

## News Release

**FT PORTFOLIOS CANADA CO.**  
**ANNOUNCES PROPOSAL TO MERGE**  
**FIRST TRUST SHORT DURATION HIGH YIELD BOND ETF (CAD-HEDGED)**  
**INTO FIRST TRUST SENIOR LOAN ETF (CAD-HEDGED)**

**Toronto, September 16, 2019** – FT Portfolios Canada Co. (the “**Manager**”), the manager of First Trust Short Duration High Yield Bond Fund ETF (CAD-Hedged) (“**FSD**”) (TSX:FSD) (TSX:FSD.A) and First Trust Senior Loan ETF (CAD-Hedged) (“**FSL**”) (TSX:FSL) (TSX:FSL.A), is pleased to announce that the board of directors of the Manager has approved a proposal to merge FSD into FSL, another exchange-traded fund managed by the Manager, in order to combine FSD and FSL into one fixed income exchange-traded fund with FSL being the continuing fund (the “**Proposal**”).

The Proposal should provide holders of units in FSD with several benefits, including the following:

- Underlying investment exposure - The investment objectives and investment strategy of FSD and FSL are similar in that both funds are designed to provide a high level of current income with capital appreciation as a secondary objective, however, FSL provides unitholders with investments in senior floating rate loans, that include loans of issuers with strong credit metrics, including strong cash flows and effective management teams. FSL’s emphasis on senior secured loans should provide a measure of additional protection for unitholders of FSD when compared to investments in debt securities that are not secured. The Manager believes that investing in fixed income securities continues to represent an attractive investment opportunity for FSD unitholders.
- Greater liquidity – FSL has a larger asset base than FSD. The merger of FSD and FSL will provide unitholders of FSD with a much larger market capitalization and the secondary market for units of FSL is expected to be more liquid.
- Tax losses – FSL has existing capital losses that will carry forward and continue to be available to the continuing fund, which may benefit all unitholders of the continuing fund.

The Manager has called and will hold a special meeting of unitholders of FSD on October 25, 2019 to consider and vote upon the Proposal. A management information circular (the “**Circular**”) describing the Proposal is being prepared and will be mailed to the unitholders of FSD. The Circular will also be available on SEDAR at [www.sedar.com](http://www.sedar.com) and posted on the Manager’s website at [www.firsttrust.ca](http://www.firsttrust.ca). Implementation of the Proposal is subject to all required regulatory approvals. If approved, the Proposal is expected to be implemented on or about November 4, 2019.

### **About First Trust**

First Trust Canada is the trustee, manager and promoter of the funds. First Trust Canada and its affiliates First Trust Advisors L.P. (“**FTA**”), portfolio advisor to the funds, an Ontario Securities

Commission registered portfolio manager and U.S. Securities and Exchange Commission registered investment advisor, and First Trust Portfolios L.P., a FINRA registered broker-dealer, are privately held companies that provide a variety of investment services. FTA has collective assets under management or supervision of approximately US \$134 billion as of July 31, 2019 through exchange-traded funds, closed-end funds, mutual funds and separate managed accounts.

Further information about FT Portfolios Canada's ETFs can be found at [www.firsttrust.ca](http://www.firsttrust.ca).

For further information: Media Contact: Karl Cheong, FT Portfolios Canada Co., 40 King Street West, Suite 5102, Email: [karlcheong@firsttrust.ca](mailto:karlcheong@firsttrust.ca), 1-877-622-5552.