

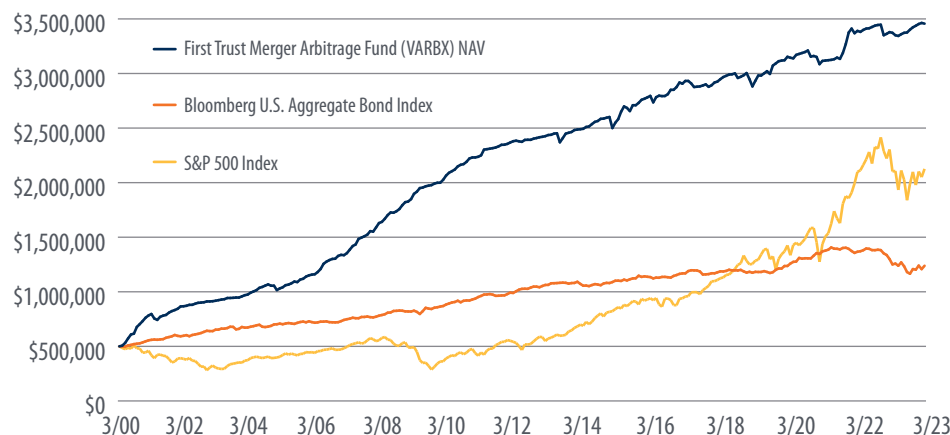
INVESTMENT OBJECTIVE

The First Trust Merger Arbitrage Fund (the "Fund") seeks returns that are largely uncorrelated with the returns of the general stock market, and capital appreciation.

STRATEGY OVERVIEW

The strategy seeks to take advantage of the return opportunity presented by the natural deal spread that emerges after the announcement of companies undergoing a merger or acquisition. The Fund's investment process is research driven and focused on predominantly North American transactions. The primary goal is to look for the best risk-adjusted deals for the portfolio, emphasizing on strategic combinations of solidly performing targets by well-financed acquirers. The strategy seeks to run concentrated in the best ideas with a preference for short-dated transactions. The portfolio managers continuously analyze and monitor pending transactions for potential risks, including antitrust, deal terms, financing and shareholder approval.

GROWTH OF \$500,000



The chart illustrates the performance of a hypothetical \$500,000 investment made in the Fund from 3/31/00 through 3/31/23. It assumes reinvestment of dividends and capital gains but does not reflect the effect of any applicable sales charge or redemption fees. Other share classes may have different performance characteristics.

FUND PERFORMANCE¹ (%) AS OF 3/31/23

Net Asset Value (NAV)*	QTD	YTD	1 Year	3 Year	5 Year	10 Year	Since Fund Inception
VARBX - Class I Shares	0.56	0.56	2.30	4.93	4.33	3.91	9.02
VARAX - Class A Shares	0.48	0.48	2.03	4.58	3.99	3.60	8.72
Index Performance**							
Bloomberg U.S. Aggregate Bond Index	2.96	2.96	-4.78	-2.77	0.91	1.36	4.02
S&P 500 Index	7.50	7.50	-7.73	18.60	11.19	12.24	6.49

*NAV returns represent the Fund's net assets (assets less liabilities) divided by the Fund's outstanding shares. Returns are average annualized total returns, except those for periods of less than one year, which are cumulative. The fund's performance reflects fee waivers and expense reimbursements, absent which performance would have been lower.

**Performance information for the indexes is for illustrative purposes only and does not represent actual fund performance. Indexes do not charge management fees or brokerage expenses, and no such fees or expenses were deducted from the performance shown. All Index returns assume that dividends are reinvested when they are received. Indexes are unmanaged and an investor cannot invest directly into an index VARBX Gross Expense Ratio: 1.91%; Net Expense Ratio: 1.52%. VARAX Gross Expense Ratio: 2.22%; Net Expense Ratio: 1.83%. As of 3/31/23, First Trust Capital Management has agreed to waive fees and/or pay Fund expenses to prevent the annual net expense ratio from exceeding 1.55% and 1.85% of the average daily net assets of Class I Shares and Class A Shares, respectively, until 1/31/2024.

¹The Fund commenced operations as a registered investment company under the Investment Company Act of 1940 ("1940 Act") on October 1, 2015 after the reorganization and transfer of substantially all assets of the Highland Capital Management Institutional Fund, LLC, a Delaware limited liability company (the "Predecessor Fund") into the Fund. The Predecessor Fund commenced operations on April 1, 2000 and was a private fund not subject to certain restrictions imposed by the 1940 Act or the Internal Revenue Code of 1986, as amended, on regulated investment companies. The Fund's objectives, policies, guidelines and restrictions are, in all material respects, substantially the same as those of the Predecessor Fund. For the period of April 1, 2000 to September 30, 2015, the Fund's performance table above reflects the performance of the Predecessor Fund, which was managed by Glenfinnen Capital, L.L.C. until Vivaldi Capital Management, LLC took over as investment advisor to the Predecessor Fund in July 2015. Updated performance information is available at the Fund's website, www.FirstTrustCapital.com, or by calling the Fund at 1-800-988-5196.

