.

The Portfolio Advisor utilizes various brokers to effect securities transactions on behalf of the First Trust ETFs and other exchange-traded funds of which it acts as portfolio advisor to. These brokers may directly provide the Manager with research and related services, as outlined below, in addition to executing transactions—often referred to as "bundled services". Although the First Trust ETFs may not benefit equally from each research and related service received from a broker, the Manager will endeavour to ensure that all of exchange-traded funds that it manages receive an equitable benefit over time.

The Portfolio Advisor maintains a list of brokers that have been approved to effect securities transactions on behalf of the First Trust ETFs. When determining whether a broker should be added to that list there are numerous factors that are considered including: (a) with respect to trading: (i) level of service; (ii) response time; (iii) availability of securities (liquidity); (iv) account management; (v) idea generation; and (vi) access to alternative markets/liquidity pools; (b) with respect to personnel: (i) back office support; and (ii) sales contacts; and (c) with respect to infrastructure: (i) trade settlement; (ii) confirmations; and (iii) reporting.

Approved brokers are monitored on a regular basis to ensure that the value of the goods and services, as outlined above, provides a reasonable benefit as compared to the amount of brokerage commissions paid for the goods and services. In conducting this analysis, the Portfolio Advisor considers the use of the goods and services, execution quality in terms of trade impact and the ability to achieve the target benchmark price, as well as the amount of brokerage commissions paid relative to other brokers and the market in general.

Additional information including the services supplied by each broker can be obtained from the Manager upon request, at no cost, by calling 1-877-622-5552.

Conflicts of Interest

The directors and officers of the Manager may be directors, officers, shareholders or Unitholders of one or more issuers in which the First Trust ETFs may acquire securities. The Manager and its affiliates, including other First Trust Group entities, may be managers or portfolio advisors of one or more issuers in which the First Trust ETFs may acquire securities and may be managers or portfolio advisors of funds that invest in the same securities as the First Trust ETFs. Such transactions will only be undertaken where permitted by applicable securities legislation and upon obtaining any required regulatory or IRC approvals.

Independent Review Committee

The Manager has appointed an IRC for the First Trust ETFs under NI 81-107. The IRC currently consists of three members, each of whom is independent of the Manager.

The mandate of the IRC is to review conflict of interest matters identified and referred to the IRC by the Manager and to give an approval or a recommendation, depending on the nature of the conflict of interest matter. At all times, the members of the IRC are required to act honestly and in good faith in the best interests of the First Trust ETFs and, in connection therewith, will exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

The Manager has established written policies and procedures for dealing with each conflict of interest matter. At least annually, the IRC will review and assess the adequacy and effectiveness of the Manager's written policies and procedures relating to conflict of interest matters and will conduct a self-assessment of the IRC's independence, compensation and effectiveness.

The Manager will maintain records of all matters and/or activities subject to the review of the IRC, including a copy of the Manager's written policies and procedures dealing with conflict of interest matters, minutes of IRC meetings, and copies of materials, including any written reports, provided to the IRC. The Manager will also provide the IRC with assistance and information sufficient for the IRC to carry out its responsibilities under NI 81-107.

The members of the IRC are entitled to be compensated by the First Trust ETFs and reimbursed for all reasonable costs and expenses for the duties they perform as IRC members. In addition, the members of the IRC are entitled to be indemnified by the First Trust ETFs, except in cases of wilful misconduct, bad faith, negligence or breach of their standard of care.

The name and municipality of residence of each of the members of the IRC is as follows:

PAUL DUFFY (CHAIR) Toronto, Ontario	DAVID CONWAY Oshawa, Ontario	NANCY NG Toronto, Ontario

The initial compensation and reimbursement policy for costs and expenses of the IRC was established by the Manager. For the year ended December 31, 2024 and as at the date of this prospectus, each IRC member was paid or will be paid, as applicable, a fixed annual fee of $16,000 and fee per meeting of $1,500 for the IRC chair and $1,000 for the other IRC members, for the duties they perform as IRC members in relation to all of the First Trust ETFs managed by the Manager. This amount was allocated, or will be allocated, as applicable, among such First Trust ETFs in a manner that is fair and reasonable.

