

AMERISOURCEBERGEN CORP  
Form 8-K  
March 21, 2006

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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, DC 20549

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**FORM 8-K**

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**CURRENT REPORT**

**PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**Date of Report (Date of earliest event reported): March 21, 2006**

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**AmerisourceBergen Corporation**

(Exact name of Registrant as specified in its charter)

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**Delaware**  
(State or Other Jurisdiction of  
Incorporation or Organization)

**1-16671**  
Commission File Number

**23-3079390**  
(I.R.S. Employer  
Identification Number)

**1300 Morris Drive**  
**Chesterbrook, PA**  
(Address of principal executive offices)

**19087**  
(Zip Code)  
Registrant's telephone number, including area code: **(610) 727-7000**

N/A

(Former name or former address, if changed since last report.)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

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- .. Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - .. Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - .. Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - .. Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 8.01. Other Events.

On March 21, 2006, AmerisourceBergen Corporation (the Registrant ) issued a news release announcing that its wholly owned subsidiary, AmerisourceBergen Canada Corporation, has completed the purchase of substantially all of the assets of privately held Asenda Pharmaceutical Supplies Ltd. and a related entity for approximately US\$18 million. A copy of a news release is filed as Exhibit 99.1 to this report and incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(c) Exhibits.

99.1 News Release dated March 21, 2006

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AMERISOURCEBERGEN CORPORATION

Date: March 21, 2006

By: /s/ Michael D. DiCandilo  
Name: Michael D. DiCandilo  
Title: Executive Vice President and Chief Financial Officer

ociates, Inc. and Wachovia Corporation, which owned 16.44% and 7.63%, respectively, of First Trust/FIDAC Mortgage Income Fund. Information as to beneficial ownership is based on reports filed with the Securities and Exchange Commission ("SEC") by such holders. COMMON SHARES BENEFICIALLY % OF OUTSTANDING COMMON NAME AND ADDRESS OF BENEFICIAL OWNER OWNED SHARES BENEFICIALLY OWNED Wachovia Corporation 308,639 7.63% One Wachovia Center Charlotte, North Carolina 28288-0137 Sit Investment Associates, Inc. 664,853 16.44% 3300 IDS Center 80 South Eighth Street Minneapolis, Minnesota 55402 Information is based solely upon information presented in Schedule 13G, filed on February 5, 2007 by Wachovia Corporation and on January 25, 2007 by Sit Investment Associates, Inc. Pursuant to the Schedules 13G, the entity has sole voting power over the shares beneficially owned. The Fund does not have any knowledge of who the ultimate beneficiaries are of these shares. -4- The following table indicates which Shareholders are solicited with respect to election of Trustees of each Fund: Matter Common Shares Preferred Shares a. Election of five (5) Trustees for Macquarie/First Trust Global X Infrastructure/Utilities Dividend & Income Fund, Energy Income and Growth Fund, First Trust/Fiduciary Asset Management Covered Call Fund, First Trust/Aberdeen Global Opportunity Income Fund, First Trust/FIDAC Mortgage Income Fund, First Trust Strategic High Income Fund, First Trust Strategic High Income Fund II and First Trust/Aberdeen Emerging Opportunity Fund b.i.Election of three (3) Trustees for First Trust Tax-Advantaged Preferred High X X Income Fund b.ii.Election of two (2) Trustees for First Trust Tax-Advantaged Preferred High Income X Fund In order that your Shares may be represented at the Meeting, you are requested to: indicate your instructions on the proxy card; date and sign the proxy card; mail the proxy card promptly in the enclosed envelope which requires no postage if mailed in the continental United States; and allow sufficient time for the proxy to be received BY 5:00 P.M., on APRIL 13, 2007. -5- Proposal 1: Election of Trustees Proposal 1 relates to the election of Trustees of each Fund. Management proposes the election of five Trustees: James A. Bowen, Richard E. Erickson, Thomas R. Kadlec, Robert F. Keith and Niel B. Nielson. Each Trustee has indicated his willingness to continue to serve if elected. If elected, each nominee will hold office for the term specified below or until his successor is elected and qualified, or until he resigns, retires or is otherwise removed. Each nominee's term is in accordance with the structure of the staggered Board, pursuant to an amendment to the Funds' By-Laws, which was approved by the Board of each Fund on December 10, 2006. As a result of the amendment to the Funds' By-Laws, three classes of Trustees were established: Class I Trustees serve for a term of one year, Class II Trustees serve for a term of two years and Class III Trustees serve for a term of three years. Each of the nominees was elected to each Fund's Board by the Fund's initial shareholder on the Fund's respective organizational date, except for Trustee Keith, who was appointed to the Board of the Energy Income and Growth Fund, First Trust/Fiduciary Asset Management Covered Call Fund, First Trust/Aberdeen Global Opportunity Income Fund, First Trust Strategic High Income Fund, First Trust Strategic High Income Fund II and First Trust Tax-Advantaged Preferred Income Fund on June 12, 2006 by the Trustees. In addition, each of the nominees, except for Trustee Keith, was elected to the Board of the Energy Income and Growth Fund, First Trust/Fiduciary Asset Management Covered Call Fund, First Trust/Aberdeen Global Opportunity Income Fund and First Trust Strategic High Income Fund to serve a one-year term by the Shareholders at the last Joint Annual Meetings of Shareholders of these Funds held on April 17, 2006. For the Macquarie/First Trust Global Infrastructure/Utilities Dividend & Income Fund, each of the nominees was elected to this Fund's Board to serve a one-year term by the Shareholders at its last Joint Annual Meeting of Shareholders held on September 11, 2006. The fiscal year end for the Macquarie/First Trust Global Infrastructure/Utilities Dividend & Income Fund has

been changed from May 31 to November 30. This is the first Annual Meeting of Shareholders for First Trust/Aberdeen Emerging Opportunity Fund, First Trust Strategic High Income Fund II and First Trust Tax-Advantaged Preferred Income Fund. a. For Macquarie/First Trust Global Infrastructure/Utilities Dividend & Income Fund, Energy Income and Growth Fund, First Trust/Fiduciary Asset Management Covered Call Fund, First Trust/Aberdeen Global Opportunity Income Fund, First Trust/FIDAC Mortgage Income Fund, First Trust Strategic High Income Fund, First Trust Strategic High Income Fund II and First Trust/Aberdeen Emerging Opportunity Fund: Five (5) Trustees are to be elected by holders of Common Shares of each Fund, voting as a single class. Trustee Keith is a nominee for election as a Class I Trustee by all Shareholders of each Fund for a one-year term; Trustees Erickson and Kadlec are nominees for election as Class II Trustees by all Shareholders of each Fund for a two-year term; and Trustees Bowen and Nielson are nominees for election as Class III Trustees by all Shareholders of each Fund for a three-year term. b. For First Trust Tax-Advantaged Preferred Income Fund: i. Three (3) Trustees are to be elected by holders of Common and Preferred Shares of the Fund, voting together as a single class. Trustee Erickson is a nominee for election as a Class II Trustee by holders of Common and Preferred Shares of the Fund for a two-year term; Trustees Bowen and Nielson are nominees for election as Class III Trustees by holders of Common and Preferred Shares of the Fund for a three-year term; and -6- ii. Two (2) Trustees are to be elected by holders of Preferred Shares of the Fund, voting as a single class. Trustee Keith is a nominee for election as a Class I Trustee by holders of Preferred Shares of the Fund for a one-year term; and Trustee Kadlec is a nominee for election as a Class II Trustee by holders of Preferred Shares of the Fund for a two-year term. Required Vote: The Trustees, including those who are not "interested persons" of the Funds ("Independent Trustees") as that term is defined in the 1940 Act, shall be elected by the affirmative vote of the holders of a plurality of the Shares of each Fund cast in person or by proxy and entitled to vote thereon, provided a quorum is present. Abstentions and broker "non-votes" will have no effect on the approval of the proposal. Proxies cannot be voted for a greater number of persons than the number of nominees named. Unless you give contrary instructions on the enclosed proxy card, your Shares will be voted FOR the election of the nominees listed if your proxy card has been properly executed and timely received by the Fund. If any of the nominees should withdraw or otherwise become unavailable for election, your Shares will be voted FOR such other nominee or nominees as management may recommend. **THE BOARD OF TRUSTEES UNANIMOUSLY RECOMMENDS THAT SHAREHOLDERS VOTE FOR PROPOSAL 1.** -7- Proposal 2: Approval of Change in Industry Concentration Policy First Trust Strategic High Income Fund First Trust Strategic High Income Fund II Certain investment restrictions of the First Trust Strategic High Income Fund and the First Trust Strategic High Income Fund II (the "Strategic Funds") are matters of fundamental policy and may not be changed with respect to a Fund without the approval of that Fund's shareholders. Under the 1940 Act, all funds are required to have a fundamental policy about concentration of their investments in a particular industry or group of industries. While the 1940 Act does not define "concentration in an industry," the staff of the Securities and Exchange Commission has taken the position that investment of 25% or more of a fund's total assets in one or more issuers conducting their principal activities in the same industry or group of industries constitutes concentration. The following chart contains the Strategic Funds' current fundamental investment restriction with respect to industry concentration and its proposed replacement. Current Fundamental Proposed Fundamental Investment Restriction Investment Restriction The Fund may not purchase any security if, as a result of the Under normal market conditions, the Fund will invest at least purchase, 25% or more of the Fund's total assets (taken at 25% of its total assets in residential mortgage-backed current value) would be invested in the securities of securities. The Fund may not purchase any security if, as a borrowers and other issuers having their principal business result of the purchase, 25% or more of the Fund's total assets activities in the same industry; provided, that this (taken at current value) would be invested in the securities limitation shall not apply with respect to obligations issued of borrowers and other issuers having their principal business or guaranteed by the U.S. government or by its agencies or activities in the same industry; provided, that this instrumentalities. limitation shall not apply with respect to residential mortgage-backed securities or obligations issued or guaranteed by the U.S. government or by its agencies or instrumentalities. At a meeting of the Board of Trustees of the Strategic Funds held on January 17, 2007, the Advisor and Valhalla Capital Partners, LLC ("Valhalla"), the sub-advisor to the Strategic Funds, recommended to the Board of Trustees that residential mortgage-backed securities be excluded from the 25% limitation with respect to industry concentration. Residential mortgage-backed securities have historically offered very compelling risk/reward characteristics within the structured finance area. Valhalla believes that removing the limitation on residential mortgage-backed securities will bring the Strategic Funds in line with the original intent of

their investment strategy. At the same meeting, the Board of Trustees of the Strategic Funds, including a majority of the Board members who are not "interested persons" of the Strategic Funds, First Trust Advisors or Valhalla ("Independent Trustees"), unanimously determined that the changes in the industry concentration policies were in the best interests of the Strategic Funds and approved such changes, subject to approval by shareholders. The 1940 Act requires that such changes be approved by the Strategic Funds' shareholders in order for them to become effective. If approved by shareholders, the changes to each Fund's concentration policies are -8- expected to become effective shortly after such approval. In the event shareholders do not approve such changes, the Board will take such action as it deems to be in the best interests of the Strategic Funds.

