



FIRST TRUST PRIVATE ASSETS FUND



Annual Report

March 31, 2023

First Trust Private Assets Fund

Table of Contents

Management Discussion of Fund Performance (Unaudited)	1
Fund Performance (Unaudited)	3
Report of Independent Registered Public Accounting Firm	4
Schedule of Investments	6
Statement of Assets and Liabilities	7
Statement of Operations	8
Statement of Changes in Net Assets	9
Statement of Cash Flows	10
Financial Highlights	11
Notes to Financial Statements	12
Fund Information (Unaudited)	21

This report and the financial statements contained herein are provided for the general information of the shareholders of the First Trust Private Assets Fund (the "Fund"). This report is not authorized for distribution to prospective investors in the Fund unless preceded or accompanied by an effective prospectus.



FIRST TRUST PRIVATE ASSETS FUND MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Executive-Level Overview

We like to preface our Annual Shareholder Letter with an Executive-Level Overview to reinforce our investment process and current mindset in present market conditions. The prior year could be characterized by elevated volatility across both equity and credit markets, largely driven from significant and consecutive interest rate hikes from the Federal Reserve (the “Fed”). We continue to be cognizant of the current headline risks that have kept many investors cautious and continue to consider our investment decisions and portfolio management framework in this context. Despite the surface-level recovery observed across most public risk markets in early 2023, many fundamental themes and developments continue to play out under the veil of strong headline performance. As the direct and indirect implications of these themes on both public and private markets become more apparent, investors must constantly reassess these forces and the impact on their portfolios. In periods of such significant volatility, both to the upside and downside, it becomes inherently more difficult for investors to position portfolios and adjust to new data. In our view, these market environments result in a host of investment implications which tend to manifest themselves in reduced deal volumes, investor base turnover, and pronounced shifts in investor biases.

While we actively consider and monitor many of those macro-level risks and their effects on global capital markets, we remain steadfast in our effort to help investors build durable portfolios that we believe provide a high probability of generating positive absolute performance regardless of the broader market environment and throughout various market cycles over the long term. We remain confident in this approach as one that should result in stronger risk-adjusted returns for investors through market cycles.

This year we are particularly proud to have expanded our registered product lineup to bring more differentiated offerings to investors in a variety of structures that leverage the First Trust Alternative Investment Research team. We work to bring solutions to the marketplace that offer convenient access to the illiquidity premium observed in many alternative investment markets that will help more investors achieve better outcomes and meet their financial goals.

As is customary in our Annual Shareholder Letter, we will review what we believe to be the important drivers of performance and opportunity in the Fund for the past fiscal year period.

First Trust Private Assets Fund

Given the Fund inception January 3, 2023, performance for 1-year and prior periods is not available. For the 3-month period ended March 31, 2023, the Fund posted a positive return of +3.50% compared to the Bloomberg U.S. Aggregate Bond Index and the S&P 500 Index, which returned +2.96% and +7.50%, respectively, over that same period. The Fund’s performance is not predicated on public markets, and it is expected that future returns will not directly reflect or track performance across broader public markets. A lack of deal volume and a challenging valuation environment has challenged the Fund’s early and mid-stage growth companies particularly in the technology sector. Several of our portfolio companies were proactive in marking down investments in response to the current capital raising environment and headwinds in the economy. Overall, we are pleased with the fundamental progress observed across the underlying managers of the private investment funds in the Fund and remain confident in their ability to continue deploying capital into high-quality companies that should be positioned well to perform across market cycles.



As we have continued to see a rise in interest rates, we have also recently seen an uptick in investor activity which, to us, signals that investors are assessing the possibility of, and the potential duration of, a higher-for-longer interest rate regime. The most direct impact of this shift in expectations has been investors and allocators pressing “pause” on current activity within both venture capital and growth equity to reassess their mandates and deployment expectations to align with this new environment. As company management teams come to the realization that capital markets may be more difficult to access for a longer period of time, we have begun to see an uptick in bespoke investment opportunities being driven by management teams course correcting and dealing with the impact of past business decisions that were made in a decidedly different market environment. Recent deal flow across the venture capital and growth equity markets has been largely bifurcated between weak companies needing to raise capital out of necessity, and strong companies choosing to raise capital to pursue strategic growth opportunities in a less competitive operating environment.

Having said that, the fund managers that we invest with across the private equity market within the Fund have maintained a disciplined approach to capital deployment, electing to continue to invest and align with the strong companies in the market, rather than investing in weaker companies that are offering more favorable deal structures/terms. We are pleased to see our fund managers take this approach from a relative value perspective and view it as the most prudent way to deploy capital into an uncertain and rapidly evolving market environment. Our firm maintains high conviction in the opportunity set that continues to unfold and believe that our underlying fund managers within the Fund are well-positioned with the correct sourcing channels, diligence processes, and disciplined approach to capital deployment as they navigate this current environment.

Looking ahead, we maintain a positive outlook on our exposures across venture capital and growth equity and believe the Fund is well positioned with legacy investments that are in their harvest periods, and the Fund’s ability to deploy new capital as the Fund scales. We believe the Fund is well positioned to capitalize on what we believe should be a rewarding opportunity set moving forward.

As always, we thank you for your continued support and intend to work hard to maintain it. We truly appreciate your trust and confidence in First Trust Capital Management.

Kind Regards,

A handwritten signature in black ink, appearing to read "M. D. Peck".

Michael D. Peck, CFA

Chief Executive Officer, Co-Chief Investment Officer
mpeck@firsttrustcapital.com

A handwritten signature in black ink, appearing to read "B. R. Murphy".

Brian R. Murphy

Co-Chief Investment Officer
bmurphy@firsttrustcapital.com

First Trust Private Assets Fund
FUND PERFORMANCE
March 31, 2023 (Unaudited)

Performance of a \$25,000 Investment



This graph compares a hypothetical \$25,000 investment in the Fund, made at its inception, with a similar investment in the S&P 500 Index. Results include the reinvestment of all dividends and capital gains.

The S&P 500 Index is widely regarded as the best single gauge of the large cap U.S. equities market. This world-renowned Index includes 500 leading companies in leading industries of the U.S. economy. The index does not reflect expenses, fees or sales charge, which would lower performance. The index is unmanaged and is not available for investment.

Average Annual Total Returns as of March 31, 2023	Since Inception
First Trust Private Assets Fund (Inception Date January 3, 2023)	3.50%
The S&P 500 Index	7.50%

The performance data quoted here represents past performance and past performance is not a guarantee of future results. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance information quoted. The most recent quarter end performance may be obtained by calling 1 (877) 779-1999.

Fund performance is shown net of fees. For the Fund's current expense ratios, please refer to the Financial Highlights Section of this report. Performance results include the effect of expense reduction arrangements for some, or all the periods shown. If those arrangements had not been in place, the performance results for those periods would have been lower.