The IRC is subject to requirements to conduct regular assessments and, for each financial year of the First Trust ETFs, will prepare a report to Unitholders that describes the IRC and its activities for the financial year. A copy of this report can be obtained from the Manager upon request, at no cost, by calling 1-877-662-5552 or is available on the First Trust ETFs' website at www.firsttrust.ca or SEDAR+ at www.sedarplus.ca.

Custodian and Valuation Agent

Pursuant to the Custodian Agreement, CIBC Mellon Trust Company is the custodian of the assets of the First Trust ETFs and has been given authority to appoint sub-custodians. The address of the Custodian is 1 York Street, Suite 900, Toronto, Ontario M5J 0B6. The Manager on behalf of the First Trust ETFs, or CIBC Mellon Trust Company may terminate the Custodian Agreement upon at least 90 days' written notice or immediately in the event of a bankruptcy event in respect of a party that is not cured within 30 days. The Manager on behalf of the First Trust ETFs may terminate the Custodian Agreement immediately if the Custodian ceases to be qualified to act as a custodian of the First Trust ETFs under applicable law. The Custodian is entitled to receive fees from the Manager as described under "Fees and Expenses – Operating Expenses" and to be reimbursed for all expenses and liabilities that are properly incurred by the Custodian in connection with the activities of the First Trust ETFs. CIBC Mellon Trust Company also acts as the Valuation Agent of the First Trust ETFs. The Valuation Agent is responsible for calculating NAV, NAV per Unit, net income and net realized capital gains of the First Trust ETFs.

Auditor

The auditor of the First Trust ETFs is Deloitte LLP, Chartered Professional Accountants, located at 8 Adelaide Street West, Suite 200, Toronto, Ontario M5H 0A9.

Registrar and Transfer Agent

TSX Trust Company, at its principal offices in Toronto, is the registrar and transfer agent for the Units. The register of the First Trust ETFs is kept in Toronto.

CALCULATION OF NET ASSET VALUE

The NAV of the Units of a class of a First Trust ETF on a particular date will be equal to the aggregate value of the assets of the First Trust ETF attributable to such class less the aggregate value of the liabilities of the First Trust ETF attributable to the class, expressed in Canadian dollars at the applicable exchange rate on such date. The NAV will be calculated using the fair value of the First Trust ETF's assets and liabilities. The NAV per Unit of a class on any day will be obtained by dividing the NAV of the Units of the class on such day by the number of Units of the class then outstanding. The NAV is expected to be calculated by the Custodian or an affiliate.

Valuation Policies and Procedures

In determining the NAV of a First Trust ETF, at any time the Manager will take into account the following:

(a) the value of any cash on hand, on deposit or on call loan, prepaid expenses, cash dividends declared on an ex-dividend basis and interest accrued and not yet received, shall be deemed to be the face amount thereof, unless the Manager determines that any such deposit or call loan is not worth the face amount thereof, in which event the value thereof shall be deemed to be such value as the Manager determines to be the fair value thereof;

(b) the value of any bonds, debentures, and other debt obligations shall be valued by taking the average of the bid and ask prices on a Valuation Date at such times as the Manager, in its discretion, deems appropriate. Short-term investments including notes and money market instruments shall be valued at cost plus accrued interest;

(c) the value of any security which is listed on any recognized exchange and is not security of an ETF, shall be determined by the closing sale price at the Valuation Time or, if there is no closing sale price, the average between the closing bid and the closing asked price on the day on which the NAV of the First Trust ETF is being determined, all as reported by any report in common use or authorized as official by a recognized stock exchange; provided that if such stock exchange is not open for trading on that date, then on the last previous date on which such stock exchange was open for trading;

(d) the value of any security which is listed on any recognized exchange and is a security of an ETF, shall be determined by the closing sale price at the Valuation Time as reported by any report in common use or authorized as official by a recognized stock exchange; provided that if there is no such price, the value of such security shall be its reported net asset value as at such time;