**Description of Residential Mortgage-Backed Securities.** Residential mortgage-backed securities represent direct or indirect participations in, or are secured by and payable from, pools of assets which include all types of residential mortgage products. Risks. Each Strategic Fund's total assets will be concentrated in residential mortgage-backed securities. A fund concentrated in a single industry is likely to present more risks than a fund that is broadly diversified over several industries. Mortgage-backed securities may have less potential for capital appreciation than comparable fixed income securities, due to the likelihood of increased prepayments of mortgages as interest rates decline. If a Strategic Fund buys mortgage-backed securities at a premium, mortgage foreclosures and prepayments of principal by mortgagors (which usually may be made at any time without penalty) may result in some loss of the Strategic Fund's principal investment to the extent of the premium paid. Alternatively, in a rising interest rate environment, the value of mortgage-backed securities may be adversely affected when payments on underlying mortgages do not occur as anticipated, resulting in the extension of the security's effective maturity and the related increase in interest rate sensitivity of a longer-term instrument. The value of mortgage-backed securities may also change due to shifts in the market's perception of issuers and regulatory or tax changes adversely affecting the markets as a whole. In addition, mortgage-backed securities are subject to the credit risk associated with the performance of the underlying mortgage properties. In certain instances, third-party guarantees or other forms of credit support can reduce the credit risk. The Strategic Funds may also invest in mortgage-backed securities which are interest-only ("IO") securities and principal-only ("PO") securities. An IO security receives some or all of the interest portion of the underlying collateral and little or no principal. A reference principal value called a notional value is used to calculate the amount of interest due. IOs are sold at a deep discount to their notional principal amount. A PO security does not receive any interest, is priced at a deep discount to its redemption value and ultimately receives the redemption value. Generally speaking, when interest rates are falling and prepayment rates are increasing, the value of a PO security will rise and the value of an IO security will fall. Conversely, when interest rates are rising and prepayment rates are decreasing, generally the value of a PO security will fall and the value of an IO security will rise.

**Required Vote.** The vote of a majority of the outstanding voting securities of each Strategic Fund will be required for the approval of the change in each Fund's concentration policy. The "vote of a majority of the outstanding voting securities" is defined in the 1940 Act as the vote of the lesser of (i) 67% or more of the shares of the Fund entitled to vote thereon present at the Meeting if the holders of more than 50% of such outstanding shares are present in person or represented by proxy; or (ii) more than 50% of such outstanding shares of the Fund. For purposes of determining the approval of the change in concentration policy, abstentions and broker non-votes will have the effect of a vote against the proposal. The change in industry concentration policy will not be implemented unless the required vote is received.

**THE BOARD OF TRUSTEES OF THE STRATEGIC FUNDS UNANIMOUSLY RECOMMENDS THAT SHAREHOLDERS OF THE STRATEGIC FUNDS VOTE FOR PROPOSAL 2. IF YOU NEED ANY -9- ASSISTANCE, OR HAVE ANY QUESTIONS REGARDING PROPOSAL 2 OR HOW TO VOTE YOUR SHARES, CALL (800) 761-6707 WEEKDAYS FROM 9:00 A.M. TO 10:00 P.M. EASTERN TIME.**

**-10- Additional Information Management of the Funds** The management of each Fund, including general supervision of the duties performed for each Fund under the investment management agreement between each Fund and the Adviser, is the responsibility of the Board of Trustees. There are five Trustees of each Fund, one of whom is an "interested person" (as the term "interested person" is defined in the 1940 Act) and four of whom are Independent Trustees. During the past five years, no Independent Trustee has been a trustee, director or employee of, or consultant to, the Adviser, any sub-adviser described below under "Investment Adviser, Sub-advisers and Administrator," or any of their affiliates. The Trustees of the Funds set broad policies for each Fund, choose each Fund's officers, and hire each Fund's investment adviser and sub-adviser. The officers of the Funds manage the day-to-day operations and are responsible to the Funds' Board of Trustees. The following is a list of Trustees and officers of the Funds and a statement of their present positions, principal occupations during the past five years, the number of

portfolios each oversees and the other directorships the Trustees hold, if applicable. Board Nominees Interested

Trustee Name, Address, and Position(s)	Term of Office	2 Principal Occupation(s)	Number of Other	Date of Birth	held with Funds and Length of during past five	Portfolios in Directorships	Time Served	3 years	Fund Complex	Held by																		
Trustee Overseen by Trustee/Officer James A. Bowen	1 Year	President, First Trust	36	Trustee of 1001 Warrenville Road Chairman of Since 2004	Advisors L.P. and First Wheaton College Suite 300 the Board, Trust Portfolios L.P.; Lisle, IL 60532	Chief Chairman of the Board, DOB: 9/55	Executive BondWave LLC and Officer and Stonebridge Advisors LLC	Trustee Independent Trustees	Richard E. Erickson	Trustee 1 Year Physician; President, 36 NONE c/o First Trust Advisors Since 2004																		
Wheaton Orthopedics; Co- L.P. owner and Co-Director, 1001 Warrenville Road Sports Med Center for Suite 300 Fitness; Limited Partner, Lisle, IL 60532	Gundersen Real Estate	DOB: 4/51	Partnership Thomas R. Kadlec	Trustee 1 Year President, ADM 36 NONE c/o First Trust Advisors Since 2004	Derivatives, Inc. (May L.P. 2005 to present); Vice 1001 Warrenville Road President and Chief Suite 300 Financial Officer, ADM Lisle, IL 60532	Investor Services, Inc. DOB: 11/57 (Futures Commission Merchant) (1990 to present); Registered Representative, Segerdahl & Company, Inc., a NASD member (Broker-Dealer) (2000 to present)	-11-	Name, Address, and Position(s)	Term of Office	2 Principal Occupation(s)	Number of Other	Date of Birth	held with Funds and Length of during past five	Portfolios in Directorships	Time Served	3 years	Fund Complex	Held by										
Trustee Overseen by Trustee/Officer Robert F. Keith	1 Year	President, Hibs 24 NONE c/o First Trust Advisors Since June 2006	Enterprises (Financial and L.P. Management Consulting) 1001 Warrenville Road (2003 to present); Aramark Suite 300 Service Master Management Lisle, IL 60532 (2001 to 2003); President DOB: 11/58 and Chief Operating Officer, Service Master Management Services (1998 to 2003)	Niel B. Nielson	Trustee 1 Year President, Covenant 36 Director of Good c/o First Trust Advisors Since 2004	College (June 2002 to News Publishers- L.P. present); Associate Crossway Books; 1001 Warrenville Road Pastor, College Church in Covenant Suite 300 Wheaton (1997 to June 2002)	Transport Inc. Lisle, IL 60532 DOB: 3/54	Officers Mark R. Bradley	Treasurer, Indefinite Chief Financial Officer, N/A N/A 1001 Warrenville Road	Controllor, Since 2004 First Trust Advisors L.P. Suite 300 Chief Financial and First Trust Portfolios Lisle, IL 60532	Officer L.P.; Chief Financial DOB: 11/57 and Chief Officer, BondWave LLC and Accounting Stonebridge Advisors LLC	Officer Kelley Christensen	Vice President Indefinite Assistant Vice President N/A N/A 1001 Warrenville Road Since December of First Trust Portfolios Suite 300 2006 L.P. and First Trust Lisle, IL 60532	Advisors L.P. DOB: 09/70	James M. Dykas	Assistant Indefinite Vice President, First 1001 Warrenville Road Treasurer Trust Advisors L.P. and N/A N/A Suite 300 Since December First Trust Portfolios Lisle, IL 60532	2005 L.P. (January 2005 to DOB: 1/66 present); Executive Director of Van Kampen Asset Management and Morgan Stanley Investment Management (1999 to January 2005)	Christopher Fallow	Assistant Vice Indefinite Assistant Vice President, N/A N/A 1001 Warrenville Road President Since December First Trust Advisors L.P. Suite 300 2006 (Since January 2005); Lisle, IL 60532	Municipal Bond Trader, DOB: 04/79	BondWave LLC (July 2001 to January 2005)	W. Scott Jardine	Secretary and Indefinite General Counsel, 1001 Warrenville Road	Chief Secretary First Trust Advisors N/A N/A Suite 300 Compliance and CCO L.P. and First Trust Lisle, IL 60532	Officer ("CCO") Since 2004	Portfolios L.P.; DOB: 5/60	Secretary, BondWave LLC and Stonebridge Advisors LLC	-12-
Name, Address, and Position(s)	Term of Office	2 Principal Occupation(s)	Number of Other	Date of Birth	held with Funds and Length of during past five	Portfolios in Directorships	Time Served	3 years	Fund Complex	Held by																		
Trustee Overseen by Trustee/Officer Daniel J. Lindquist	Vice President Indefinite	Senior Vice President, 1001 Warrenville Road Since December First Trust Advisors L.P. N/A N/A Suite 300 2005 and First Trust Portfolios Lisle, IL 60532	L.P. (September 2005 to DOB: 2/70 Present); Vice President, First Trust Advisors L.P. and First Trust Portfolios L.P. (April 2004 to September 2005); Chief Operating Officer, Mina Capital Management, LLC (January 2004 to April 2004); Chief Operating Officer, Samaritan Asset Management Services, Inc. (April 2000 to January 2004)	Kristi A. Maher	Assistant Indefinite Assistant General Counsel, N/A N/A 1001 Warrenville Road	Secretary Since 2004 First Trust Advisors L.P. Suite 300 and First Trust Portfolios Lisle, IL 60532	L.P. (March 2004 to DOB: 12/66 present); Associate, Chapman and Cutler LLP (1995-2004)	Mr. Bowen is deemed an "interested person" of the Funds due to his position as President of First Trust Advisors L.P., investment adviser of the Funds. Trustees are elected each year by Shareholders and serve a one-year term until their successors are elected. On December 10, 2006, each Fund's Nominating and Governance Committee and Board approved the implementation of a staggered Board, which required certain amendments to each Fund's By-Laws. If proposal 1 is approved by shareholders, Robert F. Keith would serve a one-year term for the Funds, Richard E. Erickson and Thomas R. Kadlec would each serve a two-year term for the Funds, and James A. Bowen and Niel B. Nielson would each serve a three- year term for the Funds.																				