Returns reflect the reinvestment of distributions made by the Fund, if any. The graph and the performance table above do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Trustees and Shareholders
First Trust Private Assets Fund

Opinion on the financial statements

We have audited the accompanying statement of assets and liabilities of First Trust Private Assets Fund (the “Fund”), including the schedule of investments, as of March 31, 2023, the related statements of operations, changes in net assets, and cash flows and financial highlights for the period from January 3, 2023 (commencement of operations) through March 31, 2023, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of March 31, 2023, and the results of its operations, the changes in net assets and its cash flows and financial highlights, for the period from January 3, 2023 (commencement of operations) through March 31, 2023, in conformity with accounting principles generally accepted in the United States of America.

Basis for opinion

These financial statements are the responsibility of the Fund’s management. Our responsibility is to express an opinion on the Fund’s financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB. We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Fund is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Fund’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of March 31, 2023, by correspondence with the custodians, underlying fund managers and brokers, or by other appropriate auditing procedures where replies from brokers were not received. Our audit also included

evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

/s/ GRANT THORNTON LLP

We have served as the auditor of one or more of First Trust Capital Management L.P.'s investment companies since 2016.

Chicago, Illinois
May 30, 2023

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First Trust Private Assets Fund
SCHEDULE OF INVESTMENTS
March 31, 2023

Investment Funds (95.88%)	Redemptions Frequency	Redemption Notice Period	Cost	Fair Value	Initial Acquisition Date
137 Holdings SXVII, LLC ^{a,b}	Not permitted	N/A	\$ 20,530	\$ 20,530	4/1/2022
137 Opportunity Fund, LP ^{a,b}	Not permitted	N/A	281,686	281,686	4/1/2022
Fund C-1, A Series of Riot Ventures Opportunity Fund, L.P. ^{a,b}	Not permitted	N/A	36,879	36,879	4/1/2022
Hedosophia Partners III L.P. ^{a,b}	Not permitted	N/A	352,308	352,308	4/1/2022
Hedosophia Partners V L.P. ^{a,b}	Not permitted	N/A	211,826	204,458	4/1/2022
Hedosophia Partners V Parallel L.P. ^{a,b}	Not permitted	N/A	90,431	90,431	4/1/2022
HS Investments EU21 ^{a,b}	Not permitted	N/A	35,898	36,348	4/1/2022
HS Investments IV M L.P. ^{a,b}	Not permitted	N/A	358,678	363,180	3/25/2022
Point 72 Hyperscale, L.P. ^{a,b,c}	Not permitted	N/A	80,962	80,962	4/1/2022
Quiet ML L.P. ^{a,b}	Not permitted	N/A	28,560	28,560	4/1/2022
Quiet Venture II, L.P. ^{a,b}	Not permitted	N/A	275,651	275,651	4/1/2022
RA Capital Nexus Fund II, LP ^{a,b}	Not permitted	N/A	236,000	236,000	4/1/2022
RA Capital Nexus Fund III, LP ^{a,b}	Not permitted	N/A	82,127	82,127	4/1/2022
RA Capital Nexus Fund, LP ^{a,b}	Not permitted	N/A	1,147,026	1,147,026	4/1/2022
Seer Capital Partners Fund LP ^{a,b}	Not permitted	N/A	142,560	144,238	4/1/2022
Total Investment Funds (cost \$3,381,122) (95.88%)			3,381,122	3,380,384	
Total Investments (cost \$3,381,122) (95.88%)				\$3,380,384	
Other assets less liabilities (4.12%)				145,161	
Net Assets – 100.00%				\$3,525,545	

^a Non-income producing.

^b Investment Funds are issued in private placement transactions and as such are restricted as to resale.

^c Held in FT INVESTMENTS SUB I LLC. (See Note 2 in the “Notes to Consolidated Financial Statements” section for more information on this entity).

The accompanying notes are an integral part of these Financial Statements.

First Trust Private Assets Fund
STATEMENT OF ASSETS AND LIABILITIES
March 31, 2023

Assets

Investments at fair value (cost \$3,381,122)	\$3,380,384
Cash	372,327
Prepaid assets	3,500
Receivables:	
Due from Adviser	101,733
Distributions	7,301
Total Assets	<u>3,865,245</u>

Liabilities

Due to custodian	171,559
Legal fees	80,000
Auditing fees	65,000
Accounting and administration fees	14,888
Chief Compliance Officer fees	4,150
Service Fees	2,140
Insurance fees	1,200
Custody fees	763
Total Liabilities	<u>339,700</u>

Net Assets	<u><u>\$3,525,545</u></u>
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Net Assets consists of:

Paid-in capital	\$3,536,535
Total distributable earnings	<u>(10,990)</u>
Net Assets	<u><u>\$3,525,545</u></u>
Number of Shares Outstanding	340,477
Net Asset Value per Share	<u><u>\$ 10.35</u></u>

The accompanying notes are an integral part of these Financial Statements.

First Trust Private Assets Fund
STATEMENT OF OPERATIONS
For the Period January 3, 2023 (commencement of operations) to March 31, 2023

Investment Income	
Interest	\$ 4,983
Total Investment Income	<u>4,983</u>
Expenses	
Legal fees	80,000
Auditing fees	15,000
Trustees' fees	11,500
Investment management fee	6,420
Chief Compliance Officer fees	4,150
Service Fee	2,140
Other expenses	1,391
Insurance fees	1,200
Accounting and administration fees	976
Custody fees	<u>348</u>
Total expenses	123,125
Investment management fees waived	<u>(6,420)</u>
Other expenses absorbed	<u>(101,733)</u>
Net Expenses	<u>14,972</u>
Net Investment Loss	<u>(9,989)</u>
Realized and Unrealized Gain on Investments	
Net realized gain(loss) from investments	(263)
Net change in unrealized appreciation/depreciation on investments	<u>(738)</u>
Net Realized and Unrealized Gain on Investments	<u>(1,001)</u>
Net Decrease in Net Assets from Operations	<u>\$ (10,990)</u>

The accompanying notes are an integral part of these Financial Statements.

First Trust Private Assets Fund
STATEMENTS OF CHANGES IN NET ASSETS

	<u>For the Period January 1, 2023* Through March 31, 2023</u>
Operations	
Net investment loss	\$ (9,989)
Net realized loss on investments	(263)
Net change in unrealized appreciation/depreciation on investments	<u>(738)</u>
Net change in net assets from operations	(10,990)
Capital Share Transactions	
Sale of fund shares	3,436,535
Net change in net assets from capital transactions	3,436,535
Total Increase	3,525,545
Net Assets	
Beginning of period	<u>100,000</u>
End of period	<u><u>\$3,525,545</u></u>

* Commencement of operations.

The accompanying notes are an integral part of these Financial Statements.