(e) the value of any security or other asset for which a market quotation is not readily available shall be its fair market value as determined by the Manager;

(f) the value of any security, the resale of which is restricted or limited, shall be the lesser of the value thereof based on reported quotations in common use and that percentage of the market value of securities of the same class, the trading of which is not restricted or limited by reason of any representation, undertaking or agreement or by law, equal to the percentage that the First Trust ETF's acquisition cost was of the market value of such securities at the time of acquisition; provided that a gradual taking into account of the actual value of the securities may be made where the date on which the restriction will be lifted is known;

(g) the value of a forward contract shall be the gain or loss with respect thereto that would be realized if, at the Valuation Time, the position in the forward contract were to be closed out unless daily limits are in effect in which case fair value shall be based on the current market value of the underlying interest;

(h) margin paid or deposited in respect of forward contracts shall be reflected as an account receivable and margin consisting of assets other than cash shall be noted as held as margin;

(i) all First Trust ETF property valued in a foreign currency and all liabilities and obligations of the First Trust ETF payable by the First Trust ETF in foreign currency shall be converted into Canadian funds by applying the rate of exchange obtained from the best available sources to the Manager, including, but not limited to, the Manager or any of its affiliates;

(j) all expenses or liabilities (including fees payable to the Manager) of the First Trust ETF shall be calculated on an accrual basis; and

(k) all other assets of the First Trust ETF will be valued in the manner determined by the Manager or its delegate(s) to reflect their fair market value.

The NAV per Unit of a class is calculated in Canadian dollars in accordance with the rules and policies of the Canadian Securities Administrators or in accordance with any exemption therefrom that the First Trust ETF may obtain. The NAV per Unit of a class determined in accordance with the principles set out above may differ from NAV per Unit of a class determined under IFRS.

Reporting of Net Asset Value

The NAV and NAV per Unit of a class will be calculated at the Valuation Time on each Valuation Date. Such information will be provided by the Manager to Unitholders on the following business day via the internet at www.firsttrust.ca.

ATTRIBUTES OF THE UNITS

Description of the Securities Distributed

Each of the First Trust ETFs is authorized to issue an unlimited number of redeemable, transferable units of an unlimited number of classes, each of which represents an equal, undivided interest in the net assets of that First Trust ETF.

Currently, (a) First Trust Vest U.S. Equity Buffer ETF – August, First Trust Vest U.S. Equity Buffer ETF – November, First Trust Vest U.S. Equity Buffer ETF – February and First Trust Vest U.S. Equity Buffer ETF – May

is offering one class of units designated as "hedged units", (b) First Trust Vest Fund of Buffer ETFs (Canada) ETF is offering one class of units designated as "units" and (c) First Trust SMID Cap Rising Dividend Achievers ETF and First Trust Vest SMID Rising Dividend Achievers Target Income ETF are each offering two classes of units, Hedged Units and units.

On December 16, 2004, the *Trust Beneficiaries' Liability Act, 2004* (Ontario) came into force. This statute provides that holders of units of a trust are not, as beneficiaries, liable for any default, obligation or liability of the trust if, when the default occurs or the liability arises: (i) the trust is a reporting issuer under the *Securities Act* (Ontario); and (ii) the trust is governed by the laws of the Province of Ontario. Each of the First Trust ETFs is a reporting issuer under the *Securities Act* (Ontario) and each First Trust ETF is governed by the laws of the Province of Ontario by virtue of the provisions of the Declaration of Trust.

Certain Provisions of the Units

All Units of a class of a First Trust ETF have equal rights and privileges. Each whole Unit of a class is entitled to one vote at all meetings of Unitholders and is entitled to participate equally with respect to any and all distributions made by a First Trust ETF to Unitholders of that class, including distributions of net income and net realized capital gains and distributions upon the termination of the First Trust ETF. Units are issued only as fully-paid and are non-assessable.