FUND FACTS

Inception Date	April 1, 2000
CUSIP I Shares	46141T869
CUSIP A Shares	46141T877
Minimum Investment	\$500,000
Minimum is waived in fee based accounts.	

KEY FEATURES

- Investment Company Act of 1940 mutual fund: daily liquidity, transparency, accessibility
- Portfolio managers seasoned by over 35 years of combined merger arbitrage investing experience across various market cycles
- Portfolio typically comprises 15-25 positions, diversified by sector and industry
- Strategy seeks to exhibit a low correlation to broader benchmarks, as performance is based on the ability to evaluate deals rather than the direction of the market

Performance data quoted represents past performance. Past performance is not a guarantee of future results and current performance may be higher or lower than performance quoted. Investment returns and principal value will fluctuate and shares when sold or redeemed, may be worth more or less than their original cost. You can obtain performance information which is current through the most recent month-end by visiting www.firsttrustcapital.com.

RISK ANALYSIS*

4/1/2000 - 3/31/2023

Correlation

	VARBX	BCS_AGG	SPXT
VARBX	1.00	0.11	0.05
BCS_AGG		1.00	0.07
SPXT			1.00

Beta

	VARBX	BCS_AGG	SPXT
VARBX	1.00	0.14	0.01
BCS_AGG		1.00	0.02
SPXT			1.00

HISTORICAL MONTHLY VARBX RETURNS*

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	SPXT YTD**	BCS_AGG YTD**
2023	0.47%	0.28	-0.19%										0.56%	7.50%	2.96%
2022	-0.09%	0.38%	0.47%	-0.19%	-0.66%	-0.19%	0.48%	0.38%	0.09%	0.75%	0.65%	0.41%	2.50%	-18.11%	-13.01%
2021	3.23%	1.07%	-1.24%	0.63%	-0.27%	0.54%	0.35%	0.09%	0.35%	0.35%	0.18%	0.07%	5.43%	28.71%	-1.54%
2020	0.19%	-0.28%	-2.10%	0.97%	0.10%	0.10%	0.10%	0.19%	0.48%	-0.38%	1.72%	2.92%	4.00%	18.40%	7.51%
2019	0.66%	0.19%	0.09%	1.02%	-0.28%	-0.18%	1.02%	0.27%	0.27%	0.27%	0.45%	0.40%	4.27%	31.49%	8.72%
2018	0.48%	0.67%	-1.89%	-2.22%	1.78%	1.65%	0.00%	0.67%	0.66%	-0.85%	2.56%	0.64%	4.11%	-4.38%	0.01%
2017	-0.77%	0.49%	0.87%	0.29%	0.76%	0.66%	0.38%	0.38%	0.09%	0.28%	-1.40%	0.36%	2.39%	21.83%	3.54%
2016	0.00%	0.88%	1.46%	-0.38%	0.87%	0.00%	-0.76%	-1.15%	0.10%	0.10%	0.29%	0.35%	1.73%	11.96%	2.65%
2015[^]	0.80%	1.04%	0.35%	0.46%	0.48%	-2.12%	1.74%	0.49%	-0.14%	0.02%	0.60%	1.43%	5.22%	1.38%	0.55%
2014	0.08%	0.31%	0.25%	-3.89%	1.94%	1.30%	2.66%	1.81%	-0.51%	-1.08%	2.03%	-0.02%	4.81%	13.69%	5.97%
2013	0.33%	0.29%	0.74%	0.18%	0.11%	0.15%	0.69%	0.18%	0.86%	0.80%	0.31%	0.78%	5.55%	32.39%	-2.02%
2012	0.44%	0.24%	0.30%	0.17%	0.24%	0.43%	0.09%	0.44%	0.13%	-3.37%	1.62%	1.69%	2.36%	16.00%	4.21%
2011	0.45%	0.61%	0.03%	0.32%	0.55%	0.49%	0.20%	-0.24%	-0.20%	0.75%	0.05%	-0.02%	3.03%	2.11%	7.84%
2010	0.29%	0.96%	1.41%	0.41%	0.02%	0.26%	0.60%	2.32%	0.18%	0.19%	0.22%	0.26%	7.33%	15.06%	6.54%
2009	0.31%	0.24%	0.69%	0.40%	0.02%	1.34%	1.90%	1.24%	0.70%	0.73%	1.35%	0.68%	10.02%	26.46%	5.93%
2008	-0.14%	0.79%	1.16%	2.00%	1.55%	0.32%	1.20%	2.62%	1.05%	1.72%	0.24%	0.59%	13.88%	-37.00%	5.24%
2007	3.54%	0.81%	0.84%	0.94%	2.14%	-0.29%	2.48%	2.52%	0.66%	1.72%	2.06%	1.40%	20.46%	5.49%	6.97%
2006	3.90%	1.61%	1.11%	0.82%	0.16%	1.96%	0.73%	-0.23%	1.39%	2.41%	2.36%	1.02%	18.58%	15.79%	4.33%
2005	0.50%	1.12%	1.48%	-0.45%	2.10%	0.66%	1.80%	1.00%	0.57%	0.30%	1.74%	2.38%	13.99%	4.91%	2.43%
2004	1.17%	1.17%	2.11%	0.78%	1.16%	1.05%	-1.10%	0.01%	-3.82%	1.50%	1.00%	1.87%	6.97%	10.88%	4.34%
2003	0.58%	0.58%	0.35%	1.19%	0.01%	0.16%	0.29%	-0.03%	1.11%	1.17%	0.58%	1.75%	8.00%	28.68%	4.10%
2002	0.21%	0.51%	1.00%	0.02%	1.14%	0.93%	0.23%	0.33%	0.84%	0.01%	0.21%	0.49%	6.07%	-22.10%	10.26%
2001	2.68%	1.75%	-5.20%	-1.70%	3.80%	1.40%	0.82%	2.68%	1.75%	1.17%	1.40%	2.52%	13.52%	-11.89%	8.44%
2000	—	—	—	1.30%	4.97%	7.70%	6.30%	1.28%	9.92%	3.85%	3.97%	4.20%	52.48%	-11.14%	9.22%