First Trust Private Assets Fund
STATEMENT OF CASH FLOWS
For the Period January 3, 2023 (commencement of operations) to March 31, 2023

CASH FLOWS FROM OPERATING ACTIVITIES

Net Decrease in net assets from Operations	\$ (10,990)
Adjustments to reconcile Net Decrease in net assets from Operations to net cash used in operating activities:	
Net realized loss from investments	263
Net change in unrealized appreciation/depreciation on investments	738
Purchases of Investment Funds	(158,125)
Proceeds from Investment Funds sold	—
Transfer of Investment Funds	(3,230,561)
Changes in operating assets and liabilities:	
Increase in due from adviser	(101,733)
Increase in prepaid assets	(3,500)
Increase in professional fees	145,000
Increase in due to custodian	171,559
Increase in accounting and administration fees	14,888
Increase in custody fees	763
Increase in service fees	2,140
Increase in Chief Compliance Officer fees	4,150
Increase in insurance fees	1,200
Net Cash Used in Operating Activities	<u><u>(3,164,208)</u></u>

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from sale of fund shares, including sale of fund shares received in advance	3,436,535
Net Cash Provided by Financing Activities	<u><u>3,436,535</u></u>
Net change in cash	272,327
Cash at beginning of period	100,000
Cash at end of period	<u><u>\$ 372,327</u></u>

The accompanying notes are an integral part of these Financial Statements.

First Trust Private Assets Fund
FINANCIAL HIGHLIGHTS

Per share operating performance.
For a capital share outstanding throughout each period.

	For the Period January 3, 2023* Through March 31, 2023
Net Asset Value, Beginning of Period	\$ 10.00
Income from investment operations:	
Net investment loss ¹	(0.03)
Net realized and unrealized gain on investments	0.38
Total from investment operations:	<u>0.35</u>
Net Asset Value, End of Period	<u>\$ 10.35</u>
Total Return ²	3.50% ⁴
Net Assets, end of period (in thousands)	\$ 3,526
Net investment loss to average net assets ⁶	(1.18)% ⁵
Ratio of gross expenses to average net assets ^{3,6}	14.49% ⁵
Ratio of expense waiver to average net assets ⁶	(12.73)% ⁵
Ratio of net expenses to average net assets ⁶	1.76% ⁵
Portfolio Turnover	0.22% ⁴

* Commencement of operations.

¹ Based on average shares outstanding for the period.

² Total Return based on net assets is the combination of changes in net assets and reinvested dividend income in net assets, if any. Total Return does not reflect the impact of any applicable sales charges.

³ Represents the ratio of expenses to average net assets absent fee waivers and/or expense reimbursement by the Investment Adviser.

⁴ Not annualized.

⁵ Annualized.

⁶ The ratios do not include income/expenses of underlying investment funds.

The accompanying notes are an integral part of these Financial Statements.

Note 1 — Organization

First Trust Private Assets Fund (the “Fund”), is a Delaware statutory trust registered under the Investment Company Act of 1940, as amended (the “Investment Company Act”), as a non-diversified, closed-end management investment company. The Fund was organized as a Delaware trust on February 14, 2022. Simultaneous with the commencement of the Fund’s operations on January 3, 2023 (“Commencement of Operations”), a private fund managed by First Trust Capital Management L.P. (the “Investment Adviser”), FT Investments I LLC (the “Predecessor Fund”), reorganized with and transferred substantially all its portfolio securities into the Fund. The Predecessor Fund was a private fund that maintained an investment objective, strategies and investment policies, guidelines and restrictions that were, in all material respects, equivalent to those of the Fund. The Fund and the Predecessor Fund share the same investment adviser and portfolio managers. The Investment Adviser is registered with the Securities and Exchange Commission (the “SEC”) under the Investment Advisers Act of 1940, as amended. The Fund has elected to be treated as a regulated investment company under the Internal Revenue Code of 1986, as amended (the “Code”). The Fund currently offers shares of beneficial interest of the Fund (the “Shares”), which will generally be offered as of the first business day of each calendar quarter.

The Fund’s investment objective is to generate capital appreciation over the medium- and long-term through investments in private assets globally. The Fund seeks to achieve its objective by investing at least 80% of its net assets (plus the amount of any borrowings for investment purposes) in private assets. For purposes of this policy, private assets include direct investments in the equity or debt of a company; investments in general or limited partnerships, funds, corporations, trusts, closed-end private funds (including, without limitation, funds-of-funds) or other investment vehicles that are managed by independent investment advisers; secondary investments and co-investment vehicles (collectively, “Investment Funds”). The Fund’s investments will include direct investments in equity or debt alongside private equity funds and firms.

The Fund is an investment company and accordingly follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board (FASB) Accounting Standard Codification Topic 946 “Financial Services — Investment Companies.”

Note 2 — Accounting Policies

The following is a summary of the significant accounting policies consistently followed by the Fund in the preparation of its financial statements. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (“GAAP”) requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from these estimates.

(a) Basis of Consolidation

The consolidated financial statements include the financial position and the results of operations of the Fund and its wholly owned subsidiary, FT Investment Sub I, LLC, a Delaware limited liability company. The subsidiary has the same investment objective as the Fund. As of March 31, 2023, one investment fund was held by the wholly owned subsidiary.

(b) Valuation of Investments

UMB Fund Services, Inc., the Fund’s administrator, calculates the Fund’s net asset value (“NAV”) as of the close of business on the last business day of each quarter and at such other times as the Board of Trustees (the “Board”) may determine, including in connection with repurchases of Shares, in accordance with the procedures described below or as may be determined from time to time in accordance with policies established by the Board (each, a “Determination Date”).

First Trust Private Assets Fund
NOTES TO FINANCIAL STATEMENTS — Continued
March 31, 2023

For purposes of calculating NAV, portfolio securities and other assets for which market quotations are readily available are valued at market value. A market quotation is readily available only when that quotation is a quoted price (unadjusted) in active markets for identical investments that the Fund can access at the measurement date, provided that a quotation will not be readily available if it is not reliable.

Investments for which market quotations are not readily available are valued at fair value as determined in good faith pursuant to Rule 2a-5 under the Act. As a general principle, the fair value of a security or other asset is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Pursuant to Rule 2a-5, the Board has designated the Investment Adviser as the valuation designee (“Valuation Designee”) for the Fund to perform in good faith the fair value determination relating to all Fund investments, under the Board’s oversight. The Investment Manager carries out its designated responsibilities as Valuation Designee through its Valuation Committee. The fair values of one or more assets may not be the prices at which those assets are ultimately sold and the differences may be significant.

The Valuation Designee may value Fund portfolio securities for which market quotations are not readily available and other Fund assets utilizing inputs from pricing services, quotation reporting systems, valuation agents and other third-party sources.