Exchange of Units

On any Trading Day, Unitholders of any Buffer ETF may exchange the Prescribed Number of Units (or an integral multiple thereof) for cash and Unitholders of any SMID ETF may exchange the Prescribed Number of Units (or an integral multiple thereof) for Basket of Securities and cash or, in discretion of the Manager, cash only. See "Redemption and Exchange of Units – Exchange of Units".

Redemption of Units for Cash

On any Trading Day, Unitholders may redeem Units of any First Trust ETF for cash at a redemption price per Unit of a class equal to the lesser of (i) 95% of the closing price for the Units of the class on the Exchange on the effective day of the redemption; and (ii) the NAV per Unit of the class on the effective day of the redemption. See "Redemption and Exchange of Units – Redemption of Units for Cash".

Conversion of Units

Unitholders may convert units into Hedged Units or Hedged Units into units of the same First Trust ETF.

See "Redemption and Exchange of Units – Conversion of Units".

No Voting Rights

Unitholders of a First Trust ETF will not have any right to vote securities held by that First Trust ETF.

Modification of Terms

The rights attached to the Units of a First Trust ETF may only be modified, amended or varied in accordance with the terms of the Declaration of Trust. See "Unitholder Matters – Matters Requiring Unitholder Approval".

UNITHOLDER MATTERS

Meeting of Unitholders

A meeting of the Unitholders of a First Trust ETF may be called at any time by the Manager and shall be called by the Manager upon written request of Unitholders of a First Trust ETF holding in the aggregate not less than 5% of the Units of the First Trust ETF. Except as otherwise required or permitted by law, meetings of Unitholders of a First Trust ETF will be held if called by the Manager upon written notice of not less than 21 days nor more than 50 days before the meeting. At any meeting of Unitholders of a First Trust ETF, a quorum shall consist of two or more Unitholders of the First Trust ETF present in person or by proxy and holding 10% of the Units of the First Trust ETF. If no quorum is present at such meeting, the meeting, if convened upon the request of Unitholders or for the purpose of considering a change in the manager of the First Trust ETF, shall be cancelled, but in any other case, the meeting shall stand adjourned and will be held at the same time and place on the day which is not less than 10 days later. The Manager will give at least three days' notice by press release to Unitholders of the date of the reconvened meeting, and at the reconvened meeting, Unitholders present in person or represented by proxy will constitute a quorum. A separate class vote will be held if a proposal affects holders of Units of one class differently from holders of Units of the other class.

Matters Requiring Unitholder Approval

NI 81-102 requires a meeting of Unitholders of a First Trust ETF to be called to approve certain changes as follows:

(a) the basis of the calculation of a fee or expense that is charged to the First Trust ETF is changed in a way that could result in an increase in charges to the First Trust ETF, except where:

  (i) the First Trust ETF is at arm's length with the person or company charging the fees;

  (ii) the Unitholders have received at least 60 days' notice before the effective date of the change; and

  (iii) the right to notice described in (ii) is disclosed in the prospectus of the First Trust ETF;

(b) a fee or expense is introduced that is to be charged to a First Trust ETF or directly to its Unitholders by the First Trust ETF or the Manager in connection with the holding of Units of the First Trust ETF that could result in an increase in charges to the First Trust ETF or its Unitholders, except where:

  (i) the First Trust ETF is at arm's length with the person or company charging the fees;

  (ii) the Unitholders have received at least 60 days' notice before the effective date of the change; and

  (iii) the right to notice described in (ii) is disclosed in the prospectus of the First Trust ETF;

(c) the Manager is changed, unless the new manager of the First Trust ETF is an affiliate of the Manager;

(d) a fundamental investment objective of the First Trust ETF has changed (including the hedging of the U.S. dollar currency exposure for the Hedged Units, as applicable);

(e) the First Trust ETF decreases the frequency of calculating its NAV per Unit;

(f) the First Trust ETF undertakes a reorganization with, or transfers its assets to, another mutual fund, if the First Trust ETF ceases to continue after the reorganization or transfer of assets and the transaction results in the Unitholders of the First Trust ETF becoming securityholders in the other mutual fund unless:

(i) the IRC of the First Trust ETF has approved the change;

(ii) the First Trust ETF is being reorganized with, or its assets are being transferred to, another mutual fund that is managed by the Manager, or an affiliate of the Manager;

(iii) the Unitholders have received at least 60 days' notice before the effective date of the change;

(iv) the right to notice described in (iii) is disclosed in the prospectus of the First Trust ETF; and

(v) the transaction complies with certain other requirements of applicable Canadian securities legislation;

(g) the First Trust ETF undertakes a reorganization (other than a Permitted Merger as defined below) with, or acquisition of assets of, a mutual fund trust, if

(i) the First Trust ETF continues after the reorganization or acquisition of assets;

(ii) the transaction results in the securityholders of the mutual fund trust becoming Unitholders of the First Trust ETF; and

(iii) the transaction would be a material change to the First Trust ETF;

(h) a reorganization that results in a First Trust ETF becoming a non-redeemable investment fund or an issuer that is not an investment fund; or

(i) any matter which is required by the constating documents of the First Trust ETF or by the laws applicable to the First Trust ETF or by any agreement to be submitted to a vote of the Unitholders of the First Trust ETF.

Approval of the foregoing matters will be deemed to have been given by a resolution passed by at least a majority of the votes cast at a meeting called and held for such purpose. Unitholders are entitled to one vote per whole Unit held on the record date established for voting at any meeting of Unitholders.

A First Trust ETF may, without Unitholders' approval, enter into a merger or other similar transaction that has the effect of combining the First Trust ETF or its assets (a "**Permitted Merger**") with any other investment fund or funds managed by the Manager or an affiliate of the Manager that have investment objectives that are substantially similar to those of the First Trust ETF, subject to:

(a) approval of the merger by the IRC;

(b) compliance with certain merger pre-approval conditions set out in section 5.6 of NI 81-102; and

(c) written notice to Unitholders at least 60 days before the effective date of the merger.

In connection with a Permitted Merger, the merging funds will be valued at their respective net asset values for the purpose of such transaction.

In addition, the auditor of a First Trust ETF may not be changed unless:

(a) the IRC has approved the change; and

(b) Unitholders have received at least 60 days' notice before the effective date of the change.

Amendments to the Declaration of Trust

The Manager may, without the approval of or notice to Unitholders, amend the Declaration of Trust for certain limited purposes specified therein, including to:

(a) remove any conflicts or other inconsistencies which may exist between any terms of the Declaration of Trust and any provisions of any law or regulation applicable to or affecting the First Trust ETF;

(b) make any change or correction in the Declaration of Trust which is of a typographical nature or is required to cure or correct any ambiguity or defective or inconsistent provision, clerical omission, mistake or manifest error contained therein;

(c) bring the Declaration of Trust into conformity with applicable laws, including the rules and policies of Canadian securities regulators or with current practice within the securities or investment fund industries provided that any such amendment does not adversely affect the rights, privileges or interests of Unitholders;

(d) maintain, or permit the Manager to take such steps as may be desirable or necessary to maintain, the status of the First Trust ETF as a "mutual fund trust" and a "unit trust" for the purposes of the Tax Act or to respond to amendments to the Tax Act or to the interpretation or administration thereof; or

(e) provide added protection to Unitholders.

Except for changes to the Declaration of Trust which require the approval of Unitholders or changes described above which do not require approval of or prior notice to Unitholders, the Declaration of Trust may be amended from time to time by the Manager upon not less than 30 days' prior written notice to Unitholders.

Reporting to Unitholders

A First Trust ETF's fiscal year is the calendar year or such other fiscal period permitted under the Tax Act as the First Trust ETF elects. The annual financial statements of a First Trust ETF shall be audited by the First Trust ETF's auditor in accordance with Canadian generally accepted auditing standards. The auditor will be asked to report on the fair presentation of the annual financial statements in accordance with IFRS. The Manager will ensure that the First Trust ETF complies with all applicable reporting and administrative requirements.