Officers of the Funds have an indefinite term. All Trustees and officers, except for Robert F. Keith, Daniel J. Lindquist, James M. Dykas, Kelley Christensen and Christopher Fallow, were elected in 2005 for First Trust/FIDAC Mortgage Income Fund and First Trust Strategic High Income Fund. All Trustees and officers, except for Robert F. Keith, Kelley Christensen and Christopher Fallow, were elected in 2006 for First Trust Strategic High Income Fund II, First Trust Tax-Advantaged Preferred Income Fund and First Trust/Aberdeen Emerging Opportunity Fund, and in 2004 for the other Funds. Robert F. Keith was appointed to each Fund's Board by the Trustees on June 12, 2006. Daniel J. Lindquist and James M. Dykas were elected Vice President and Assistant Treasurer, respectively, of all funds in the First Trust Fund Complex, including the Funds, on December 12, 2005. Kelley Christensen was elected Vice President of all funds in the First Trust Fund Complex, including the Funds, on December 10, 2006. Christopher Fallow was elected Assistant Vice President of the Funds on December 10, 2006. In addition to the Funds, the First Trust Fund Complex includes: First Defined Portfolio Fund, LLC, an open-end management investment company with 12 portfolios advised by First Trust Advisors; First Trust Value Line(R) 100 Fund, First Trust/Four Corners Senior Floating Rate Income Fund and First Trust/Four Corners Senior Floating Rate Income Fund II, closed-end funds advised by First Trust Advisors; and First Trust Exchange-Traded Fund, an open-end investment company and an exchange-traded index fund with twelve operating portfolios advised by First Trust Advisors. Messrs. Bowen, Erickson, Kadlec and Nielson are Trustees of First Defined Portfolio Fund, LLC; Messrs. Bowen, Erickson, Kadlec, Keith and Nielson are Trustees of First Trust Value Line(R) 100 Fund, First Trust/Four Corners Senior Floating Rate Income Fund, First Trust/Four Corners Senior Floating Rate Income Fund II and First Trust Exchange-Traded Fund. During the past five years, none of the Independent Trustees, or any of their immediate family members, has ever been a director, officer, general partner or employee of, or consultant to, First Trust Advisors, First Trust Portfolios L.P., any sub-adviser or any of their affiliates. In addition, Mr. Bowen, chief executive -13- officer of each Fund, and the other officers of the Funds, hold the same positions with First Defined Portfolio Fund, LLC, First Trust Value Line(R) 100 Fund, First Trust/Four Corners Senior Floating Rate Income Fund, First Trust/Four Corners Senior Floating Rate Income Fund II and First Trust Exchange-Traded Fund, as they hold with the Funds, except for Christopher Fallow, who is not an officer of First Defined Portfolio Fund, LLC. Beneficial Ownership of Shares Held in the Funds by Each Nominee for Election as Trustee The table on the following page sets forth the dollar range and number of equity securities beneficially owned by the Trustees in each Fund and the total of all funds in the First Trust Fund Complex, including the Funds, as of December 31, 2006: -14- Macquarie/ First Trust/ First First First Trust Global Fiduciary Asset Trust/Aberdeen Trust/FIDAC First Trust Infrastructure/ Energy Management Global Opportunity Mortgage Strategic High Name of Utilities Dividend Income and Covered Call Income Fund Income Fund Income Fund Income Fund Trustee & Income Fund Growth Fund Fund Interested Trustee James A. Bowen \$0 \$0 \$0 \$10,001-\$50,000 \$0 \$10,001-\$50,000 (0 Shares) (0 Shares) (0 Shares) (750 Shares) (0 Shares) (1,000 Shares) Independent Trustees Richard E. \$10,001-\$50,000 \$0-\$10,000 \$0-\$10,000 \$0-\$10,000 \$0 \$0 Erickson (254.326 Shares) (288.375 Shares) (230.404 Shares) (467.221 Shares) (0 Shares) (0 Shares) Thomas R. \$10,001-\$50,000 \$10,001-\$50,000 \$10,001-\$50,000 \$10,001-\$50,000 \$0 Kadlec (800 Shares) (700 Shares) (850 Shares) (850 Shares) (650 Shares) (0 Shares) Robert F. \$10,001-\$50,000 \$0 \$0 \$10,001-\$50,000 \$0 \$0 Keith(1) (1,343.8 Shares) (0 Shares) (0 Shares) (2,026.21 Shares) (0 Shares) (0 Shares) Niel B. \$0-\$10,000 \$0-\$10,000 \$0-\$10,000 \$0-\$10,000 \$0-\$10,000 \$0-\$10,000 Nielson (225 Shares) (300 Shares) (229 Shares) (220 Shares) (302 Shares) (304 Shares) Aggregate Dollar Range of Equity Securities in All Registered Investment First Trust Companies Tax- Overseen by First Trust Advantaged First Trust/ Trustee in Fund Name of Strategic High Preferred Aberdeen Emerging Complex/(Number Trustee Income Fund II Income Fund Opportunity Fund of Shares Held) Interested Trustee James A. Bowen \$0 \$0 \$0 Over \$100,000 (0 Shares) (0 Shares) (0 Shares) (11,750 Shares) Independent Trustees Richard E. \$0 \$0 \$0 \$50,001-\$100,000 Erickson (0 Shares) (0 Shares) (0 Shares) (3667.007 Shares) Thomas R. \$0 \$0 \$0 Over \$100,000 Kadlec (0 Shares) (0 Shares) (0 Shares) (6,992.186 Shares) Robert F. \$0 \$0 \$0 Over \$100,000 Keith(1) ( (0 Shares) (0 Shares) (0 Shares) (5,729 Shares) Niel B. \$0-\$10,000 \$0 \$0 \$50,001-\$100,000 Nielson (304 Shares) (0 Shares) (0 Shares) (2583 Shares) (1) Mr. Keith became a Trustee on June 12, 2006. -15- As of December 31, 2006, the Independent Trustees and their immediate family members did not own, beneficially or of record, any class of securities of First Trust Advisors or any sub-adviser or principal underwriter of the Funds or any person, other than a registered investment company, directly or indirectly controlling, controlled by, or under common control with First Trust Advisors or any sub-adviser or principal underwriter of the Funds, nor, since the beginning of the most recently completed fiscal year of any Fund, did any Independent Trustee purchase or sell securities of First Trust Advisors, any



sub-adviser or their parents or subsidiaries. [James A. Bowen sold three limited partnership units of Grace Partners of DuPage L.P., the limited partner of First Trust Advisors on May 31, 2006 for a price of \$750,000 per unit.] As of March 1, 2007, Sit Investment Associates, Inc. owned 16.44% and Wachovia Corporation owned 7.63% of Common Shares of First Trust/FIDAC Mortgage Income Fund. Other than these two shareholders, First Trust/FIDAC Mortgage Income Fund knows of no person who owns beneficially or of record 5% or more of the Fund's Shares. As of February 23, 2007, the Funds, other than First Trust/FIDAC Mortgage Income Fund, know of no person who owns beneficially or of record 5% or more of each Fund's Shares. As of December 31, 2006, the Trustees and Fund officers as a group beneficially owned [\_\_\_] shares of fund in the First Trust Fund Complex (less than 1% of the shares outstanding). As of December 31, 2006, the Trustees and Fund officers as a group beneficially owned the following number of Shares of each Fund, which is less than 1% of each Fund's Shares outstanding: Fund Common Shares Owned Preferred Shares Owned Macquarie/First Trust Global Infrastructure/Utilities Dividend & Income Fund [\_\_\_] N/A Energy Income and Growth Fund [\_\_\_] N/A First Trust/Fiduciary Asset Management Covered Call Fund [\_\_\_] N/A First Trust/Aberdeen Global Opportunity Income Fund [\_\_\_] N/A First Trust/FIDAC Mortgage Income Fund [\_\_\_] N/A First Trust Strategic High Income Fund [\_\_\_] N/A First Trust Strategic High Income Fund II [\_\_\_] N/A First Trust Tax-Advantaged Preferred Income Fund [\_\_\_] 0 First Trust/Aberdeen Emerging Opportunity Fund [\_\_\_] N/A Compensation Effective January 1, 2007, the Trustees approved a revised compensation plan. Under the revised plan, each Trustee who is not an officer or employee of First Trust Advisors, any sub-adviser or any of their affiliates is paid an annual retainer of \$10,000 per investment company for the first 14 investment companies in the First Trust Fund Complex and an annual retainer of \$7,500 per investment company for each subsequent investment company added to the First Trust Fund Complex. The annual retainer is allocated equally among each of the investment companies. No additional meeting fees are paid in connection with board or committee meetings. Additionally, Mr. Kadlec is paid \$10,000 -16- annually to serve as the Lead Trustee and Mr. Nielson is paid \$5,000 annually to serve as Chairman of the Audit Committee, with such compensation paid by the funds in the First Trust Fund Complex and divided among those funds. Trustees are also reimbursed by the investment companies in the First Trust Fund Complex for travel and out- Page 12 of-pocket expenses in connection with all meetings. The Trustees adopted the revised plan because the increase in the number of funds in the First Trust Fund Complex had the effect of rapidly increasing their compensation under the previous arrangements. Prior to January 1, 2006, each Fund paid each Trustee who is not an officer or employee of First Trust Advisors, any sub-adviser or any of their affiliates an annual retainer of \$10,000, which included compensation for all board and committee meetings. The Board of Trustees of First Trust/FIDAC Mortgage Income Fund held seven meetings, the Board of Trustees of First Trust Strategic High Income Fund held eight meetings, the Board of Trustees of First Trust Strategic High Income Fund II held seven meetings and the Board of Trustees of First Trust Tax-Advantaged Preferred Income Fund held five meetings during the fiscal year ended October 31, 2006. The Board of Trustees of Macquarie/First Trust Global Infrastructure/Utilities Dividend & Income Fund held eight meetings and the Board of Trustees of Energy Income and Growth Fund held seven meetings during the fiscal year ended November 30, 2006. The Board of Trustees of First Trust/Fiduciary Asset Management Covered Call Fund, First Trust/Aberdeen Global Opportunity Income Fund and First Trust/Aberdeen Emerging Opportunity Fund held eight meetings, eight meetings and five meetings, respectively, during the fiscal year ended December 31, 2006. Each of the Trustees attended all of the meetings of the Board of Trustees of the Funds. The aggregate fees and expenses paid to the Trustees by each Fund for their respective fiscal years (including reimbursement for travel and out-of-pocket expenses) amounted to the following: Fund Aggregate Fees and Expenses Paid Macquarie/First Trust Global Infrastructure/Utilities Dividend & Income Fund 1 \$20,625.10 Energy Income and Growth Fund \$49,957.43 First Trust/Fiduciary Asset Management Covered Call Fund \$41,371.85 First Trust/Aberdeen Global Opportunity Income Fund \$47,744.04 First Trust/FIDAC Mortgage Income Fund \$40,354.36 First Trust Strategic High Income Fund \$40,841.09 First Trust Strategic High Income Fund II \$20,446.33 First Trust Tax-Advantaged Preferred Income Fund \$10,041.87 First Trust/Aberdeen Emerging Opportunity Fund \$20,045.05 1 As a result to the Fund's fiscal year end change from May 31 to November 30, the aggregate fees and expenses represent the six month period ended November 30, 2006. The table on the following page sets forth certain information regarding the compensation of each Fund's Trustees for their respective fiscal years. The Funds have no retirement or pension plans. -17- Macquarie/ Energy Income First Trust/ First First Trust/FIDAC First Trust First Trust Global and Growth Fiduciary Asset Trust/Aberdeen Mortgage Income Strategic High Infrastructure/ Fund(2) Management Covered Global Opportunity Fund(1) Income Fund(1) Name of Utilities Dividend Call Fund(3) Income