As a general matter, the fair value of the Fund’s interest in a private Investment Fund will represent the amount that the Fund could reasonably expect to receive from the private Investment Fund if the Fund’s interest was redeemed at the time of valuation, based on information reasonably available at the time the valuation is made and that Valuation Designee believes to be reliable. The Valuation Designee will determine the fair value of such private Investment Fund based on the most recent final or estimated value reported by the private Investment Fund, as well as any other relevant information available at the time the Valuation Designee values the portfolio. Using the nomenclature of the hedge fund industry, any values reported as “estimated” or “final” values are expected to reasonably reflect market values of securities when available or fair value as of the Fund’s valuation date. A substantial amount of time may elapse between the occurrence of an event necessitating the pricing of Fund assets and the receipt of valuation information from the underlying manager of a private Investment Fund.

The Valuation Designee will consider whether it is appropriate, in light of all relevant circumstances, to value such interests at the NAV as reported by the underlying manager at the time of valuation, or whether to adjust such value to reflect a premium or discount to NAV. In accordance with U.S. generally accepted accounting principles and industry practice, the Fund may not always apply a discount in cases where there is no contemporaneous redemption activity in a particular Underlying Fund. In other cases, as when an Underlying Fund imposes extraordinary restrictions on redemptions, when other extraordinary circumstances exist, or when there have been no recent transactions in Underlying Fund interests, the Fund may determine that it is appropriate to apply a discount to the NAV of the Underlying Fund. Any such decision will be made in good faith by the Valuation Designee, under oversight by the Board.

Where deemed appropriate by the Valuation Designee and consistent with the Investment Company Act, investments in Investment Funds may be valued at cost. Cost will be used only when cost is determined to best approximate the fair value of the particular security under consideration.

Debt securities will generally be valued using a third-party pricing system, agent, or dealer selected by the Valuation Designee, which may include the use of valuations furnished by a pricing service that employs a matrix to determine valuations for normal institutional size trading units. Debt securities with remaining maturities of 60 days or less, absent unusual circumstances, will be valued at amortized cost, so long as such valuations are determined by the Valuation Designee to represent fair value.

Assets and liabilities initially expressed in foreign currencies will be converted into U.S. dollars using foreign exchange rates provided by a pricing service. Trading in foreign securities generally is

First Trust Private Assets Fund
NOTES TO FINANCIAL STATEMENTS — Continued
March 31, 2023

completed, and the values of such securities are determined, prior to the close of securities markets in the United States. Foreign exchange rates are also determined prior to such close. On occasion, the values of securities and exchange rates may be affected by events occurring between the time as of which determination of such values or exchange rates are made and the time as of which the NAV of the Fund is determined. When such events materially affect the values of securities held by the Fund or its liabilities, such securities and liabilities will be valued at fair value as determined in good faith by the Valuation Designee.

Investors should be aware that situations involving uncertainties as to the value of portfolio positions could have an adverse effect on the Fund's net assets if the judgments of the Valuation Designee (in reliance on the Underlying Funds and/or their administrators) regarding appropriate valuations should prove incorrect. First Trust Portfolios L.P. (the "Distributor") is under no duty to verify any valuations of the Fund's investments.

(c) Investment Transactions

Interest income is recorded on an accrual basis. Investment transactions are accounted for on a trade date basis. The Fund determines the gain or loss realized from the investment transactions by comparing the net sale proceeds with the weighted average cost of the investment.

(d) Fund Expenses

The Fund pays all of its expenses or reimburses the Investment Adviser or its affiliates to the extent they have previously paid such expenses on behalf of the Fund. The expenses of the Fund include, but are not limited to, any fees and expenses in connection with the offering and issuance of Shares; all fees and expenses reasonably incurred in connection with the operation of the Fund; all fees and expenses directly related to portfolio transactions and positions for the Fund's account such as direct and indirect expenses associated with the Fund's investments, and enforcing the Fund's rights in respect of such investments; quotation or valuation expenses; the Investment Management Fee, the Incentive Fee and the Administration Fee; Shareholder Servicing Fee; brokerage commissions; interest and fees on any borrowings by the Fund; professional fees; research expenses (including, without limitation, expenses of consultants who perform fund adviser due diligence research); fees and expenses of outside legal counsel (including fees and expenses associated with the review of documentation for prospective investments by the Fund), including foreign legal counsel; accounting, auditing and tax preparation expenses; fees and expenses in connection with repurchase offers and any repurchases or redemptions of Shares; taxes and governmental fees (including tax preparation fees); fees and expenses of any custodian, sub-custodian, transfer agent, and registrar, and any other agent of the Fund; all costs and charges for equipment or services used in communicating information regarding the Fund's transactions with any custodian or other agent engaged by the Fund; bank services fees; costs and expenses relating to any amendment of the Agreement and Declaration of Trust or other organizational documents of the Fund; expenses of preparing, amending, printing, and distributing the Prospectus and any other sales material (and any supplements or amendments thereto), reports, notices, other communications to Shareholders, and proxy materials; expenses of preparing, printing, and filing reports and other documents with government agencies; expenses of Shareholders' meetings, including the solicitation of proxies in connection therewith; expenses of corporate data processing and related services; shareholder recordkeeping and account services, fees, and disbursements; expenses relating to investor and public relations; fees and expenses of the members of the Board who are not employees of the Investment Adviser or its affiliates; insurance premiums; Extraordinary Expenses (as defined below); and all costs and expenses incurred as a result of dissolution, winding-up and termination of the Fund.

(e) Federal Income Taxes

The Fund intends to comply with the requirements of Subchapter M of the Code applicable to regulated investment companies and to distribute substantially all of its net investment income and any

First Trust Private Assets Fund
NOTES TO FINANCIAL STATEMENTS — Continued
March 31, 2023

net realized gains to its shareholders. Therefore, no provision is made for federal income or excise taxes. Due to the timing of dividend distributions and the differences in accounting for income and realized gains and losses for financial statement and federal income tax purposes, the fiscal year in which amounts are distributed may differ from the year in which the income and realized gains and losses are recorded by the Fund. For financial reporting purposes, dividends and distributions to Shareholders are recorded on the ex-date.

The Fund and its subsidiary have adopted a tax year end of September 30. The Fund files tax returns as prescribed by the tax laws of the jurisdictions in which it operates. In the normal course of business, the Fund is subject to examination by U.S. federal, state, local and foreign jurisdictions, where applicable. As of March 31, 2023, the Fund has not filed any tax returns but is subject to examination by the major tax jurisdictions under the statute of limitations.

Accounting for Uncertainty in Income Taxes (the “Income Tax Statement”) requires an evaluation of tax positions taken (or expected to be taken) in the course of preparing a Fund’s tax returns to determine whether these positions meet a “more-likely-than-not” standard that, based on the technical merits, have a more than fifty percent likelihood of being sustained by a taxing authority upon examination. A tax position that meets the “more-likely-than-not” recognition threshold is measured to determine the amount of benefit to recognize in the financial statements. The Fund recognizes interest and penalties, if any, related to unrecognized tax benefits as income tax expense in the Statement of Operations.

