



First Trust
Capital Management

Insights on Private Credit

LEARN ABOUT:

The Private Credit Asset Class

Private Credit Implementation in an Investment Portfolio

Private Credit Managers Available within the First Trust Private Credit Fund, Class I Shares (FTPCX)

Credit Co-Investment Deal Allocations

Accessibility to FTPCX

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 which contains this and other information about a fund. The prospectus should be read carefully before investing.

The Fund invests in securities with limited or no secondary market and are deemed to be illiquid. Valuation of illiquid securities is extremely limited. Portfolio holdings are priced either on a daily, monthly, and/or quarterly basis utilizing a variety of valuation methods such as proxy, matrix and third-party pricing. The accuracy of these valuations will vary, and actual tender price of the fund may be materially lower than any past valuation.

PRIVATE CREDIT OVERVIEW

Private credit refers to lending and other financing activities that take place outside of the traditional banking system. In general, private credit investments are originated and negotiated privately, and by nature, may represent an attractive option for both investors and borrowers through potential higher returns and flexible structuring that is not widely available through traditional financing channels.

WHY HAS PRIVATE CREDIT BECOME MORE PROMINENT?

Demand

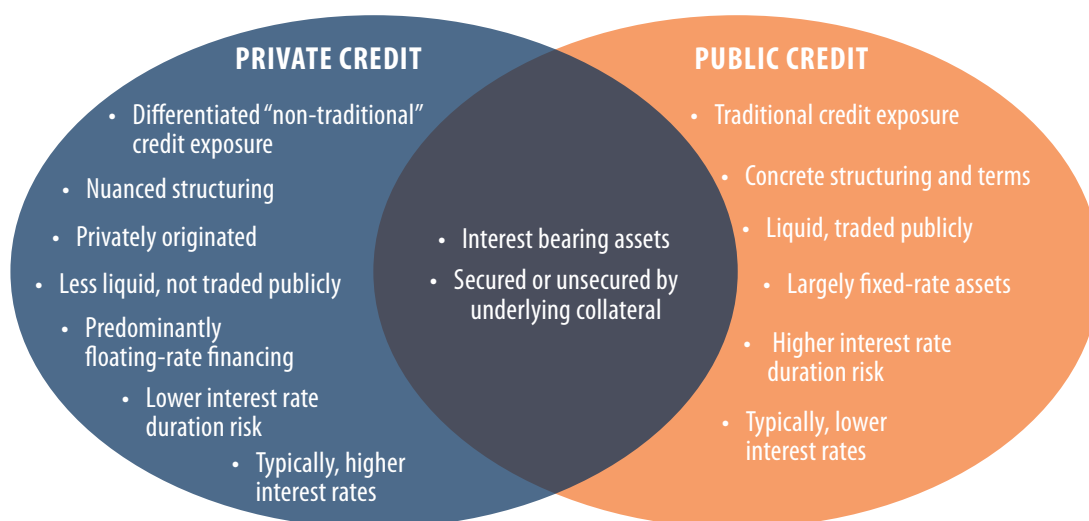
An increase in demand for an alternative source of financing for companies and investors who may not qualify for traditional lending channels.

Capability

Banking regulation has made it more difficult and costly for traditional banks to lend to borrowers with more complex financing needs.

Sector Advances

Innovation in the technology of sponsors to underwrite, originate, and consistently monitor debt assets.



PRIVATE CREDIT | INTRODUCING THE PRIVATE CREDIT PREMIUM

By utilizing private credit in addition to traditional fixed income allocations, an investor has the potential to capture enhanced returns from its less-liquid nature, complex structuring, and borrower profile.

	Annualized Return	Annualized Volatility	Return/Risk Ratio	Yield	Correlation
Private Credit	9.18%	5.06%	1.82	9.54%	0.14
3-Year Treasury	1.67%	2.66%	0.63	4.30%	0.72
Global High-Yield Bonds	5.21%	17.62%	0.30	8.14%	0.40
Aggregate Bonds	2.87%	5.43%	0.53	3.99%	1.00
Equities	8.33%	18.24%	0.46	1.70%	0.33
Traditional Fixed Income*	3.25%	8.56%	0.48	5.47%	0.71
Fixed Income + Private Credit**	4.73%	7.69%	0.82	6.49%	0.57

Source: Morningstar, Cliffwater. Return, Volatility and Correlation data from 12/31/2004–9/30/2022. Yields are as of 9/30/22. Most recent data available. **Past performance is not a guarantee future results.**

*Represents an equal weight of the 3-Year Treasury, High Yield Bonds, and Investment Grade Bonds.