The Manager, on behalf of each First Trust ETF, will furnish Unitholders of that First Trust ETF with unaudited interim financial statements, audited annual financial statements, interim MRFPs and the most recently-filed annual MRFPs of that First Trust ETF, in accordance with applicable laws.

Any tax information necessary for Unitholders to prepare their annual federal income tax returns will be distributed to them within 90 days after the end of each financial year of the First Trust ETFs.

The Manager will keep adequate books and records reflecting the activities of the First Trust ETFs. A Unitholder or his or her duly authorized representative has the right to examine the books and records of the applicable First Trust ETF during normal business hours at the registered office of the Manager. Notwithstanding the foregoing, a Unitholder shall not have access to any information that, in the opinion of the Manager, should be kept confidential in the interests of the First Trust ETFs.

TERMINATION OF THE FIRST TRUST ETFS

A First Trust ETF may be terminated by the Manager on at least 60 days' notice to Unitholders of such termination and the Manager will issue a press release in advance thereof.

The Manager may also terminate a SMID ETF in the event that the Index Provider ceases to calculate the Index or the License Agreement is terminated, as described under "Investment Strategies – Termination of the Index or License Agreement".

Upon termination of a First Trust ETF, the cash and other assets remaining after paying or providing for all liabilities and obligations of the First Trust ETF, determined in accordance with the First Trust ETF's valuation policies and procedures, shall be distributed *pro rata* among the Unitholders of the First Trust ETF.

The rights of Unitholders to exchange and redeem Units described under "Redemption and Exchange of Units" will cease as and from the date of termination of the applicable First Trust ETF.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

The Manager will receive fees for its services to the First Trust ETFs. See "Fees and Expenses – Management Fees".

First Trust Capital Partners, LLC, an affiliate of the Manager, owns a 44.3% ownership interest (49.3% voting) in Vest Group Inc., the holding company of Vest Financial LLC, the sub-advisor to the Buffer ETFs and First Trust Vest SMID Rising Dividend Achievers Target Income ETF.

PROXY VOTING DISCLOSURE FOR PORTFOLIO SECURITIES HELD

The Portfolio Advisor has established a proxy voting policy (the "**Proxy Voting Policy**") that provides that the Manager will vote the securities in the Portfolio of a First Trust ETF that holds portfolio securities directly and not indirectly through an Underlying Fund, in the best interests of the Unitholders of the First Trust ETF. The Proxy Voting Policy provides that routine, uncontested matters to be considered at annual general meetings will generally be voted in accordance with management's recommendations. More complex, non-routine matters (i.e. certain issues related to the compensation and liability of directors, amendments to the constating documents of an issuer, share and debt issuances, related party transactions, reorganizations, restructurings, shareholder proposals and proposals relating to corporate social responsibility) will be decided on a case-by-case basis.

The Proxy Voting Policy also provides procedures for dealing with potential conflicts of interest, the delegation of proxy voting services to third party service providers such as Institutional Shareholder Services Canada Corp. and recordkeeping obligations whereby the Manager will maintain records of all votes cast by the First Trust ETFs. The Manager will publish these records on an annual basis on the First Trust ETFs' website at www.firsttrust.ca. A copy of the Proxy Voting Policy is available on request by contacting the Manager at 1-877-622-5552.

In the event that a First Trust ETF invests in portfolio securities indirectly through an Underlying Fund, if a unitholder meeting is called by the Underlying Fund, the Manager will arrange for the securities that the First Trust ETF holds in such Underlying Fund to be voted by the beneficial holders of Units of the First Trust ETF or will not vote the securities of the Underlying Fund, in accordance with and to the extent permitted by applicable Canadian and U.S. securities laws.