Fund(3) Trustee & Income Fund(2) Interested Trustee James A. Bowen \$0 \$0 \$0 \$0 \$0 \$0 Independent Trustees Richard E. \$7,500 \$10,084.88 \$10,098.78 \$10,124.05 \$10,062.75 \$10,081 Erickson Thomas R. \$7,848.94 \$10,330.49 \$10,541.40 \$10,687.51 \$10,171.91 \$10,278.50 Kadlec Niel B. \$7,776.16 \$10,448.58 \$10,621.42 \$10,794.03 \$10,230.92 \$10,392.44 Nielson Robert F. \$7,500 \$5,000 \$7,500 \$7,500 \$5,000 \$5,000 Keith(5) First Trust Trust Tax-First Trust/ Estimated Total Strategic High Advantaged Aberdeen Compensation Income Fund Preferred Income Emerging from the Fund Name of II(1) (4) Fund(1) (4) Opportunity Complex(3) Trustee Fund(3) (4) Interested Trustee James A. Bowen \$0 \$0 \$0 \$0 Independent Trustees Richard E. \$10,000 \$10,000 \$10,000 \$87,951.46 Erickson Thomas R. \$10,211.52 \$10,000 \$10,000 \$90,070.27 Kadlec Niel B. \$10,234.81 \$10,041.87 \$10,045.05 \$90,585.28 Nielson Robert F. \$5,000 \$5,000 \$7,500 \$55,000 Keith(5) 1 For fiscal year ended October 31, 2006. 2 For fiscal year ended November 30, 2006. 3 For fiscal year ended December 31, 2006. 4 Except for Robert Keith, who became a Trustee on June 12, 2006, the compensation from the Fund has been estimated for the current fiscal year. 5 Mr. Keith became a Trustee on June 12, 2006. The total compensation paid to Messrs. Erickson, Kadlec, Keith and Nielson, Independent Trustees of each fund in the First Trust Fund Complex, includes compensation for their services as Trustees to First Defined Portfolio Fund, LLC, First Trust Value Line(R) 100 Fund, First Trust Value Line(R) Dividend Fund, First Trust/Four Corners Senior Floating Rate Income Fund, Macquarie/First Trust Global Infrastructure/Utilities Dividend & Income Fund, First Trust Value Line(R) & Ibbotson Equity Allocation Fund, First Trust/Four Corners Senior Floating Rate Income Fund II, First Trust Exchange-Traded Fund and the Funds, except for Mr. Keith, whose total compensation does not include any compensation from First Defined Portfolio Fund, LLC.

-18- The officers and the interested Trustee of each Fund receive no compensation from the Funds for serving in such capacity. Committees Audit Committee The Board of Trustees has an Audit Committee, which consists of Messrs. Erickson, Kadlec, Keith and Nielson, all of whom are "independent" as defined in the listing standards of the American Stock Exchange and the New York Stock Exchange. Mr. Kadlec and Mr. Keith serve as Audit Committee Financial Experts. The Audit Committee is responsible for overseeing each Fund's accounting and financial reporting process, the system of internal controls, audit process and evaluating and appointing the independent registered public accounting firm (subject also to Board approval). For the fiscal year ended October 31, 2006, the Audit Committee met five times, five times, three times and two times for First Trust/FIDAC Mortgage Income Fund, First Trust Strategic High Income Fund, First Trust Strategic High Income Fund II and First Trust Tax-Advantaged Preferred Income Fund, respectively. For the fiscal year ended November 30, 2006, the Audit Committee met six times for Macquarie/First Trust Global Infrastructure/Utilities Dividend & Income Fund and Energy Income and Growth Fund. For the fiscal year ended December 31, 2006, the Audit Committee met seven times, seven times and two times for First Trust/Fiduciary Asset Management Covered Call Fund, First Trust/Aberdeen Global Opportunity Income Fund and First Trust/Aberdeen Emerging Opportunity Fund, respectively. Each of the Trustees attended all of the meetings of the Audit Committee of the Board of Trustees of each Fund, except for Trustee Keith, who was appointed to the Audit Committee on June 12, 2006 and thus attended only those meetings held on June 12, 2006 and thereafter. In carrying out its responsibilities, the Audit Committee pre-approves all audit services for each Fund and permitted non-audit services (including the fees and terms thereof) to be performed for each Fund and the Adviser by Deloitte & Touche LLP ("Deloitte & Touche"), the Funds' independent registered public accounting firm ("independent auditors"). The Chairman of the Audit Committee is authorized to give such pre-approvals on behalf of the Audit Committee for engagements of less than \$25,000. Any decisions by the Chairman to grant pre-approvals are reported to the full Audit Committee at the next regularly scheduled meeting. Audit Committee Report The role of the Audit Committee is to assist the Board of Trustees in its oversight of each Fund's accounting and financial reporting process. The Audit Committee operates pursuant to a Charter that was most recently reviewed and approved by the Board of Trustees on December 10, 2006, a copy of which is attached as Exhibit A hereto, and is available on each Fund's website located at <http://www.ftportfolios.com>. As set forth in the Charter, management of each Fund is responsible for maintaining appropriate systems for accounting and internal controls and the audit process. The Funds' independent auditors are responsible for planning and carrying out proper audits of the Funds' financial statements and expressing an opinion as to their conformity with accounting principles generally accepted in the United States of America. In performing its oversight function, the Audit Committee reviewed and discussed with management and the independent auditors, Deloitte & Touche, the audited financial statements of the First Trust/FIDAC -19- Mortgage Income Fund, the First Trust Strategic High Income Fund, the First Trust Strategic High Income Fund II and the First Trust Tax- Advantaged Preferred Income Fund for the fiscal years ended October 31, 2006 at a meeting held on

December 10, 2006; the Macquarie/First Trust Global Infrastructure/Utilities Dividend & Income Fund and the Energy Income and Growth Fund for the fiscal year ended November 30, 2006 at a meeting held on January 17, 2007; and First Trust/Fiduciary Asset Management Covered Call Fund, the First Trust/Aberdeen Global Opportunity Income Fund and the First Trust/Aberdeen Emerging Opportunity Fund for the fiscal years ended December 31, 2006 at a meeting held on February 21, 2007, and discussed the audit of such financial statements with the independent auditors and management. In addition, the Audit Committee discussed with the independent auditors the accounting principles applied by each Fund and such other matters brought to the attention of the Audit Committee by the independent auditors required by Statement on Auditing Standards No. 61, Communications with Audit Committees, as currently modified or supplemented. The Audit Committee also received from the independent auditors the written disclosures and letter required by Independent Standards Board Standard No. 1, Independence Discussions with Audit Committees, delineating relationships between the independent auditors and each Fund and discussed the impact that any such relationships may have on the objectivity and independence of the independent auditors. The members of each Fund's Audit Committee are not full-time employees of the Fund and are not performing the functions of auditors or accountants. As such, it is not the duty or responsibility of the Audit Committee or its members to conduct "field work" or other types of auditing or accounting reviews or procedures or to set auditor independence standards. Members of each Fund's Audit Committee necessarily rely on the information provided to them by Fund management and the independent auditors. Accordingly, the Audit Committee's considerations and discussions referred to above do not assure that the audit of each Fund's financial statements has been carried out in accordance with generally accepted auditing standards, that the financial statements are presented in accordance with generally accepted accounting principles or that the independent auditors are in fact "independent." Based on its consideration of the Funds' audited financial statements and the discussions referred to above with Fund management and Deloitte & Touche, and subject to the limitations on the responsibilities and role of the Audit Committee as set forth in the Charter and discussed above, the Audit Committee recommended to the Board the inclusion of each Fund's audited financial statements for the years ended October 31, November 30, and December 31, 2006 in its Annual Report dated October 31, November 30, and December 31, 2006, respectively. Submitted by the Audit Committee of the Funds: Richard E. Erickson Thomas R. Kadlec Robert F. Keith Niel B. Nielson Independent Auditors' Fees Deloitte & Touche has been selected to serve as the independent auditors for First Trust/FIDAC Mortgage Income Fund, First Trust Strategic High Income Fund, First Trust Strategic High Income Fund II and First Trust Tax-Advantaged Preferred Income Fund for the fiscal years ending October 31, 2007, for Macquarie/First Trust Global Infrastructure/Utilities Dividend & Income Fund and Energy Income and Growth Fund for the fiscal years ending November 30, 2007, and for First Trust/Fiduciary Asset -20- Management Covered Call Fund, First Trust/Aberdeen Global Opportunity Income Fund and First Trust/Aberdeen Emerging Opportunity Fund for the fiscal years ending December 31, 2007. Deloitte & Touche acted as the independent auditors for First Trust/FIDAC Mortgage Income Fund, First Trust Strategic High Income Fund, First Trust Strategic High Income Fund II and First Trust Tax-Advantaged Preferred Income Fund for the fiscal years ended October 31, 2006, for Macquarie/First Trust Global Infrastructure/Utilities Dividend & Income Fund and Energy Income and Growth Fund for the fiscal years ended November 30, 2006, and for First Trust/Fiduciary Asset Management Covered Call Fund, First Trust/Aberdeen Global Opportunity Income Fund and First Trust/Aberdeen Emerging Opportunity Fund for the fiscal years ended December 31, 2006. Deloitte & Touche has advised the Funds that, to the best of its knowledge and belief, Deloitte & Touche professionals did not have any direct or material indirect ownership interest in the Funds inconsistent with independent professional standards pertaining to independent registered public accounting firms. It is expected that representatives of Deloitte & Touche will be present at the Meeting to answer any questions that may arise and will have the opportunity to make a statement if they desire to do so. In reliance on Rule 32a-4 under the 1940 Act, each Fund is not seeking shareholder ratification of the selection of Deloitte & Touche as independent auditors. Set forth in the table below are fees billed by Deloitte & Touche to each Fund for each Fund's respective fiscal years ended October 31, November 30 or December 31, as applicable, and to the Adviser for the year ended December 31: Audit Fees Audit Related Fees Tax Fees All Other Fees 2005 2006 2005 2006 2005 2006 2005 2006 Macquarie/First Trust Global \$38,250 \$45,000 \$8,000 \$0 \$4,200 \$0 \$5,867 \$0 Infrastructure/ Utilities Dividend & Income Fund8 Energy Income and Growth Fund \$54,340 \$54,750 \$0 \$0 \$50,000 \$11,000 \$3,2647 \$451 First Trust/Fiduciary Asset \$26,250 [\$\_\_\_] \$0 [\$\_\_\_] \$4,5006 [\$\_\_\_] \$5,7647 [\$\_\_\_] Management Covered Call Fund First Trust/Aberdeen Global \$43,000 [\$\_\_\_] \$0 [\$\_\_\_] \$4,0006 [\$\_\_\_] \$7,3837 [\$\_\_\_] Opportunity Income Fund First Trust/FIDAC