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Private Credit is represented by the Cliffwater Direct Lending Index. The 3-Year Treasury is represented by the Bloomberg 1-3 Yr US Treasury Total Return Index. Global High-Yield Bonds are represented by the Bloomberg Global High Yield Total Return Index. Aggregate Bonds are represented by the Bloomberg U.S. Aggregate Bond Index. Equities are represented by the S&P 500 Index.

The **FIRST TRUST PRIVATE CREDIT FUND (FTPCX OR “THE FUND”)** is a continuously offered closed-end interval fund that seeks to produce current income by allocating its assets across a wide array of credit strategies. First Trust Capital Management L.P. (“FTCM”) is the investment advisor to the fund.

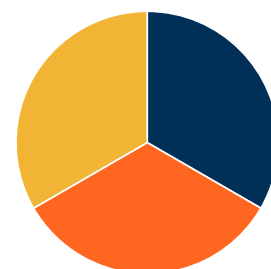
FUND SUB-ADVISORS

Who Is Palmer Square? Palmer Square Capital Management, LLC is an alternative credit manager seeking a high level of current income through its ability to locate relative value opportunities across corporate and structured credit. Palmer Square deploys a rigorous, multi-step, fundamental process to manage credit risk focused primarily on floating-rate credit, specializing in both static and reinvestment style collateralized loan obligations.

Who Is Mount Logan? Mount Logan Management, LLC is an institutional-caliber credit manager, run by employees of BC Partners, with a focus on providing current income through lending in less competitive segments of the U.S. middle-market. Mount Logan specializes in identifying situations with structural complexities that have the potential to earn a premium over traditional strategies.

What Are Co-Investments? Co-Investments within FTPCX represent direct credit investments offered by FTFCM’s operating partners that may have excess capacity available due to concentration limits in their flagship funds. These institutional caliber private credit opportunities are expressed predominantly through floating-rate instruments and offer exposure to a diverse set of private credit instruments.

TARGETED PORTFOLIO FRAMEWORK¹



FTPCX	Targeted
Asset-Based Lending	20-50%
Specialty Direct Lending	20-50%
Structured Debt	20-50%

HISTORIC CO-INVESTMENT DEAL FLOW: EXAMPLE

Asset-Based Lending Operator | The underlying company was seeking capital to fund the growth of its online platform, while also repaying existing notes and adding cash to its balance sheet. Our lending operator anticipated three potential exits from this loan: a refinance (paid in full), take-out due to change of control (paid in full), or distressed sale/capital wind-down (collateral value ~29% loan to value).

For Illustrative Purposes only.

Sector	Authentic Online Marketplace
Initial Investment	November 2022
Short Maturity	3-years from closing
Loan Type	1st and 2nd Lien Term Loan
High Coupon Rate	SOFR + 10.0% with 1.0% floor and 1.0% prepayment fee each year
Strict Covenants	\$7.5mm minimum liquidity, and max LTV of 35.0% measured weekly

HOW TO ACCESS FTPCX?

Buying Shares | Many interval fund sponsors choose to offer shares to the public on an ongoing basis, as interval funds are permitted to continuously offer shares at a price based on the fund’s net asset value (NAV). This process differs from traditional closed-end funds, which typically arrange a one-time share offering or initial public offering (IPO). FTPCX, along with all of FTFCM’s interval funds, are continuous offerings and available for purchase on a daily basis.

Selling Shares | Interval funds make regular share repurchase offers in which interval fund investors can withdraw money through a scheduled redemption process. Repurchase offers can be at three, six, of twelve-month intervals, as determined by the fund. At each periodic interval, the fund offers to repurchase at NAV between 5% and 25% of its outstanding shares as set by the fund’s board. It is important to note that investors may not be able to redeem all their shares, and they can find information about a particular fund’s redemption process in its prospectus and annual report.