[^]On October 1, 2015, the Fund was converted from a Limited Partnership to 1940 Act Registered Fund.

[^]Other share classes may have different performance characteristics.

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RISK & RETURN STATISTICS*

4/1/2000 - 3/31/2023

	VARBX	S&P 500 Index	Bloomberg U.S. Aggregate Bond Index
Annualized Return	9.02%	6.49%	4.02%
Standard Deviation	4.84%	15.39%	3.97%
Sharpe Ratio	1.86	0.42	1.01
Max Drawdown	-6.81%	-50.95%	-17.18%
Months to Recover from Max Drawdown	4	37	Ongoing

VARAX SALES CHARGE (%)

Investment	Front-End Sales Charge as a % of Offering Price ¹	Front-End Sales Charge as a % of Net Investment	Dealer Reallowance as a % of Offering Price
Less than \$24,999	5.75	6.10	5.00
\$25,000 - \$49,999	5.00	5.26	4.50
\$50,000 - \$99,999	4.50	4.71	3.75
\$100,000 - \$249,999	3.50	3.63	2.75
\$250,000 - \$499,999	2.50	2.56	2.00
\$500,000 - \$999,999	2.00	2.04	1.50
\$1 Million or more	See Below ²	See Below ²	See Below ²

¹The offering price includes the sales charge.

²There is no initial sales charge on purchases of Class A shares in an account or accounts with an accumulated value of \$1 million or more, but to the extent a finder's fee was paid, a CDSC of 1.00% will be imposed in the event of certain redemptions within 12 months of the date of purchase.

Risk Considerations

You could lose money by investing in a fund. An investment in a fund is not a deposit of a bank and is not insured or guaranteed. There can be no assurance that a fund's objective(s) will be achieved. Please refer to each fund's prospectus and SAI for additional details on a fund's risks. The order of the below risk factors does not indicate the significance of any particular risk factor.

Market risk is the risk that a particular security, or shares of a fund in general may fall in value. Securities are subject to market fluctuations caused by such factors as general economic conditions, political events, regulatory or market developments, changes in interest rates and perceived trends in securities prices. Shares of a fund could decline in value or underperform other investments as a result. In addition, local, regional or global events such as war, acts of terrorism, spread of infectious disease or other public health issues, recessions, or other events could have significant negative impact on a fund. In February 2022, Russia invaded Ukraine which has caused and could continue to cause significant market disruptions and volatility within the markets in Russia, Europe, and the United States. The hostilities and sanctions resulting from those hostilities could have a significant impact on certain fund investments as well as fund performance. The COVID-19 global pandemic and the ensuing policies enacted by governments and central banks have caused and may continue to cause significant volatility and uncertainty in global financial markets. While the U.S. has resumed "reasonably" normal business activity, many countries continue to impose lockdown measures. Additionally, there is no guarantee that vaccines will be effective against emerging variants of the disease.

In managing a fund's investment portfolio, the portfolio managers will apply investment techniques and risk analyses that may not have the desired result.