The Income Tax Statement requires management of the Fund to analyze tax positions taken in the prior three open tax years, if any, and tax positions expected to be taken in the Fund’s current tax year, as defined by the Internal Revenue Service statute of limitations for all major jurisdictions, including federal tax authorities and certain state tax authorities. For the period from the commencement of the Fund’s operations on January 3, 2023 through March 31, 2023, the Fund did not have a liability for any unrecognized tax benefits. The Fund has no examination in progress and is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months.

(f) Distributions to Shareholders

Distributions will be paid at least annually on the Shares in amounts representing substantially all of the net investment income and net capital gains, if any, earned each year. The amount and timing of distributions are determined in accordance with federal income tax regulations, which may differ from GAAP. The character of distributions made during the year from net investment income or net realized gains may differ from the characterization for federal income tax purposes due to differences in the recognition of income expense and gain (loss) items for financial statement and tax purposes. For financial reporting purposes, dividends and distributions to Shareholders are recorded on the ex-date.

Note 3 — Investment Advisory and Other Agreements and Activity with Affiliates

The Fund has entered into an investment management agreement (the “Agreement”) with the Investment Adviser, and in consideration of the advisory and other services provided by the Investment Adviser to the Fund, the Investment Adviser is entitled to a fee from the Fund consisting of two components — a base management fee (the “Investment Management Fee”) and an incentive fee (the “Incentive Fee”). Pursuant to the Investment Management Agreement, the Fund pays the Investment Adviser a quarterly Investment Management Fee equal to 0.75% on an annualized basis of the Fund’s NAV as of each quarter-end, subject to certain adjustments.

The Incentive Fee is calculated and payable quarterly in arrears based upon the Fund’s net profits for the immediately preceding quarter, and is subject to a hurdle rate, expressed as a rate of return on the Fund’s net assets equal to 1.75% per quarter (or an annualized hurdle rate of 7.00%). The Incentive Fee is equal to 3.75% per quarter (or an annualized rate of 15.00%) of the excess, if any, of (i) the net

First Trust Private Assets Fund
NOTES TO FINANCIAL STATEMENTS — Continued
March 31, 2023

profits of the Fund for the relevant period over (ii) the then balance, if any, of the Loss Recovery Account (defined below). For the purposes of the Incentive Fee, the term “net profits” means the amount by which the NAV of the Fund on the last day of the relevant period exceeds the NAV of the Fund as of the commencement of the same period, including any net change in unrealized appreciation or depreciation of investments and realized income and gains or losses and expenses (which, for this purpose shall not include any distribution and/or shareholder servicing fees, litigation, any extraordinary expenses or Incentive Fee).

The Investment Adviser has entered into an expense limitation and reimbursement agreement (the “Expense Limitation and Reimbursement Agreement”) with the Fund, whereby the Investment Adviser has agreed to waive fees that it would otherwise have been paid, and/or to assume expenses of the Fund (a “Waiver”), in the amount necessary to ensure that total annual expenses (excluding any taxes, leverage interest, brokerage commissions, dividend and interest expenses on short sales, acquired fund fees and expenses (as determined in accordance with SEC Form N-2), expenses incurred in connection with any merger or reorganization, and extraordinary expenses, (such as litigation expenses) do not exceed 1.50% of the average daily net assets of the Fund (the “Expense Limit”) for an initial term of one year from January 3, 2023, the date of the Fund’s prospectus (“Initial Term”). The Expense Limitation and Reimbursement Agreement may not be terminated during the Initial Term by the Fund or the Investment Adviser. After the Initial Term, the Expense Limitation and Reimbursement Agreement may be terminated before that date by the Fund or the Investment Adviser upon 30 days’ written notice. Unless it is terminated, the Expense Limitation and Reimbursement Agreement automatically renews from year to year. Because taxes, leverage interest, brokerage commissions, dividend and interest expenses on short sales, acquired fund fees and expenses, expenses incurred in connection with any merger or reorganization, and extraordinary expenses are excluded from the Expense Limit, Total Annual Expenses (after fee waivers and expense reimbursements) are expected to exceed 1.50% for the Fund. For a period not to exceed three years from the date on which a Waiver is made, the Investment Adviser may recoup amounts waived or assumed, provided it is able to effect such recoupment and remain in compliance with the expense limitation in effect at the time of the Waiver and the expense limitation at the time of the recoupment.

For the period from the commencement of the Fund’s operations on January 3, 2023 through March 31, 2023, the Adviser has waived \$6,420 in advisory fees and absorbed \$101,733 in other expenses. For a period not to exceed three years from the date on which advisory fees are waived or Fund expenses absorbed by the Investment Adviser, the Investment Adviser may recoup amounts waived or absorbed, provided it is able to effect such recoupment and remain in compliance with (a) the limitation on Fund expenses in effect at the time of the relevant reduction in advisory fees or payment of the Fund’s expenses, and (b) the limitation on Fund expenses at the time of the recoupment. At March 31, 2023, the amount of these potentially recoverable expenses was \$108,153. The Adviser may recapture all or a portion of this amount no later than March 31, 2026.

The Fund is relying on an exemptive order from the SEC and has adopted a shareholder service plan with respect to its Shares in compliance with Rule 12b- 1 under the Investment Company Act. The shareholder services plan allows the Fund to pay shareholder servicing fees for the servicing of its Shares. Under the shareholder service plan, the Fund will be permitted to pay a Shareholder Servicing Fee up to 0.25% on an annualized basis of the net assets (collectively, the “Shareholder Servicing Fee”) to the Fund’s distributor and/or other qualified recipients. The Fund or the distributor may pay all or a portion of these fees to any registered securities dealer, financial institution or any other person who provides certain shareholder services, pursuant to a written agreement. The Shareholder Servicing Fee is paid out of the Fund’s assets attributable to the Shares and decreases the net profits or increases the net losses of such Shares.

First Trust Portfolios L.P., an affiliate of the Investment Adviser, currently serves as the Fund’s distributor. UMB Fund Services, Inc. (“UMBFS”) serves as the Fund’s fund accountant, transfer agent and administrator; and UMB Bank, n.a., an affiliate of UMBFS, serves as the Fund’s custodian.

First Trust Private Assets Fund
NOTES TO FINANCIAL STATEMENTS — Continued
March 31, 2023

A trustee and certain officers of the Fund are employees of UMBFS. The Fund does not compensate trustees and officers affiliated with the Fund's administrator. For the period from the commencement of the Fund's operations on January 3, 2023 through March 31, 2023, the Fund's allocated fees incurred for trustees are reported on the Statement of Operations.

Vigilant Compliance, LLC provides Chief Compliance Officer ("CCO") services to the Fund. The Fund's allocated fees incurred for CCO services for the period from the commencement of the Fund's operations on January 3, 2023 through March 31, 2023 are reported on the Statement of Operations.

Note 4 — Federal Income Taxes

The Fund has elected to be treated and intends to qualify as a regulated investment company (a "RIC") for federal income tax purposes. As a RIC, the Fund will generally not be subject to federal corporate income tax, provided that when it is a RIC, it distributes out all of its income and gains each year.