¹Represents the anticipated model portfolio for the Fund.

Definitions: **Annualized Volatility** is represented by **Standard Deviation**, which is a measure of price variability (risk). **Correlation** is a measure of the similarity of performance. The **S&P 500 Index** is an unmanaged index of 500 companies used to measure large-cap U.S. stock market performance. The **Cliffwater Direct Lending Index** is comprised of over 10,000 directly originated middle market loans, providing a benchmark for private debt. Investors cannot invest directly in an index. The **Bloomberg Global High Yield Index** is a multi-currency flagship measure of the global high yield debt market. The index represents the union of the US High Yield, the Pan-European High Yield, and Emerging Markets (EM) Hard Currency High Yield Indices. The **Bloomberg U.S. Aggregate Bond 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. The **Bloomberg U.S. 1-3 Year Treasury Bond Index** measures the performance of the US government bond market and includes public obligations of the U.S. Treasury with a maturity between 1 and up to (but not including) 3 years.

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 Statement of Additional Information 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.

Alternative investments may employ complex strategies, have unique investment and risk characteristics and may not be appropriate for all investors.

The Fund is a newly organized, non-diversified, closed-end management investment company with no operating history. It is designed for long-term investing and not as a vehicle for trading.

The Fund's shares will change in value and you could lose money by investing in the Fund. There can be no assurance that the Fund's investment objective will be achieved. In managing the Fund's investment portfolio, the portfolio managers will apply investment techniques and risk analyses that may not have the desired result.

The investment manager and sub-advisors of a multi-managed fund make investment recommendations independently and they may not complement each other. This may result in an increase in the Fund's portfolio turnover rate and higher transaction costs and risks.

The Fund relies on the services of certain executive officers who have relevant knowledge of credit related investments and familiarity with the Fund's investment objective, strategies and investment features. The loss of the services of any of these key personnel could have a material adverse impact on the Fund.

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, natural disasters or other events could have significant negative impact on a fund.

Current market conditions risk is the risk that a particular investment, or shares of the fund in general, may fall in value due to current market conditions. As a means to fight inflation, the Federal Reserve and certain foreign central banks have raised interest rates and expect to continue to do so, and the Federal Reserve has announced that it intends to reverse previously implemented quantitative easing. Recent and potential future bank failures could result in disruption to the broader banking industry or markets generally and reduce confidence in financial institutions and the economy as a whole, which may also heighten market volatility and reduce liquidity. 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 have and could continue to have a significant impact on certain fund investments as well as fund performance and liquidity. The COVID-19 global pandemic, or any future public health crisis, 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, negatively impacting global growth prospects.

The Fund is structured as an interval fund and has adopted a policy to make quarterly repurchase offers, at per-class NAV, of not less than 5% of the Fund's outstanding shares on the repurchase request deadline. There is no guarantee that shareholders will be able to sell all the shares that they want to sell in any repurchase offer. If a repurchase offer is oversubscribed, the Fund may repurchase only a pro rata portion of the shares tendered by each shareholder. The repurchase policy will decrease the size of the Fund over time and may force the Fund to sell assets. It may also reduce the investment opportunities available to it and cause its expense ratio to increase. In addition, the Fund may need to liquidate holdings earlier than desired, potentially resulting in losses and increasing portfolio turnover.

Repurchase agreements typically involve the acquisition by the Fund of fixed-income securities from a selling financial institution such as a bank or broker-dealer. The Fund may incur a loss if the other party to a repurchase agreement is unwilling or unable to fulfill its contractual obligations to repurchase the underlying security. Reverse repurchase agreements involve the risk that the other party may fail to return the securities in a timely manner or at all. The Fund could lose money if it is unable to recover the securities and/or if the value of collateral held by the Fund, including the value of the investments made with cash collateral, is less than the value of securities.

Certain fund holdings may be thinly traded or have a limited trading market and as a result may be characterized by the Fund as illiquid securities.

The Fund is subject to limited liquidity since shareholders will not be able to redeem shares daily or on demand. Shares are not transferable, and liquidity is only provided through repurchase offers made quarterly by the Fund. Fund holdings may be or may become illiquid.