Investments in companies that are the subject of a publicly announced transaction carry the risk the transaction is renegotiated, takes longer to complete than originally planned and that the transaction is never completed. Any such event could cause a fund to incur a loss. The risk/reward payout of merger arbitrage strategies typically is asymmetric, with the losses in failed transactions often far exceeding the gains in successful transactions.

An investment in SPACs, which are typically traded in the over-the-counter market, may also have little or no liquidity and may be subject to restrictions on resale.

Any decrease in negative correlation or increase in positive correlation between hedging positions the Advisor anticipated would be offsetting (such as short and long positions in securities or currencies held by the Fund) could result in significant losses for the Fund.

Leverage may result in losses that exceed the amount originally invested and may accelerate the rates of losses.

Short selling creates special risks which could result in increased gains or losses and volatility of returns. Because losses on short sales arise from increases in the value of the security sold short, such losses are theoretically unlimited.

The use of derivatives, including options, can lead to losses because of adverse movements in the price or value of the underlying asset, index or rate, which may be magnified by certain features of the derivatives.

The Fund must segregate liquid assets or engage in other measures to "cover" open positions with respect to certain kinds of derivatives and short sales.

Certain fund investments may be subject to restrictions on resale, trade over-the-counter or in limited volume, or lack an active trading market. Illiquid securities may trade at a discount and may be subject to wide fluctuations in market value.

High portfolio turnover may result in higher levels of transaction costs and may generate greater tax liabilities for shareholders.

A fund classified as "non-diversified" may invest a relatively high percentage of its assets in a limited number of issuers. As a result, a fund may be more susceptible to a single adverse economic or regulatory occurrence affecting one or more of these issuers, experience increased volatility and be highly concentrated in certain issuers.

You should consider a fund's investment objectives, risks, and charges and expenses carefully before investing. Contact First Trust Capital Management at 1-800-988-5196 or visit www.firsttrustcapital.com to obtain a prospectus or summary prospectus which contains this and other information about a fund. The prospectus or summary prospectus should be read carefully before investing.

The prices of fixed income securities respond to economic developments, particularly interest rate changes, changes to an issuer's credit rating or market perceptions about the creditworthiness of an issuer.

There is no guarantee that a fund will provide a fixed or stable level of distributions at any time or over any period of time.

High yield securities, or "junk" bonds, are less liquid and are subject to greater market fluctuations and risk of loss than securities with higher ratings, and therefore, are considered to be highly speculative.

Preferred securities combine some of the characteristics of both common stocks and bonds. Preferred stocks are typically subordinated to other debt instruments in terms of priority to corporate income, and therefore will be subject to greater credit risk than those debt instruments.

Securities of micro-, small- and mid-capitalization companies may be more vulnerable to adverse general market or economic developments, may be less liquid, and may experience greater price volatility than larger, more established companies.

Securities of non-U.S. issuers are subject to additional risks, including currency fluctuations, political risks, withholding, the lack of adequate financial information, and exchange control restrictions impacting non-U.S. issuers.

A fund is susceptible to operational risks through breaches in cyber security. Such events could cause a fund to incur regulatory penalties, reputational damage, additional compliance costs associated with corrective measures and/or financial loss.

Changes in currency exchange rates and the relative value of non-US currencies may affect the value of a fund's investments and the value of a fund's shares.

First Trust Capital Management is the adviser to the Fund. The Fund's distributor is First Trust Portfolios L.P.

The information presented is not intended to constitute an investment recommendation for, or advice to, any specific person. By providing this information, First Trust is not undertaking to give advice in any fiduciary capacity within the meaning of ERISA, the Internal Revenue Code or any other regulatory framework. Financial professionals are responsible for evaluating investment risks independently and for exercising independent judgment in determining whether investments are appropriate for their clients.

Definitions

Correlation is a measure of the similarity of performance.

Beta is a measure of price variability relative to the market.

Standard Deviation is a measure of price variability (risk).

Sharpe Ratio is a measure of excess reward per unit of volatility. Correlation is a measure of the similarity of performance.

Spread is the difference in price between the current trading price of the company being acquired ("target company" or "target") following the announcement of the merger and the contractual price to be paid for the target company when the transaction closes.

Max Drawdown is the peak to trough decline during a specific record period of an investment or fund. It is usually quoted as the percentage between the peak to the trough.

Bloomberg U.S. Aggregate Bond Index (BCS_AGG) - The Index covers the investment-grade, U.S. dollar-denominated, fixed-rate taxable bond market, including Treasuries, government-related and corporate securities, MBS, ABS, and CMBS.

S&P 500 Index (SPXT) - The Index is an unmanaged index of 500 companies used to measure large-cap U.S. stock market performance.