At March 31, 2023, the Fund has not yet completed its tax year.

Note 5 — Investment Transactions

For the period from the commencement of the Fund's operations on January 3, 2023 through March 31, 2023, purchases and sales of investments, excluding short-term investments, were \$158,125 and \$7,301, respectively.

Note 6 — Indemnifications

In the normal course of business, the Fund enters into contracts that contain a variety of representations, which provide general indemnifications. The Fund's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Fund that have not yet occurred. However, the Fund expects the risk of loss to be remote.

Note 7 — Repurchase of Shares

Beginning on or about January 1, 2024 (or such other or later date as the Board may determine), and at the sole discretion of the Board and provided that it is in the best interests of the Fund and Shareholders to do so, the Fund intends to provide a limited degree of liquidity to the Shareholders by conducting repurchase offers generally quarterly with a Valuation Date (as defined below) on or about March 31, June 30, September 30 and December 31 of each year. In each repurchase offer, the Fund may offer to repurchase its Shares at their NAV as determined as of approximately March 31, June 30, September 30 and December 31, of each year, as applicable (each, a "Valuation Date"). Each repurchase offer ordinarily will be limited to the repurchase of approximately 5% of the Shares outstanding, but if the value of Shares tendered for repurchase exceeds the value the Fund intended to repurchase, the Fund may determine to repurchase less than the full number of Shares tendered. In such event, Shareholders will have their Shares repurchased on a pro-rata basis, and tendering Shareholders will not have all of their tendered Shares repurchased by the Fund. Shareholders tendering Shares for repurchase will be asked to give written notice of their intent to do so by the date specified in the notice describing the terms of the applicable repurchase offer. In determining whether the Fund should offer to repurchase Shares from Shareholders of the Fund pursuant to repurchase requests, the Board may consider, among other things, the recommendation of the Investment Adviser as well as a variety of other operational, business and economic factors. For the period from the commencement of the Fund's operations on January 3, 2023 through March 31, 2023, the Fund did not have any repurchase offers.

Note 8 — Fair Value Measurements and Disclosure

Fair Value Measurements and Disclosures defines fair value, establishes a framework for measuring fair value in accordance with GAAP, and expands disclosure about fair value measurements. It also

First Trust Private Assets Fund
NOTES TO FINANCIAL STATEMENTS — Continued
March 31, 2023

provides guidance on determining when there has been a significant decrease in the volume and level of activity for an asset or a liability, when a transaction is not orderly, and how that information must be incorporated into a fair value measurement.

Under *Fair Value Measurements and Disclosures*, various inputs are used in determining the value of the Fund's investments. These inputs are summarized into three broad levels as described below:

- Level 1 — Unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access.
- Level 2 — Observable inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.
- Level 3 — Unobservable inputs for the asset or liability, to the extent relevant observable inputs are not available, representing the Fund's own assumptions about the assumptions a market participant would use in valuing the asset or liability, and would be based on the best information available.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3.

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety is determined based on the lowest level input that is significant to the fair value measurement.

In accordance with Accounting Standards Update ("ASU") 2015-7, Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent) investments valued at the net asset value as practical expedient are no longer included in the fair value hierarchy. As such, investments in Investment Funds with a fair value of \$3,380,384 are excluded from the fair value hierarchy as of March 31, 2023.

As of March 31, 2023, the Fund does not hold any investments that are required to be included in the fair value hierarchy.

Note 9 — Risk Factors

An investment in the Fund involves various risks. The Fund invests in and actively trades securities and other financial instruments using a variety of strategies and investment techniques with significant risk characteristics, including the risks arising from the volatility of the Investment Funds.

No guarantee or representation is made that the investment program will be successful.

The global outbreak of coronavirus (COVID-19) has disrupted economic markets and the prolonged economic impact is uncertain. Although vaccines for COVID-19 are widely available, it is unknown how long circumstances related to the pandemic will persist, whether they will reoccur in the future, whether efforts to support the economy and financial markets will be successful, and what additional implications may follow from the pandemic. The impact of these events and other epidemics or pandemics in the future could adversely affect Fund performance.

First Trust Private Assets Fund
NOTES TO FINANCIAL STATEMENTS — Continued
March 31, 2023

In February 2022, Russia commenced a military attack on Ukraine. The outbreak of hostilities between the two countries and the threat of wider-spread hostilities could have a severe adverse effect on the region and global economies, including significant negative impacts on the markets for certain securities and commodities, such as oil and natural gas. In addition, sanctions imposed on Russia by the United States and other countries, and any sanctions imposed in the future, could have a significant adverse impact on the Russian economy and related markets. The price and liquidity of investments may fluctuate widely as a result of the conflict and related events. How long the armed conflict and related events will last cannot be predicted. These tensions and any related events could have a significant impact on Fund performance and the value of Fund investments.

Certain London Interbank Offered Rates (“LIBORs”) were generally phased out by the end of 2021, and some regulated entities have ceased to enter into new LIBOR-based contracts beginning January 1, 2022. However, it is expected that the most widely used tenors of USD LIBOR may continue to be provided on a representative basis until mid-2023. As such, the potential effect of a transition away from LIBOR on the Fund or the LIBOR-based instruments in which the Fund invests cannot yet be determined. The transition process away from LIBOR may involve, among other things, increased volatility or illiquidity in markets for instruments that currently rely on LIBOR. The transition process may also result in a reduction in the value of certain instruments held by the Fund or reduce the effectiveness of related Fund transactions. Any potential effects of the transition away from LIBOR on the Fund or on financial instruments in which the Fund invests, as well as other unforeseen effects, could result in losses to the Fund. Since the usefulness of LIBOR as a benchmark or reference rate could deteriorate during the transition period, these effects could occur prior to and/or subsequent to mid-2023.

The impairment or failure of one or more banks with whom the Fund transacts may inhibit the Fund’s ability to access depository accounts. In such cases, the Fund may be forced to delay or forgo investments, resulting in lower Fund performance. In the event of such a failure of a banking institution where the Fund holds depository accounts, access to such accounts could be restricted and U.S. Federal Deposit Insurance Corporation (“FDIC”) protection may not be available for balances in excess of amounts insured by the FDIC. In such instances, the Fund may not recover such excess, uninsured amounts.

Note 10 — Recently Issued Accounting Pronouncements and Regulatory Updates

In March 2020, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2020-04, Reference Rate Reform (Topic 848) — *Facilitation of the Effects of Reference Rate Reform on Financial Reporting*. The amendments in the ASU provide optional temporary financial reporting relief from the effect of certain types of contract modifications due to the planned discontinuation of the London Interbank Offered Rate and other interbank-offered based reference rates as of the end of 2021. The ASU is effective for certain reference rate-related contract modifications that occur during the period March 12, 2020 through December 31, 2022. In December 2022, the FASB issued ASU No. 2022-06, Reference Rate Reform (Topic 848) — *Deferral of the Sunset Date of Topic 848*, which extends the period through December 31, 2024. Management has reviewed the requirements and believes the adoption of these ASUs will not have a material impact on the financial statements.