The Investment Adviser, Sub-Advisers and the portfolio managers of the Fund have interests which may conflict with the interests of the Fund. In particular, the Investment Adviser and Sub-Advisers manage and/or advise other investment funds or accounts with the same or similar investment objectives and strategies as the Fund. As a result, the Investment Adviser, Sub-Advisers and the Fund's portfolio managers may devote unequal time and attention to the management of the Fund and those other funds and accounts, and may not be able to formulate as complete a strategy or identify equally attractive investment opportunities as might be the case if they were to devote substantially more attention to the management of the Fund.

The instability in the financial markets in the recent past led the U.S. government and foreign governments to take a number of unprecedented actions designed to support certain financial institutions and segments of the financial markets that experienced extreme volatility, and in some cases a lack of liquidity. Current market conditions could lead to further such actions. Decisions made by government policy makers could exacerbate any economic difficulties. Issuers might seek protection under the bankruptcy laws. Legislation or regulation may also change the way in which the Fund itself is regulated. Such legislation or regulation could limit or preclude the Fund's ability to achieve its investment objectives.

There is a risk that the Fund may not continue to raise capital sufficient to maintain profitability and meet its investment objective. An inability to continue to raise capital may adversely affect the Fund's diversification, financial condition, liquidity and results of operations, as well as its compliance with regulatory requirements and tax diversification requirements.

When the Investment Adviser anticipates unusual market or other conditions, the Fund may temporarily depart from its principal investment strategies as a defensive measure and invest all or a portion of its assets in cash or cash equivalents or accept lower current income from short-term investments rather than investing in high yielding long-term securities. In such a case, Shareholders of the Fund may be adversely affected and the Fund may not pursue or achieve its investment objectives.

Collateralized loan obligations ("CLOs") and collateralized debt obligations ("CDOs") carry additional risks, including, the possibility that distributions from collateral securities will not be adequate to make interest or other payments, the quality of the collateral may decline in value or default, the possibility that the investments in CLOs and CDOs are subordinate to other classes or tranches, and the complex structure of the security may not be fully understood at the time of investment and may produce disputes with the issuer or unexpected investment results.

Investments in debt securities subject the holder to the credit risk of the issuer and the value of debt securities will generally change inversely with changes in interest rates. In addition, debt securities generally do not trade on a securities exchange making them less liquid and more difficult to value.

An issuer or other obligated party of a debt security may be unable or unwilling to make dividend, interest and/or principal payments when due and the value of a security may decline as a result.

Asset-backed securities are a type of debt security and are generally not backed by the full faith and credit of the U.S. government and are subject to the risk of default on the underlying asset or loan, particularly during periods of economic downturn.

Investments in bank loans are subject to the same risks as other debt securities, but the risks may be heightened because of limited public information available and because loan borrowers may be leveraged and tend to be more adversely affected by changes in market or economic conditions. The secondary market for bank loans may be subject to irregular trading activity, wide bid/ask spreads and extended trade settlement periods.

The Fund may invest in unitranche loans, which are loans that combine both senior and subordinated debt, generally in a first-lien position. Because unitranche loans combine characteristics of senior and subordinated debt, they have risks similar to the risks associated with secured debt and subordinated debt according to the combination of loan characteristics of the unitranche loan. Unitranche loans generally allow the borrower to make a large lump sum payment of principal at the end of the loan term and there is a heightened risk of loss if the borrower is unable to pay the lump sum or refinance the amount owed at maturity.

The Fund may invest in secured bank loans and participations, which include first-lien instruments. Secured debt in many instances is fully collateralized by assets of the borrower. Thus, it is generally repaid before unsecured bank loans, corporate bonds, subordinated debt, trader creditors, and preferred or common stockholders. However, there is a risk that the collateral securing the Fund's loans may decrease in value over time, may be difficult to sell in a timely manner, may be difficult to appraise, and may fluctuate in value based upon market conditions. Additionally, substantial increases in interest rates may cause an increase in loan defaults as borrowers may lack resources to meet higher debt service requirements. In some circumstances, the Fund's security interest could be subordinated to claims of other creditors. In addition, any deterioration in a borrower's financial condition and prospects may result in the deterioration in the value of the related collateral. Consequently, the fact that debt is secured does not guarantee that the Fund will receive principal and interest payments according to the investment terms or at all, or that the Fund will be able to collect on the investment should the Fund be forced to enforce its remedies.