Mortgage \$15,500<sup>1</sup> \$48,000 \$0<sup>1</sup> \$0<sup>1</sup> \$4,000 \$0<sup>1</sup> \$1,848 Income Fund First Trust Strategic High \$15,500<sup>2</sup> \$48,000 \$0<sup>2</sup> \$0<sup>2</sup> \$4,000 \$0<sup>2</sup> \$3,300 Income Fund First Trust Strategic High N/A \$27,000<sup>3</sup> N/A \$0<sup>3</sup> N/A \$0<sup>3</sup> N/A \$3903 Income Fund II First Trust Tax-Advantaged N/A \$35,000<sup>4</sup> N/A \$0<sup>4</sup> N/A \$0<sup>4</sup> N/A \$0<sup>4</sup> Preferred Income Fund -21- Audit Fees Audit Related Fees Tax Fees All Other Fees 2005 2006 2005 2006 2005 2006 2005 2006 First Trust/Aberdeen Emerging N/A [\$\_\_\_\_]5 N/A [\$\_\_\_\_]5 N/A [\$\_\_\_\_]5 N/A [\$\_\_\_\_] Opportunity Fund First Trust Advisors \$0 \$0 \$0 \$0 \$0 \$0 \$60,000<sup>7</sup> \$0<sup>1</sup> These fees were for the period since inception on May 17, 2005 to October 31, 2005. 2These fees were for the period since inception on July 19, 2005 to October 31, 2005. 3These fees were for the period since inception on March 21, 2006 to October 31, 2006. 4These fees were for the period since inception on June 20, 2006 to October 31, 2006. 5These fees were for the period since inception on August 29, 2006 to December 31, 2006. 6These fees were for tax return preparation. 7These fees were for compliance program evaluation. 8The fiscal year end of Macquarie/First Trust Global Infrastructure/Utilities Dividend & Income Fund changed from May 31 to November 30 resulting in a fiscal year end of May 31, 2006 as well as November 30, 2006. Set forth in the table below are the aggregate non-audit fees shown in the table above billed by Deloitte & Touche to each Fund and the Adviser for each Fund's and the Adviser's respective fiscal years ended October 31, November 30 and December 31:

Aggregate Non-Audit Fees	2005	2006	Macquarie/First Trust Global Infrastructure/Utilities Dividend & Income Fund
\$10,067	\$0	\$0	Energy Income and Growth Fund \$53,2646 \$11,451
\$10,2646	[\$____]	[\$____]	First Trust/Fiduciary Asset Management Covered Call Fund \$11,3836
\$01	\$5,848	\$01	First Trust Strategic High Income Fund \$02 \$7,300
N/A	\$3903	N/A	First Trust Tax-Advantaged Preferred Income Fund N/A \$04
N/A	[\$____]5	N/A	First Trust Advisors \$60,000 <sup>7</sup> [\$____] 1These fees were for the period since inception on May 17, 2005 to October 31, 2005. 2These fees were for the period since inception on July 19, 2005 to October 31, 2005. 3These fees were for the period since inception on March 21, 2006 to October 31, 2006. 4These fees were for the period since inception on June 20, 2006 to October 31, 2006. 5These fees were for the period since inception on August 29, 2006 to December 31, 2006. 6These fees were for tax return preparation and compliance program evaluation. 7These fees were for compliance program evaluation. -22-

In addition to pre-approving all audit services and permitted non-audit services (including the fees and terms thereof) to be performed for each Fund by the independent auditors, the Audit Committee pre-approves the independent auditors' engagements for non-audit services to the Adviser and any entity controlling, controlled by or under common control with the Adviser that provides ongoing services to a Fund, if the engagement relates directly to the operations and financial reporting of a Fund. All of the Audit Fees, Audit Related Fees, Tax Fees, All Other Fees and Aggregate Non-Audit Fees for the Funds and the Adviser disclosed in the tables set forth above were pre-approved by the Audit Committee pursuant to its pre-approval policies. None of these fees were pre-approved by the Audit Committee pursuant to the pre-approval exceptions included in Regulation S-X. Other Committees The Board of Trustees of the Funds has three other standing committees: the Executive Committee (and Dividend and Pricing Committee), the Nominating and Governance Committee and the Valuation Committee. The Executive Committee, which meets between Board meetings, is authorized to exercise all powers of and to act in the place of the Board of Trustees to the extent permitted by each Fund's Declaration of Trust and By-Laws. The members of the Executive Committee also serve as a special committee of the Board of Trustees known as the Dividend and Pricing Committee which is authorized to exercise all of the powers and authority of the Board in respect of the declaration and setting of dividends and the issuance and sale, through an underwritten public offering, of the Shares of each Fund and all other such matters relating to such financing, including determining the price at which such Shares are to be sold and approval of the final terms of the underwriting agreement, including approval of the members of the underwriting syndicate. Messrs. Bowen and Kadlec are members of the Executive Committee. The Executive Committee serving as the Dividend and Pricing Committee for First Trust/FIDAC Mortgage Income Fund, First Trust Strategic High Income Fund, First Trust Strategic High Income Fund II and First Trust Tax-Advantaged Preferred Income Fund met a total of eleven times, twelve times, seven times and two times, respectively, during the fiscal year ended October 31, 2006. The Executive Committee serving as the Dividend and Pricing Committee for Macquarie/First Trust Global Infrastructure/Utilities Dividend & Income Fund and Energy Income and Growth Fund met a total of six times and four times, respectively, during the fiscal year ended November 30, 2006. During the fiscal year ended December 31, 2006, the Executive Committee serving as the Dividend and Pricing Committee met a total of four times for First Trust/Fiduciary Asset Management Covered Call Fund; thirteen times for First Trust/Aberdeen Global Opportunity

Income Fund; and two times for First Trust Aberdeen Emerging Opportunity Fund. Each Fund's Executive Committee met to authorize the Funds' dividend declarations and to authorize the initial public offering of the applicable Funds. Each Fund's Nominating and Governance Committee (the "Committee") is composed entirely of Independent Trustees who are also "independent directors" within the meaning of the listing standards of the American and New York Stock Exchanges. Messrs. Erickson, Kadlec, Keith and Nielson are members of the Committee. The purpose of the Committee is to oversee matters related to the nomination of trustees and, as necessary, the corporate governance of each Fund. The Committee is responsible for, among other things, seeking, identifying and nominating qualified candidates for election or appointment as trustees in the event of a vacancy, consistent with criteria approved by the Board, for the next annual meeting of shareholders; evaluating Board performance and processes; reviewing Board committee assignments; and, to the extent necessary or desirable, establishing corporate governance guidelines and procedures. The Committee operates under a written charter adopted and -23- approved by the Board, a copy of which is available on the Funds' website at [www.ftportfolios.com](http://www.ftportfolios.com). The Committee for First Trust/FIDAC Mortgage Income Fund, First Trust Strategic High Income Fund, First Trust Strategic High Income Fund II and First Trust Tax-Advantaged Preferred Income Fund met a total of six times, six times, four times and two times, respectively, during the fiscal year ended October 31, 2006. The Committee for Macquarie/First Trust Global Infrastructure/Utilities Dividend & Income Fund and Energy Income and Growth Fund met a total of five times and five times, respectively, during the fiscal year ended November 30, 2006. The Committee for First Trust/Fiduciary Asset Management Covered Call Fund, First Trust/Aberdeen Global Opportunity Income Fund and First Trust/Aberdeen Emerging Opportunity Fund met a total of five times, five times and two times, respectively, during the fiscal year ended December 31, 2006. If there is no vacancy on the Board, the Board will not actively seek recommendations from other parties, including shareholders. When a vacancy on the Board occurs, the Committee may seek recommendations for candidates from those sources it deems appropriate in its discretion, including shareholders of the Funds. The Committee may retain a search firm to identify candidates. Any proposal to elect any person nominated by shareholders for election as trustee may only be brought before an annual meeting of a Fund if timely written notice (the "Shareholder Notice") is provided to the Secretary of the Fund. In accordance with the advance notice provisions included in the Funds' By-Laws, unless a greater or lesser period is required under applicable law, to be timely, the Shareholder Notice must be delivered to or mailed and received at the Fund's address, 1001 Warrenville Road, Suite 300, Lisle, Illinois 60532, Attn: W. Scott Jardine, not less than forty-five (45) days nor more than sixty (60) days prior to the first anniversary date of the date of the Fund's proxy statement released to shareholders for the prior year's annual meeting; provided, however, if and only if the annual meeting is not scheduled to be held within a period that commences thirty (30) days before the first anniversary date of the annual meeting for the preceding year and ends thirty (30) days after such anniversary date (an annual meeting date outside such period being referred to herein as an "Other Annual Meeting Date"), such Shareholder Notice must be given in the manner provided herein by the later of the close of business on (i) the date forty-five (45) days prior to such Other Annual Meeting Date or (ii) the tenth (10th) business day following the date such Other Annual Meeting Date is first publicly announced or disclosed. Any shareholder submitting a nomination of any person or persons (as the case may be) for election as a trustee or trustees of a Fund shall deliver, as part of such Shareholder Notice: (i) a statement in writing setting forth (A) the name, age, date of birth, business address, residence address and nationality of the person or persons to be nominated; (B) the class or series and number of all shares of the Fund owned of record or beneficially by each such person or persons, as reported to such shareholder by such nominee(s); (C) any other information regarding each such person required by paragraphs (a), (d), (e) and (f) of Item 401 of Regulation S-K or paragraph (b) of Item 22 of Rule 14a-101 (Schedule 14A) under the 1934 Act (or any successor provision thereto); (D) any other information regarding the person or persons to be nominated that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitation of proxies for election of trustees or directors pursuant to Section 14 of the 1934 Act and the rules and regulations promulgated thereunder; and (E) whether such shareholder believes any nominee is or will be an "interested person" of the Fund (as defined in the 1940 Act) and, if not an "interested person," information regarding each nominee that will be sufficient for the Fund to make such determination; and (ii) the written and signed consent of any person nominated to be named -24- as a nominee and to serve as a trustee if elected. In addition, the Trustees may require any proposed nominee to furnish such other information as they may reasonably require or deem necessary to determine the eligibility of such proposed nominee to serve as a trustee. Without limiting the foregoing, any shareholder who gives a Shareholder Notice of any