In December 2020, the SEC adopted a new rule providing a framework for fund valuation practices (“Rule 2a-5”). Rule 2a-5 establishes requirements for determining fair value in good faith for purposes of the Investment Company Act. Rule 2a-5 permits fund boards to designate certain parties to perform fair value determinations, subject to board oversight and certain other conditions. Rule 2a-5 also defines when market quotations are “readily available” for purposes of the Investment Company Act and the threshold for determining whether a fund must fair value a security. Pursuant to the requirements of Rule 2a-5, the Board designated the Investment Adviser as its valuation designee to perform fair value determinations and approved valuation procedures for the Fund.

First Trust Private Assets Fund
NOTES TO FINANCIAL STATEMENTS — Continued
March 31, 2023

In June 2022, the Financial Accounting Standards Board issued Accounting Standards Update 2022-03, Fair Value Measurement (Topic 820) — Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions (ASU 2022-03). The accounting standard update clarifies the guidance in Topic 820 when measuring the fair value of an equity security subject to contractual restrictions that prohibit the sale of an equity security and introduces new disclosure requirements for equity securities subject to contractual sale restrictions and measured at fair value in accordance with Topic 820. The amendments are effective for fiscal years beginning after December 15, 2023, and interim periods within those fiscal years. Management is currently evaluating the impact that adoption of this new accounting standard will have on its consolidated financial statements, but the impact of the adoption is not expected to be material.

Note 11 — Events Subsequent to the Period End

In preparing these financial statements, management has evaluated subsequent events through the date of issuance of the financial statements included herein. There have been no subsequent events that occurred during such period that would require disclosure or would be required to be recognized in the financial statements.

First Trust Private Assets Fund
FUND INFORMATION
March 31, 2023 (Unaudited)

The Trustees of the Board and officers of the Fund, and their brief biographical information, including their addresses, their year of birth and descriptions of their principal occupations during the past five years is set forth below. The Fund's Statement of Additional Information includes additional information about the membership of the Board and is available without charge, upon request, by calling the Fund at (877) 779-1999.

INDEPENDENT TRUSTEES

NAME, ADDRESS AND YEAR OF BIRTH	POSITION(S) HELD WITH THE FUND	LENGTH OF TIME SERVED	PRINCIPAL OCCUPATION(S) DURING PAST 5 YEARS	NUMBER OF PORTFOLIOS IN FUND COMPLEX* OVERSEEN BY TRUSTEE	OTHER DIRECTORSHIPS HELD BY TRUSTEES
David G. Lee Year of Birth: 1952 c/o UMB Fund Services, Inc. 235 W. Galena St. Milwaukee, WI 53212	Chairman and Trustee	Since Inception	Retired (since 2012); President and Director, Client Opinions, Inc. (2003 – 2012); Chief Operating Officer, Brandywine Global Investment Management (1998 – 2002).	17	None
Robert Seyferth Year of Birth: 1952 c/o UMB Fund Services, Inc. 235 W. Galena St. Milwaukee, WI 53212	Trustee	Since Inception	Retired (since 2009); Chief Procurement Officer/Senior Managing Director, Bear Stearns/JP Morgan Chase (1993 – 2009).	17	None
Gary E. Shugrue Year of Birth: 1954 c/o UMB Fund Services, Inc. 235 W. Galena St. Milwaukee, WI 53212	Trustee	Since Inception	Managing Director, Veritable LP (investment advisory firm) (2016 – Present); Founder/ President, Ascendant Capital Partners, LP (private equity firm) (2001 – 2015).	15	Trustee, Quaker Investment Trust (2 portfolios) (registered investment company).

**First Trust Private Assets Fund
FUND INFORMATION — Continued
March 31, 2023 (Unaudited)**

INTERESTED TRUSTEE AND OFFICERS

NAME, ADDRESS AND YEAR OF BIRTH	POSITION(S) HELD WITH THE FUND	LENGTH OF TIME SERVED	PRINCIPAL OCCUPATION(S) DURING PAST 5 YEARS	NUMBER OF PORTFOLIOS IN FUND COMPLEX* OVERSEEN BY TRUSTEE	OTHER DIRECTORSHIPS HELD BY TRUSTEES
Terrance P. Gallagher** Year of Birth: 1958 c/o UMB Fund Services, Inc. 235 W. Galena St. Milwaukee, WI 53212	Trustee	Since Inception	Executive Vice President and Director of Fund Accounting, Administration and Tax; UMB Fund Services, Inc. (2007 – present). President, Investment Managers Series Trust II (registered investment company) (2013 – Present); Treasurer, American Independence Funds Trust (registered investment company) (2016 – 2018); Treasurer, Commonwealth International Series Trust (registered investment company) (2010 – 2015).	17	Trustee, Investment Managers Series Trust II (51 portfolios) (registered investment company).
Michael Peck Year of Birth: 1980 c/o UMB Fund Services, Inc. 235 W. Galena St. Milwaukee, WI 53212	President	Since Inception	Chief Executive Officer and Co-CIO, First Trust Capital Management L.P. (formerly, Vivaldi Asset Management, LLC) (2012 – Present) President and Co-CIO, Vivaldi Capital Management LP (2012 – Present); Portfolio Manager, Coe Capital Management (2010 – 2012); Senior Financial Analyst and Risk Manager, the Bond Companies (2006 – 2008).	N/A	N/A
Chad Eisenberg Year of Birth: 1982 c/o UMB Fund Services, Inc. 235 W. Galena St. Milwaukee, WI 53212	Treasurer	Since Inception	Chief Operating Officer, First Trust Capital Management L.P. (formerly, Vivaldi Asset Management, LLC) (2012 – Present); Chief Operating Officer, Vivaldi Capital Management LP (2012 – Present); Director, Coe Capital Management LLC (2010 – 2011).	N/A	N/A

**First Trust Private Assets Fund
FUND INFORMATION — Continued
March 31, 2023 (Unaudited)**

NAME, ADDRESS AND YEAR OF BIRTH	POSITION(S) HELD WITH THE FUND	LENGTH OF TIME SERVED	PRINCIPAL OCCUPATION(S) DURING PAST 5 YEARS	NUMBER OF PORTFOLIOS IN FUND COMPLEX* OVERSEEN BY TRUSTEE	OTHER DIRECTORSHIPS HELD BY TRUSTEES
Bernadette Murphy Year of Birth: 1964 c/o UMB Fund Services, Inc. 235 W. Galena St. Milwaukee, WI 53212	Chief Compliance Officer	Since Inception	Director, Vigilant Compliance, LLC (investment management solutions firm) (2018 – Present); Director of Compliance and operations, B. Riley Capital Management, LLC (investment advisory firm) (2017 – 2018); Chief Compliance Officer, Dialect Capital Management, LP (investment advisory firm) (2008 – 2018).	N/A	N/A
Ann Maurer Year of Birth: 1972 c/o UMB Fund Services, Inc. 235 W. Galena St. Milwaukee, WI 53212	Secretary	Since Inception	Senior Vice President, Client Services (2017 – Present); Vice President, Senior Client Service Manager (2013 – 2017); Assistant Vice President, Client Relations Manager (2002 – 2013), each with UMB Fund Services, Inc.	N/A	N/A