MATERIAL CONTRACTS

The following contracts can reasonably be regarded as material to purchasers of Units:

(a) the Declaration of Trust – see "Organization and Management Details – The Trustee, Manager and Promoter – Duties and Services to be Provided by the Trustee, Manager and Promoter";

(b) the Custodian Agreement – see "Organization and Management Details – Custodian and Valuation Agent";

(c) the Portfolio Advisor Agreement – see "Organization and Management Details – The Portfolio Advisor";

(d) the Sub-Advisory Agreement – see "Organization and Management Details – The Sub-Advisor"; and

(e) in respect of the SMID ETFs only, the License Agreement – see "Material Contracts – License Agreement".

Copies of the agreements referred to above may be inspected during business hours at the registered office of the Manager.

License Agreement

The use of the Nasdaq US Small Mid Cap Rising Dividend Achievers™ Index by each of the SMID ETFs and its Underlying Fund is subject to the terms of a license agreement between the Portfolio Advisor and the Index Provider with respect to the Nasdaq US Small Mid Cap Rising Dividend Achievers™ Index dated February 15, 2016, as amended.

The SMID ETFs and the Underlying Fund are not sponsored, endorsed, sold or promoted by Nasdaq, Inc. or its affiliates (the "**Corporations**"). The Corporations have not passed on the legality or suitability of, or the accuracy or adequacy of descriptions and disclosures relating to the SMID ETFs or the Underlying Fund. The Corporations make no representation or warranty, express or implied to the owners of SMID ETFs or the Underlying Fund or any member of the public regarding the advisability of investing in securities generally or in the SMID ETFs or the Underlying Fund particularly, or the ability of the Nasdaq US Small Mid Cap Rising Dividend Achievers™ Index to track general stock market or sector performance. The Corporations' relationship to the Portfolio Advisor and the Manager, with respect to the SMID ETFs and the Underlying Fund, consists of: (i) the licensing of certain indexes, trade names, trademarks, and service marks and other proprietary data; (ii) the listing and trading of certain exchange-traded funds; and (iii) the calculating of intra-day portfolio values for the Units of the SMID ETFs and the Underlying Fund.

The Corporations neither recommend nor endorse any investment in the SMID ETFs or the Underlying Fund based thereon. The Corporations are not responsible for and have not participated in the determination of the timing of, prices at, or quantities of the SMID ETFs and the Underlying Fund to be issued or in the determination or calculation of the equation by which SMID ETFs and the Underlying Fund are to be converted into cash. The Corporations have no liability in connection with the administration, marketing or trading of the SMID ETFs and the Underlying Fund. None of the Nasdaq US Small Mid Cap Rising Dividend Achievers™ Index, the SMID ETFs or the Underlying Fund should be construed as investment advice by the Corporations.

THE CORPORATIONS DO NOT GUARANTEE THE ACCURACY AND/OR UNINTERRUPTED CALCULATION OF THE NASDAQ US SMALL MID CAP RISING DIVIDEND ACHIEVERS™ INDEX OR ANY DATA INCLUDED THEREIN. THE CORPORATIONS MAKE NO WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY LICENSEE, UNITHOLDERS OF THE SMID ETFS AND THE UNDERLYING FUND, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE NASDAQ US SMALL MID CAP RISING DIVIDEND ACHIEVERS™ INDEX OR ANY DATA INCLUDED THEREIN. THE CORPORATIONS MAKE NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE INDEX OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL THE CORPORATIONS HAVE ANY LIABILITY FOR ANY LOST PROFITS OR SPECIAL, INCIDENTAL, PUNITIVE, INDIRECT OR CONSEQUENTIAL DAMAGES, EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

LEGAL AND ADMINISTRATIVE PROCEEDINGS

The First Trust ETFs are not involved in any legal proceedings nor is the Manager aware of existing or pending legal or arbitration proceedings involving any of the First Trust ETFs.

EXPERTS

Osler, Hoskin & Harcourt LLP, legal counsel to the First Trust ETFs and the Manager, has provided certain legal opinions on the principal Canadian federal income tax considerations that apply to an investment in the Units by an individual resident in Canada. See "Income Tax Considerations" and "Eligibility for Investment". As of the date hereof, partners and associates of Osler, Hoskin & Harcourt LLP beneficially owned, directly or indirectly, less than 1% of the outstanding securities of each of the First Trust ETFs.