matter proposed to be brought before a shareholder meeting (whether or not involving nominees for trustees) shall deliver, as part of such Shareholder Notice: (i) the description of and text of the proposal to be presented; (ii) a brief written statement of the reasons why such shareholder favors the proposal; (iii) such shareholder's name and address as they appear on the Fund's books; (iv) any other information relating to the shareholder that would be required to be disclosed in a proxy statement or other filings required to be made in connection with the solicitation of proxies with respect to the matter(s) proposed pursuant to Section 14 of the 1934 Act; (v) the class or series and number of all shares of the Fund owned beneficially and of record by such shareholder; (vi) any material interest of such shareholder in the matter proposed (other than as a shareholder); (vii) a representation that the shareholder intends to appear in person or by proxy at the shareholder meeting to act on the matter(s) proposed; (viii) if the proposal involves nominee(s) for trustees, a description of all arrangements or understandings between the shareholder and each proposed nominee and any other person or persons (including their names) pursuant to which the nomination(s) are to be made by the shareholder; and (ix) in the case of a shareholder (a "Beneficial Owner") that holds shares entitled to vote at the meeting through a nominee or "street name" holder of record, evidence establishing such Beneficial Owner's indirect ownership of, and entitlement to vote, shares at the meeting of shareholders. Shares "beneficially owned" means all shares which such person is deemed to beneficially own pursuant to Rules 13d-3 and 13d-5 under the 1934 Act. If a recommendation is received with satisfactorily completed information regarding a candidate during a time when a vacancy exists on the Board or during such other time as the Committee is accepting recommendations, the recommendation will be forwarded to the Chairman of the Committee and outside counsel to the Independent Trustees. Recommendations received at any other time will be kept on file until such time as the Committee is accepting recommendations at which point they may be considered for nomination. In recruiting new trustees, the Committee seeks to recruit and retain qualified independent trustees of high integrity, whose skills and experience will enhance the Board's ability to effectively represent the interests of the Funds' shareholders and oversee the wide range of regulatory and business issues affecting the Funds. A candidate for trustee must meet certain basic requirements, including relevant skills and experience, time availability and if qualifying as a non-"interested person" candidate, independence from the Funds, investment adviser or other service providers. The qualifications of a particular candidate, however, may vary depending on the current composition of the Board and the mix of skills and backgrounds of the incumbent trustees since the Committee seeks to establish an effective Board with an appropriate range of skills and experience, in the aggregate. In addition to relevant skills and experience, all candidates must possess high standards of personal integrity that are assessed on the basis of personal interviews, recommendations, or direct knowledge by Committee members. The review process may include, without limitation, personal interviews, background checks, written submissions by the candidates and third party references. Under no circumstances shall the Committee evaluate persons recommended by a shareholder of the Funds on a basis substantially different than that used for other persons recommended for the same election or appointment of trustees. The Committee reserves the right to make the final selection regarding the nomination of any trustees.

-25- The Valuation Committee is responsible for the oversight of valuation procedures of the Funds. Messrs. Erickson, Kadlec, Keith and Nielson are members of the Valuation Committee. The Valuation Committee for First Trust/FIDAC Mortgage Income Fund, First Trust Strategic High Income Fund, First Trust Strategic High Income Fund II and First Trust Tax- Advantaged Preferred Income Fund met a total of [four times, four times, three times and two times,] respectively, during the fiscal year ended October 31, 2006. The Valuation Committee for Macquarie/First Trust Global Infrastructure/Utilities Dividend & Income Fund and Energy Income and Growth Fund met a total of [four times and four times,] respectively, during the fiscal year ended November 30, 2006. The Valuation Committee for First Trust/Fiduciary Asset Management Covered Call Fund, First Trust/Aberdeen Global Opportunity Income Fund and First Trust/Aberdeen Emerging Opportunity Fund met a total of [four times, four times and two times,] respectively, during the fiscal year ended December 31, 2006.

Attendance at Annual Shareholder Meetings The policy of the Board is to have as many Trustees as possible in attendance at annual meetings of shareholders. The policy of the Nominating and Governance Committee relating to attendance by Trustees at annual meetings is contained in the Funds' Nominating and Governance Committee Charter, which is posted on the Funds' website at [www.ftportfolios.com](http://www.ftportfolios.com). All of the then-Trustees attended the previous year's annual meeting, if one was held. This is the first Annual Meeting of Shareholders for First Trust/Aberdeen Emerging Opportunity Fund, First Trust Strategic High Income Fund II and First Trust Tax- Advantaged Preferred Income Fund. Investment Adviser, Sub-Advisers and Administrator First Trust Advisors L.P., 1001 Warrenville Road, Suite 300, Lisle, Illinois 60532, serves as the Funds' investment adviser. Four

Corners Capital Management, LLC, 515 South Flower Street, Suite 1600, Los Angeles, California 90071, and Macquarie Fund Adviser, LLC, 125 West 55th Street, New York, New York 10019, serve as the investment sub-advisers to the Macquarie/First Trust Global Infrastructure/Utilities Dividend & Income Fund. Fiduciary Asset Management, LLC, 8112 Maryland Avenue, Suite 400, St. Louis, Missouri 63105, serves as the investment sub-adviser to the Energy Income and Growth Fund and the First Trust/Fiduciary Asset Management Covered Call Fund. Aberdeen Asset Management, Inc., 300 SE 2nd Street, Suite 820, Fort Lauderdale, Florida 33301, serves as the investment sub-adviser to the First Trust/Aberdeen Global Opportunity Income Fund and the First Trust/Aberdeen Emerging Opportunity Fund. Fixed Income Discount Advisory Company, Inc., 1211 Avenue of the Americas, 29th Floor, New York, New York 10036, serves as the investment sub-adviser to the First Trust/FIDAC Mortgage Income Fund. Valhalla Capital Partners, LLC, 501 S. Fourth Street, 7th Floor, Louisville, Kentucky 40202, serves as the investment sub-adviser to the Strategic Funds. Stonebridge Advisors, LLC, 187 Danbury Road, Wilton, Connecticut 06897, serves as the investment sub-adviser to the First Trust Tax-Advantaged Preferred Income Fund and is an affiliate of First Trust Advisors L.P. PFPC acts as the Funds' administrator and accounting agent and is located at 4400 Computer Drive, Westborough, Massachusetts 01581. PFPC is a leading provider of full service mutual fund shareholder and record keeping services. In addition to its mutual fund transfer agent and record keeping service, PFPC provides other services through its own subsidiary business units. -26- Section 30(h) and Section 16(a) Beneficial Ownership Reporting Compliance Section 30(h) of the 1940 Act and Section 16(a) of the 1934 Act require the Funds' officers and Trustees, certain persons affiliated with First Trust Advisors and any sub-adviser and persons who beneficially own more than 10% of a Fund's Shares to file reports of ownership and changes of ownership with the SEC, the American Stock Exchange or the New York Stock Exchange, as applicable, and to furnish the Funds with copies of all Section 16(a) forms they file. Based solely upon a review of copies of such forms received by the Funds and certain written representations, the Funds believe that during the fiscal years ended October 31, 2006, November 30, 2006 and December 31, 2006, all such filing requirements applicable to such persons were met except as noted below. On November 15, 2006, First Trust Advisors made late Form 3 filings for Macquarie/First Trust Global Infrastructure/Utilities Dividend & Income Fund, Energy Income and Growth Fund, First Trust/Fiduciary Asset Management Covered Call Fund, First Trust/Aberdeen Global Opportunity Income Fund, First Trust/FIDAC Mortgage Income Fund, First Trust Strategic High Income Fund, First Trust Strategic High Income Fund II and First Trust Tax-Advantaged Preferred Income Fund on behalf of Joseph McDermott. Mr. McDermott became Chief Compliance Officer of First Trust Advisors on July 10, 2006. Upon discovery of this oversight, Form 3s were filed on behalf of Joseph McDermott for the Funds on November 30, 2006. In the late Form 3 filings mentioned above, no person was purchasing or selling Shares of the Funds. Shareholder Proposals To be considered for presentation at the Joint Annual Meetings of Shareholders of Macquarie/First Trust Global Infrastructure/Utilities Dividend & Income Fund, Energy Income and Growth Fund, First Trust/Fiduciary Asset Management Covered Call Fund, First Trust/Aberdeen Global Opportunity Income Fund, First Trust/FIDAC Mortgage Income Fund, First Trust Strategic High Income Fund, First Trust Strategic High Income Fund II, First Trust Tax-Advantaged Preferred Income Fund and First Trust/Aberdeen Emerging Opportunity Fund to be held in 2008, a shareholder proposal submitted pursuant to Rule 14a-8 of the 1934 Act must be received at the offices of the applicable Fund at 1001 Warrenville Road, Suite 300, Lisle, Illinois 60532, not later than November 2, 2007. The Funds' advance notice provision by-laws require that in order to nominate persons to the Funds' Board or to present a proposal for action by shareholders at an annual meeting of shareholders, a shareholder must provide advance written notice to the Secretary of the Funds, which notice must be delivered to or mailed and received at the Funds' principal executive offices not later than the close of business on the 45th day nor earlier than the close of business on the 60th day prior to the first anniversary of the preceding year's annual meeting of shareholders; provided that in the event that the date of the annual meeting to which such shareholder's notice relates is more than 30 days before or more than 30 days after such anniversary date, for notice by the shareholder to be timely it must be so delivered not later than the close of business on the later of the 45th day prior to such annual meeting or the 10th day following the day on which public announcement of the date of such annual meeting is first made by the Funds. The shareholder's notice must contain detailed information specified in the Funds' by-laws. Timely submission of a proposal does not mean that such proposal will be included in a proxy statement. -27- Shareholder Communications Shareholders of a Fund who want to communicate with the Board of Trustees or any individual Trustee should write the Fund to the attention of the Fund Secretary, W. Scott Jardine. The letter should indicate that you are a Fund shareholder. If the communication is intended for a specific Trustee and so