Covenant-lite loans contain fewer maintenance covenants than traditional loans and may not include terms that allow the lender to monitor the financial performance of the borrower and declare a default if certain criteria are breached. This may hinder a fund's ability to mitigate problems and increase a fund's exposure to losses on such investments.

Mortgage-related securities are more susceptible to adverse economic, political or regulatory events that affect the value of real estate. They are also subject to the risk that the rate of mortgage prepayments decreases, which extends the average life of a security and increases the interest rate exposure.

Ratings assigned by a credit rating agency are opinions of such entities, not absolute standards of credit quality and they do not evaluate risks of securities. Any shortcomings or inefficiencies in the process of determining credit ratings may adversely affect the credit ratings of the securities held by a fund and their perceived or actual credit risk.

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.

Defaulted securities pose a much greater risk that principal will not be repaid than non-defaulted securities which may result in losses for a fund.

Distressed securities are speculative and often illiquid or trade in low volumes and thus may be more difficult to value and pose a substantial risk of default.

Extension risk is the risk that, when interest rates rise, certain obligations will be paid off by the issuer (or other obligated party) more slowly than anticipated, causing the value of these debt securities to fall. Rising interest rates tend to extend the duration of debt securities, making their market value more sensitive to changes in interest rates.

Interest rate risk is the risk that the value of the debt securities in a fund's portfolio will decline because of rising interest rates. Interest rate risk is generally lower for shorter term debt securities and higher for longer-term debt securities.

Prepayment risk is the risk that the issuer of a debt security will repay principal prior to the scheduled maturity date. Debt securities allowing prepayment may offer less potential for gains during a period of declining interest rates, as a fund may be required to reinvest the proceeds of any prepayment at lower interest rates.

A convertible security is exposed to risks associated with both equity and debt securities. The value of convertibles may rise and fall with the market value of the underlying stock or vary with changes in interest rates and credit quality of the issuer.

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.

Subordinated debt has lower credit ratings and lower priority than other obligations of an issuer during bankruptcy, presenting a greater risk of nonpayment.

The values of municipal securities may be adversely affected by local political and economic conditions and developments. Income from municipal securities could be declared taxable because of, among other things, unfavorable changes in tax laws, adverse interpretations by the Internal Revenue Service or state tax authorities, or noncompliant conduct of an issuer.

Leverage may result in losses that exceed the amount originally invested and may accelerate the rates of losses. Leverage tends to magnify, sometimes significantly, the effect of any increase or decrease in a fund's exposure to an asset or class of assets and may cause the value of a fund's shares to be volatile and sensitive to market swings.

Securities issued or guaranteed by federal agencies and U.S. government sponsored instrumentalities may or may not be backed by the full faith and credit of the U.S. government.

The Fund intends to seek certain exemptive relief from the Securities and Exchange Commission in order to implement its investment strategy. There can be no assurance that the Fund will receive such exemptive relief. This may reduce the Fund's ability to deploy capital and invest its assets.

The London Interbank Offered Rate ("LIBOR") has ceased to be made available as a reference rate. Any potential effects of the transition away from LIBOR on the fund or on certain instruments in which the fund invests is difficult to predict and could result in losses to the fund. The unavailability or replacement of LIBOR may affect the value, liquidity or return on certain fund investments and may result in costs incurred in connection with closing out positions and entering into new trades.

A fund may hold securities or other assets that may be valued on the basis of factors other than market quotations. This may occur because the asset or security does not trade on a centralized exchange, or in times of market turmoil or reduced liquidity. Portfolio holdings that are valued using techniques other than market quotations, including "fair valued" assets or securities, may be subject to greater fluctuation in their valuations from one day to the next than if market quotations were used. There is no assurance that a fund could sell or close out a portfolio position for the value established for it at any time.

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.

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.

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.

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