

Tax Information 2016 Distribution

First Trust Short Duration High Yield Bond ETF (CAD-Hedged) (TSX: FSD) CUSIP 33740L109 (Common Class)

Unitholders will receive a T3 Supplementary slip directly from their broker or intermediary, not from the Transfer Agent, CDS or FT Portfolios Canada Co.

The following schedule outlines the allocation of the 2016 cash distribution, based on record date, for each unit of **FSD**:

Record Date	Payment Date	Total Distribution	Allocation					
			Capital Gain	Eligible Dividend Income	Foreign Income	Foreign Tax Paid	Other Income	Return of Capital
2/29/2016	3/7/2016	\$ 0.1050	-	-	-	-	-	0.1050
3/31/2016	4/7/2016	\$ 0.0909	-	-	-	-	-	0.0909
4/29/2016	5/6/2016	\$ 0.0909	-	-	-	-	-	0.0909
5/31/2016	6/7/2016	\$ 0.0925	-	-	-	-	-	0.0925
6/30/2016	7/8/2016	\$ 0.0925	-	-	-	-	-	0.0925
7/29/2016	8/8/2016	\$ 0.0894	-	-	-	-	-	0.0894
8/31/2016	9/8/2016	\$ 0.0874	-	-	-	-	-	0.0874
9/30/2016	10/7/2016	\$ 0.0874	-	-	-	-	-	0.0874
10/31/2016	11/7/2016	\$ 0.0874	-	-	-	-	-	0.0874
11/30/2016	12/7/2016	\$ 0.0874	-	-	-	-	-	0.0874
12/30/2016	1/9/2017	\$ 0.0874	-	-	-	-	-	0.0874
	TOTAL	\$ 0.9982	-	-	-	-	-	0.9982

The return of capital component of the distribution is a non taxable amount and will reduce the Adjusted Cost Base of the Units.

Please consult your tax advisor for more information on your particular tax situation.

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