indicates, it will be sent only to that Trustee. If a communication does not indicate a specific Trustee it will be sent to the chair of the Nominating and Governance Committee and the outside counsel to the Independent Trustees for further distribution as deemed appropriate by such persons. Fiscal Year The fiscal year end for First Trust/FIDAC Mortgage Income Fund, the Strategic Funds and First Trust Tax-Advantaged Preferred Income Fund was October 31, 2006. The fiscal year end for Macquarie/First Trust Global Infrastructure/Utilities Dividend & Income Fund and Energy Income and Growth Fund was November 30, 2006. The fiscal year end for First Trust/Fiduciary Asset Management Covered Call Fund, First Trust/Aberdeen Global Opportunity Income Fund and First Trust/Aberdeen Emerging Opportunity Fund was December 31, 2006. Annual Report Delivery Annual reports will be sent to shareholders of record of each Fund following the Fund's fiscal year end. Each Fund will furnish, without charge, a copy of its annual report and/or semi-annual report as available upon request. Such written or oral requests should be directed to the Fund at 1001 Warrenville Road, Suite 300, Lisle, Illinois 60532 or by calling (800) 988-5891. Please note that only one annual report or proxy statement may be delivered to two or more shareholders of a Fund who share an address, unless the Fund has received instructions to the contrary. To request a separate copy of an annual report or proxy statement, or for instructions as to how to request a separate copy of such documents or as to how to request a single copy if multiple copies of such documents are received, shareholders should contact the Fund at the address and phone number set forth above. Pursuant to a request, a separate copy will be delivered promptly. General A list of shareholders entitled to be present and to vote at the Meetings will be available at the offices of the Funds, 1001 Warrenville Road, Suite 300, Lisle, Illinois 60532, for inspection by any shareholder during regular business hours beginning ten days prior to the date of the Meetings. Failure of a quorum to be present at the Meeting will necessitate adjournment and will subject the applicable Fund to additional expense. The persons named in the enclosed proxy may also move for an adjournment of the Meeting to permit further solicitation of proxies with respect to the proposals if they determine that adjournment and further solicitation is reasonable and in the best interests of the shareholders. Under the Funds' By-Laws, an adjournment of a meeting requires the affirmative vote of a majority of the shares present in person or represented by proxy at the Meeting. -28- Other Matters to Come Before the Meeting No business other than the matters described above is expected to come before the Meetings, but should any other matter requiring a vote of shareholders arise, including any question as to an adjournment or postponement of a Meeting, the persons named on the enclosed proxy card will vote thereon according to their best judgment in the interests of the Funds. March [\_\_\_], 2007 It Is Important That Proxies Be Returned Promptly. Shareholders Who Do Not Expect To Attend The Meeting Are Therefore Urged To Complete, Sign, Date And Return The Proxy Card As Soon As Possible In The Enclosed Postage-Paid Envelope. IF YOU NEED ANY ASSISTANCE, OR HAVE ANY QUESTIONS REGARDING THE PROPOSAL TO APPROVE A NEW INDUSTRY CONCENTRATION POLICY FOR FIRST TRUST STRATEGIC HIGH INCOME FUND AND FIRST TRUST STRATEGIC HIGH INCOME FUND II OR HOW TO VOTE YOUR SHARES, CALL (800) 761-6707 WEEKDAYS FROM 9:00 A.M. TO 10:00 P.M. EASTERN TIME. -29- Exhibit A Audit Committee Charter I. PURPOSE. The Audit Committee (the "Committee") is appointed by the Boards of Trustees (the "Boards") of investment companies (the "Funds") advised by First Trust Advisors L.P. ("Fund Management") for the following purposes: A. to oversee the accounting and financial reporting processes of each Fund and its internal controls and, as the Audit Committee deems appropriate, to inquire into the internal controls of certain third- party service providers; B. to oversee the quality and integrity of each Fund's financial statements and the independent audit thereof; C. to oversee, or, as appropriate, assist Board oversight of, each Fund's compliance with legal and regulatory requirements that relate to the Fund's accounting and financial reporting, internal controls and independent audits; and D. to approve, prior to the appointment, the engagement of each Fund's independent auditor and, in connection therewith, to review and evaluate the qualifications, independence and performance of the Fund's independent auditor. II. COMMITTEE ORGANIZATION AND COMPOSITION. A. Size and Membership Requirements 1. The Committee shall be composed of at least three members, all of whom shall be trustees of the Funds. Each member of the Committee, and a Committee chairperson, shall be appointed by the Board on the recommendation of the Nominating and Governance Committee. 2. Each member of the Committee shall be independent of the Fund and must be free of any relationship that, in the opinion of the Board, would interfere with the exercise of independent judgment as a Committee member. With respect to the Funds which are closed-end funds or open-end exchange-traded funds ("ETFs"), each member must meet the independence and experience requirements of the New York Stock Exchange or the American Stock Exchange or the NASDAQ Stock Market (as applicable), and Section 10A of the Securities Exchange Act of 1934, as



amended (the "Exchange Act"), and Rule 10A-3 thereunder, and other applicable rules and regulations of the Securities and Exchange Commission ("SEC"). Included in the foregoing is the requirement that no member of the Committee be an "interested person" of the Funds within the meaning of Section 2(a)(19) of the Investment Company Act of 1940, as amended (the "1940 Act"), nor shall any Committee member accept, directly or indirectly, any consulting, advisory or other compensatory fee from the Funds (except in the capacity as a Board or committee member). 3. At least one member of the Committee shall have been determined by the Board, exercising its business judgment, to qualify as an "audit committee financial expert" as defined by the SEC. 4. With respect to Funds that are closed-end funds whose shares are listed on the New York Stock Exchange, each member of the Committee shall have been determined by the Board, exercising its business A-1 judgment, to be "financially literate" as required by the New York Stock Exchange. In addition, at least one member of the Committee shall have been determined by the Board, exercising its business judgment, to have "accounting or financial management expertise," as required by the New York Stock Exchange. Such member may, but need not be, the same person as the Funds' "audit committee financial expert." With respect to Funds that are closed-end funds or ETFs whose shares are listed on the American Stock Exchange or the NASDAQ Stock Market, each member of the Committee shall be able to read and understand fundamental financial statements, including a Fund's balance sheet, income statement and cash flow statement. In addition, at least one member of the Committee shall have been determined by the Board, exercising its business judgment, to be "financially sophisticated," as required by the American Stock Exchange and the NASDAQ Stock Market. A member whom the Board determines to be the Fund's "audit committee financial expert" shall be presumed to qualify as financially sophisticated. 5. With respect to Funds that are closed-end funds, Committee members shall not serve simultaneously on the audit committee of more than two public companies, in addition to their service on the Committee. B. Frequency of Meetings. The Committee will ordinarily meet once for every regular meeting of the Board. The Committee may meet more or less frequently as appropriate, but no less than twice per year. C. Term of Office. Committee members shall serve until they resign or are removed or replaced by the Board. III.

RESPONSIBILITIES. A. With respect to Independent Auditors: 1. The Committee shall be responsible for the appointment or replacement (subject if applicable, to Board and/or shareholder ratification), compensation, retention and oversight of the work of any registered public accounting firm engaged (including resolution of disagreements between management and the auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Funds ("External Auditors"). The External Auditors shall report directly to the Committee. 2. The Committee shall meet with the External Auditors and Fund Management to review the scope, fees, audit plans and staffing of the proposed audits for each fiscal year. At the conclusion of the audit, the Committee shall review such audit results, including the External Auditor's evaluation of the Fund's financial and internal controls, any comments or recommendations of the External Auditors, any audit problems or difficulties and Fund Management's response, including any restrictions on the scope of the External Auditor's activities or on access to requested information, any significant disagreements with Fund Management, any accounting adjustments noted or proposed by the auditor but not made by the Fund, any communications between the audit team and the audit firm's national office regarding auditing or accounting issues presented by the engagement, any significant changes required from the originally planned audit programs and any adjustments to the financial statements recommended by the External Auditors. 3. The Committee shall meet with the External Auditors in the absence of Fund Management, as necessary. A-2 4. The Committee shall pre-approve all audit services and permitted non-audit services (including the fees and terms thereof) to be performed for the Fund by its External Auditors. The Chairman of the Committee is authorized to give such pre-approvals on behalf of the Committee, and shall report any such pre-approval to the full Committee. 5. The Committee shall pre-approve the External Auditor's engagements for non-audit services to Fund Management and any entity controlling, controlled by or under common control with Fund Management that provides ongoing services to the Fund, if the engagement relates directly to the operations and financial reporting of the Fund, subject to the de minimis exceptions for non-audit services described in Rule 2-01 of Regulation S-X. The Chairman of the Committee is authorized to give such pre-approvals on behalf of the Committee, and shall report any such pre-approval to the full Committee. 6. If the External Auditors have provided non-audit services to Fund Management and any entity controlling, controlled by or under common control with Fund Management that provides ongoing services to the Fund that were not pre-approved pursuant to the de minimis exception, the Committee shall consider whether the provision of such non-audit services is compatible with the External Auditor's independence. 7. The Committee shall obtain and review a report from the External Auditors at

least annually (including a formal written statement delineating all relationships between the auditors and the Fund consistent with Independence Standards Board Standard No. 1 as may be amended, restated, modified or replaced) regarding (a) the External Auditor's internal quality-control procedures; (b) any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by an inquiry or investigation by governmental or professional authorities within the preceding five years, respecting one or more independent audits carried out by the firm; (c) any steps taken to deal with any such issues; and (d) the External Auditor's independence, including all relationships between the External Auditors and the Fund and its affiliates; and evaluating the qualifications, performance and independence of the External Auditors, including their membership in the SEC practice section of the AICPA and their compliance with all applicable requirements for independence and peer review, and a review and evaluation of the lead partner, taking into account the opinions of management and discussing such reports with the External Auditors. The Committee shall present its conclusions with respect to the External Auditors to the Board. 8. The Committee shall review reports and other information provided to it by the External Auditors regarding any illegal acts that the External Auditors should discover (whether or not perceived to have a material effect on the Fund's financial statements), in accordance with and as required by Section 10A(b) of the Exchange Act. 9. The Committee shall ensure the rotation of the lead (or concurring) audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit as required by law, and further considering the rotation of the independent auditor firm itself. 10. The Committee shall establish and recommend to the Board for ratification a policy of the Funds with respect to the hiring of employees or former employees of the External Auditors who participated in the audits of the Funds' financial statements. 11. The Committee shall take (and, where appropriate, recommend that the Board take) appropriate action to oversee the independence of the External Auditors. A-3 12. The Committee shall report regularly to the Board on the results of the activities of the Committee, including any issues that arise with respect to the quality or integrity of the Funds' financial statements, the Funds' compliance with legal or regulatory requirements, the performance and independence of the Funds' External Auditors, or the performance of the internal audit function, if any. B. With respect to Fund Financial Statements: 1. The Committee shall meet to review and discuss with Fund Management and the External Auditors the annual audited financial statements of the Funds, major issues regarding accounting and auditing principles and practices, and the Funds' disclosures under "Management's Discussion and Analysis," and shall meet to review and discuss with Fund Management the semi-annual financial statements of the Funds and the Funds' disclosures under "Management's Discussion and Analysis." 2. The Committee shall review and discuss reports, both written and oral, from the External Auditors or Fund Management regarding (a) all critical accounting policies and practices to be used; (b) all alternative treatments of financial information within generally accepted accounting principles ("GAAP") for policies and practices that have been discussed with management, including the ramifications of the use of such alternative treatments and disclosures and the treatment preferred by the External Auditors; (c) other material written communications between the External Auditors and management, such as any management letter or schedule of unadjusted differences; and (d) all non-audit services provided to any entity in the investment company complex (as defined in Rule 2-01 of Regulation S-X) that were not pre-approved by the Committee. 3. The Committee shall review disclosures made to the Committee by the Funds' principal executive officer and principal financial officer during their certification process for the Funds' periodic reports about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Funds' internal controls. 4. The Committee shall discuss with the External Auditors the matters required to be discussed by Statement of Auditing Standards ("SAS") No. 90, Audit Committee Communications (which amended SAS No. 61, Communication with Audit Committees), that arise during the External Auditor's review of the Funds' financial statements. 5. The Committee shall review and discuss with management and the External Auditors (a) significant financial reporting issues and judgments made in connection with the preparation and presentation of the Funds' financial statements, including any significant changes in the Funds' selection or application of accounting principles and any major issues as to the adequacy of the Funds' internal controls and any special audit steps adopted in light of material control deficiencies, and (b) analyses prepared by Fund Management or the External Auditors setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements. 6. The Committee shall review and discuss with management and the External Auditors the effect of regulatory and accounting initiatives on the Funds' financial statements. 7. The Committee shall discuss with Fund Management the