* The fund complex consists of the Fund, AFA Multi-Manager Credit Fund, Agility Multi-Asset Income Fund, Aspiriant Risk-Managed Capital Appreciation Fund, Aspiriant Risk-Managed Real Assets Fund, Corbin Multi-Strategy Fund, LLC, First Trust Alternative Opportunities Fund, First Trust Private Credit Fund, First Trust Real Assets Fund, Infinity Core Alternative Fund, Keystone Private Income Fund, The Optima Dynamic Alternatives Fund, Variant Alternative Income Fund, Variant Impact Fund, Destiny Alternative Fund LLC, Destiny Alternative Fund (TEI) LLC, and Pender Real Estate Credit Fund.

** Mr. Gallagher is deemed an interested person of the Fund because of his affiliation with the Fund's Administrator.

Approval of the Investment Management Agreement

At the meeting of the Board held on March 8-9, 2022, by a unanimous vote, the Board, including a majority of Trustees who are not “interested persons” within the meaning of Section 2(a)(19) of the 1940 Act (the “Independent Trustees”), approved the Investment Management Agreement between the Investment Adviser and the Fund. Pursuant to relief granted by the U.S. Securities and Exchange Commission in light of the COVID-19 pandemic (the “Order”) and a determination by the Board that reliance on the Order was appropriate due to circumstances related to the current or potential effects of COVID-19, the March 8-9, 2022 meeting (the “Meeting”) was held by videoconference.

In advance of the Meeting, the Independent Trustees requested and received materials from the Investment Adviser, respectively, to assist them in considering the approval of the Investment Management Agreement. The Independent Trustees also considered the materials that had been submitted pursuant to the Board’s review of the Investment Management Agreement at the Board’s February 22, 2022 meeting. The Board did not consider any single factor as controlling in determining whether or not to approve the Investment Management Agreement. Nor are the items described herein all encompassing of the matters considered by the Board.

The Board engaged in a detailed discussion of the materials with management of the Investment Adviser. The Independent Trustees then met separately with independent counsel to the Independent Trustees at the Meeting for a full review of the materials. Following these sessions, the full Board reconvened and after further discussion determined that the information presented provided a sufficient basis upon which to approve the Investment Management Agreement.

NATURE, EXTENT AND QUALITY OF SERVICES

The Board reviewed and considered the nature and extent of the investment advisory services proposed to be provided by the Investment Adviser to the Fund under the Investment Management Agreement, including the selection of Fund investments. The Board also reviewed and considered the nature and extent of the non-advisory, administrative services to be provided by the Investment Adviser, including, among other things, providing office facilities, equipment, and personnel. The Board also reviewed and considered the qualifications of the key personnel of the Investment Adviser who would provide the investment advisory and/or administrative services to the Fund. The Board determined that the Investment Adviser’s key personnel are well-qualified by education and/or training and experience to perform the services in an efficient and professional manner. The Board also took into account the Investment Adviser’s compliance policies and procedures, including the procedures used to determine the value of the Fund’s investments. The Board concluded that the overall quality of the advisory and administrative services to be provided was satisfactory.

PERFORMANCE

The Board considered the investment experience of the Investment Adviser. The Board noted that the Investment Adviser acts as the investment adviser to privately offered funds with similar investment objectives and reviewed relevant performance history. However, because the Fund had not yet commenced operations, the Board was not able to consider Fund performance.

FEES AND EXPENSES

The Board reviewed the proposed advisory fee rate, incentive fee and estimated total expense ratio of the Fund. The Board compared the advisory fee and pro-forma total expense ratio for the Fund with various comparative data, including a report of other comparable funds prepared by an independent third party. In addition, the Board noted that the Investment Adviser proposed to contractually limit total annual operating expenses until assets support the expenses of the Fund. The Board concluded that the advisory fees to be paid by the Fund and pro-forma total expense ratio were reasonable and satisfactory in light of the services proposed to be provided.

First Trust Private Assets Fund
FUND INFORMATION — Continued
March 31, 2023 (Unaudited)

BREAKPOINTS AND ECONOMIES OF SCALE

The Board reviewed the structure of the Fund's advisory fee under the Investment Management Agreement. The Board noted that since the Fund's advisory fee does not have breakpoints, the Fund would not benefit from economies of scale as the Fund grew over time. The Board considered that the Investment Adviser proposed to limit the expenses of the Fund for at least a year and the Board concluded that the advisory fees were reasonable for the services to be provided.

PROFITABILITY OF INVESTMENT ADVISER

The Board considered and reviewed pro-forma information concerning the estimated costs to be incurred and profits expected to be realized by the Investment Adviser from the Investment Adviser's relationship with the Fund. Although the Board considered and reviewed pro-forma information concerning the Investment Adviser's expected profits, due to the fact that operations for the Fund had not yet commenced, the Board made no determination with respect to profitability.

ANCILLARY BENEFITS AND OTHER FACTORS

The Board also discussed other benefits to be received by the Investment Adviser from the management of the Fund, including, without limitation, the ability to market other funds managed by the Investment Adviser. The Board noted that the Investment Adviser did not have affiliations with the Fund's transfer agent, administrator, custodian, or distributor and therefore would not derive any benefits from the relationships these parties may have with the Fund. The Board concluded that the advisory fees were reasonable in light of any fall-out benefits.

GENERAL CONCLUSION

Based on its consideration of all factors that it deemed material, and assisted by the advice of its counsel, the Board concluded it would be in the best interest of the Fund and its shareholders to approve the Investment Management Agreement for an initial two-year term.

	<u>TICKER</u>	<u>CUSIP</u>
First Trust Private Assets	FTPAX	33741D106

Availability of Quarterly Portfolio Schedules

The Fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Part F of Form N-PORT. The Fund's Form N-PORT is available on the SEC website at www.sec.gov or without charge and upon request by calling the Fund at (877)-779-1999.

Proxy Voting Record

Information regarding how the Fund voted proxies for portfolio securities, if applicable, during the most recent 12-month period ended June 30, is also available, without charge and upon request by calling the Fund at (877)-779-1999 or by accessing the Fund's Form N-PX on the SEC's website at www.sec.gov.

First Trust Private Assets Fund
FUND INFORMATION — Continued
March 31, 2023 (Unaudited)

Proxy Voting Policies and Procedures

A description of the Fund's proxy voting policies and procedures related to portfolio securities is available without charge, upon request, by calling the Fund at (877) 779-1999 or on the SEC website at www.sec.gov.

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