Deloitte LLP, Chartered Professional Accountants, is the auditor of the First Trust ETFs and has consented to the incorporation by reference of its report on the First Trust ETFs dated March 14, 2025 in this prospectus. The auditor has confirmed that it is independent with respect to the First Trust ETFs within the meaning of the Chartered Professional Accountants of Ontario – CPA Code of Professional Conduct.

EXEMPTIONS AND APPROVALS

Each First Trust ETF has received exemptive relief from the Canadian securities regulatory authorities to permit the following:

(a) the purchase by a Unitholder of a First Trust ETF of more than 20% of the Units of a class of that First Trust ETF through purchases on the Exchange without regard to the take-over bid requirements of Canadian securities legislation;

(b) to relieve the First Trust ETFs from the requirement that a prospectus contain a certificate of the underwriters;

(c) to relieve the First Trust ETFs from the requirement to include in the prospectus a statement respecting purchasers' statutory rights of withdrawal and remedies of rescission as prescribed in item 36.2 of Form 41-101F2 – *Information Required in an Investment Fund Prospectus*; and

(d) in respect of First Trust Vest SMID Rising Dividend Achievers Target Income ETF, to invest more than 10% of its NAV in securities of the Underlying Fund, an actively managed exchange-traded fund domiciled in the United States.

PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase ETF securities within 48 hours after the receipt of a confirmation of a purchase of such securities. In several of the provinces and territories, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation, or for non-delivery of the ETF Facts, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory.

The purchaser should refer to the applicable provisions of the securities legislation of the province or territory for the particulars of these rights or consult with a legal advisor.

DOCUMENTS INCORPORATED BY REFERENCE

Additional information about the First Trust ETFs is or will be available in the following documents:

(a) the most recently-filed comparative annual financial statements of the First Trust ETFs, including where applicable financial statements included in a previously filed prospectus of the First Trust ETFs, together with the accompanying report of the auditor;

(b) any interim financial statements of the First Trust ETFs filed after the most recently-filed comparative annual financial statements of the First Trust ETFs;

(c) the most recently-filed annual MRFP of the First Trust ETFs;

(d) any interim MRFP of the First Trust ETFs filed after that most recently-filed annual MRFP of the First Trust ETFs; and

(e) the most recently filed ETF Facts of the First Trust ETFs.

These documents are or will be incorporated by reference in this prospectus, which means that they legally form part of this prospectus. An investor can get a copy of these documents, when available, upon request and at no cost by calling the Manager at 1-877-622-5552 or by contacting a registered dealer. These documents are or will also be available on the First Trust ETFs' website at www.firsttrust.ca as well as on SEDAR+ at www.sedarplus.ca. In addition, any such types of documents, if filed by the First Trust ETF after the date of this prospectus and before the termination of the distribution of Units, are deemed to be incorporated by reference into this prospectus.

CERTIFICATE OF THE FIRST TRUST ETFs AND THE TRUSTEE, MANAGER AND PROMOTER

Dated: August 15, 2025

This prospectus, together with the documents incorporated herein by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia, New Brunswick, Prince Edward Island, Newfoundland and Labrador, Yukon Territory, Northwest Territories and Nunavut.

FT PORTFOLIOS CANADA CO.,
as Trustee and Manager of the First Trust ETFs

(Signed) *"Andrew Roggensack"*
Andrew Roggensack
Chair (as chief executive officer)

(Signed) *"Susan Johnson"*
Susan Johnson
Chief Financial Officer

On behalf of the Board of Directors of FT Portfolios Canada Co.

(Signed) *"Eric Anderson"*
Eric Anderson
Director

(Signed) *"David McGarel"*
David McGarel
Director

(Signed) *"Andrew Roggensack"*
Andrew Roggensack
Director

FT PORTFOLIOS CANADA CO.,
as Promoter of the First Trust ETFs

(Signed) *"Andrew Roggensack"*
Andrew Roggensack
Chair (as chief executive officer)