Funds' press releases regarding financial results and dividends, as well as financial information and earnings guidance provided to analysts and rating agencies. This discussion may be done generally, consisting of A-4 discussing the types of information to be disclosed and the types of presentations to be made. The Chairman of the Committee shall be authorized to have these discussions with Fund Management on behalf of the Committee, and shall report to the Committee regarding any such discussions. The Committee shall discuss with Fund Management the Funds' major financial risk exposures and the steps Fund Management has taken to monitor and control these exposures, including the Funds' risk assessment and risk management policies and guidelines. In fulfilling its obligations under this paragraph, the Committee may, as applicable, review in a general manner the processes other Board committees have in place with respect to risk assessment and risk management.

C. With respect to serving as a Qualified Legal Compliance Committee: I. The Committee shall serve as the Funds' "qualified legal compliance committee" ("QLCC") within the meaning of the rules of the SEC and, in that regard, the following shall apply. i. The Committee shall receive and retain, in confidence, reports of evidence of (a) a material violation of any federal or state securities laws, (b) a material breach of a fiduciary duty arising under any federal or state laws or (c) a similar material violation of any federal or state law by a Fund or any of its officers, trustees, employees or agents (a "Report of Material Violation"). Reports of Material Violation may be addressed to the Funds, attention W. Scott Jardine, at the address of the principal offices of the Funds, which currently is 1001 Warrenville Road, Suite 300, Lisle, Illinois 60532, who shall forward the Report of Material Violation to the Committee. ii. Upon receipt of a Report of Material Violation, the Committee shall (a) inform the Fund's chief legal officer and chief executive officer (or the equivalents thereof) of the report (unless the Committee determines it would be futile to do so), and (b) determine whether an investigation is necessary. iii. After considering the Report of a Material Violation, the Committee shall do the following if it deems an investigation necessary: Notify the full Board; Retain such additional expert personnel as the Committee deems necessary. Initiate an investigation, which may be conducted either by the chief legal officer (or the equivalent thereof) of the Fund or by outside attorneys; and iv. At the conclusion of any such investigation, the Committee shall: Recommend, by majority vote, that the Fund implement an appropriate response to evidence of a material violation; and Inform the chief legal officer and the chief executive officer (or the equivalents thereof) and the Board of the results of any such investigation and the appropriate remedial measures to be adopted. 2. The Committee shall take all other action that it deems appropriate in the event that the Fund fails in any material respect to implement an appropriate response that the Committee, as the QLCC, has recommended the Fund take.

A-5 D. Other Responsibilities: 1. The Committee shall receive, retain and handle complaints received by the Funds regarding accounting, internal accounting controls, or auditing matters from any person, whether or not an employee of the Funds or Fund Management, and shall receive submissions of concerns regarding questionable accounting or auditing matters by employees of the Funds and Fund Management, administrator, principal underwriter, or any other provider of accounting-related services for the Funds. All such complaints and concerns shall be handled in accordance with the Committee's procedures for operating as a QLCC, outlined in III.C above. 2. The Committee shall review, with fund counsel and independent legal counsel, any legal matters that could have significant impact on the Fund's financial statements or compliance policies and the findings of any examination by a regulatory agency as they relate to financial statement matters. 3. The Committee shall review and reassess the adequacy of this charter on an annual basis, if necessary, and provide a recommendation to the Board for approval of any proposed changes deemed necessary or advisable by the Committee. 4. The Committee shall evaluate on an annual basis the performance of the Committee. 5. The Committee shall review with the External Auditors and with Fund Management the adequacy and effectiveness of the Funds' internal accounting and financial controls. 6. The Committee shall discuss with Fund Management and the External Auditors any correspondence with regulators or governmental agencies that raise material issues regarding the Funds' financial statements or accounting policies. 7. The Committee shall obtain any reports from Fund Management with respect to the Funds' policies and procedures regarding compliance with applicable laws and regulations. The Committee shall perform other special reviews, investigations or oversight functions as requested by the Board and shall receive and review periodic or special reports issued on exposure/controls, irregularities and control failures related to the Funds. 8. The Committee shall prepare any report of the Committee required to be included in a proxy statement for a Fund. 9. The Committee may request any officer or employee of a Fund or Fund Management, independent legal counsel, fund counsel and the External Auditors to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee. 10. The Committee shall maintain minutes of its meetings. 11. The Committee shall perform such other functions and have

such powers as may be necessary or appropriate in the efficient and lawful discharge of its responsibilities. IV. AUTHORITY TO ENGAGE ADVISERS. The Committee may engage independent counsel and other advisers, as it determines necessary to carry out its duties. The Funds' External Auditors shall have unrestricted accessibility at any time to Committee members. A-6 V. FUNDING PROVISIONS. A. The Committee shall determine the: 1. Compensation to any independent registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for a Fund; and 2. Compensation to any advisers employed by the Committee. B. The expenses enumerated in this Article V and all necessary and appropriate administrative expenses of the Committee shall be paid by the applicable Fund or Fund Management. VI. MANAGEMENT AND EXTERNAL AUDITOR'S RESPONSIBILITIES. A. Fund Management has the primary responsibility for establishing and maintaining systems for accounting, reporting, disclosure and internal controls. The External Auditors have the primary responsibility to plan and implement an audit, with proper consideration given to the accounting, reporting and internal controls. All External Auditors engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Funds shall report directly to the Committee. The External Auditors' ultimate accountability is to the Board and the Committee, as representatives of shareholders. B. While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Funds' financial statements are complete and accurate and are in accordance with GAAP, nor is it the duty of the Committee to assure compliance with laws and regulations and/or the Funds' Code of Ethics. C. In discharging its responsibilities, the Committee and its members are entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by: (1) one or more officers of a Fund; (2) legal counsel, public accountants, or other persons as to matters the Committee member reasonably believes are within the person's professional or expert competence; or (3) a Board committee of which the Committee member is not a member. Amended: June 13, 2005 Amended: December 11, 2006 A-7 PRELIMINARY COPY DETACH HERE FORM OF PROXY CARD MACQUARIE/FIRST TRUST GLOBAL INFRASTRUCTURE/UTILITIES DIVIDEND & INCOME FUND ENERGY INCOME AND GROWTH FUND FIRST TRUST/FIDUCIARY ASSET MANAGEMENT COVERED CALL FUND FIRST TRUST/ABERDEEN GLOBAL OPPORTUNITY INCOME FUND FIRST TRUST/FIDAC MORTGAGE INCOME FUND FIRST TRUST/ABERDEEN EMERGING OPPORTUNITY FUND PROXY SOLICITED BY THE BOARD OF TRUSTEES ANNUAL MEETING ON APRIL 16, 2007 The undersigned holder of shares of the [FUND NAME] (the "Fund"), a Massachusetts business trust, hereby appoints W. Scott Jardine, Mark R. Bradley and Kristi A. Maher as attorneys and proxies for the undersigned, with full powers of substitution and revocation, to represent the undersigned and to vote on behalf of the undersigned all shares of the Fund that the undersigned is entitled to vote at the Annual Meeting of Shareholders of the Fund (the "Meeting") to be held at the offices of First Trust Advisors L.P., 1001 Warrenville Road, Suite 300, Lisle, IL 60532, at 4:00 p.m. Central time on the date indicated above, and any adjournment or adjournments thereof. The undersigned hereby acknowledges receipt of the Notice of Annual Meeting and Proxy Statement dated March 15, 2007, and hereby instructs said attorneys and proxies to vote said shares as indicated hereon. In their discretion, the proxies are authorized to vote upon such other business as may properly come before the Meeting. A majority of the proxies present and acting at the Meeting in person or by substitute (or, if only one shall be so present, then that one) shall have and may exercise all of the power and authority of said proxies hereunder. The undersigned hereby revokes any proxy previously given. ----- SEE REVERSE SEE REVERSE SIDE CONTINUED AND TO BE SIGNED ON REVERSE SIDE SIDE ----- [FUND NAME] C/O PFPC INC. P.O. BOX 8586 EDISON, NJ 08818-8586 DETACH HERE [X] Please mark | votes as in | this example. ----- This proxy, if properly executed, will be voted in the manner directed by the undersigned shareholder. IF NO DIRECTION IS MADE, THIS PROXY WILL BE VOTED FOR THE ELECTION OF EACH NOMINEE SET FORTH. 1. Election of Trustees. Class I (Expiring 2008) (01) Robert F. Keith Class II (Expiring 2009) (02) Richard E. Erickson (03) Thomas R. Kadlec Class II (Expiring 2010) (04) James A. Bowen (05) Niel B. Nielson FOR WITHHELD ALL [ ] [ ] FROM ALL NOMINEES NOMINEES [ ]

\_\_\_\_\_ For all nominees except as noted above Mark box at right if an address change or comment has been noted on the reverse side of this card. [ ] PLEASE SIGN, DATE AND RETURN PROMPTLY IN THE ENCLOSED ENVELOPE. NOTE: Please sign exactly as your name appears on this Proxy. If joint owners, EITHER may sign this Proxy. When signing as attorney, executor, administrator, trustee, guardian or corporate officer, please give full title. Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_