

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT AS TO WHAT ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, ATTORNEY, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER. IF YOU HAVE SOLD OR TRANSFERRED ALL YOUR SHARES IN MAN AHL DIVERSIFIED FUTURES LTD (THE 'COMPANY'), PLEASE FORWARD THIS DOCUMENT TO THE PURCHASER OR TRANSFEREE, OR TO THE STOCKBROKER, BANK MANAGER OR OTHER AGENT THROUGH WHOM THE SALE OR TRANSFER WAS EFFECTED.

THE BOARD OF DIRECTORS OF THE COMPANY ACCEPTS RESPONSIBILITY FOR THE ACCURACY OF THE CONTENTS OF THIS LETTER.

MAN AHL DIVERSIFIED FUTURES LTD

(incorporated in Bermuda with limited liability as a mutual Company)

DIRECTORS:
Mr. Michael Collins
Ms. Dawn Griffiths
Mr. David Smith

REGISTERED OFFICE:
5 Reid Street
Hamilton HM 11
Bermuda

18 June 2014

Dear Sir/Madam

The Company's board of directors (the 'Directors') is notifying you of certain changes to the operations of the Company. The Prospectus of the Company has been amended accordingly to confirm these changes by way of a Second Addendum. The terms defined in the Prospectus shall have the same meaning when used in this letter.

Unless where otherwise indicated, the following changes are effective as at 22 July 2014.

1. Change in Investment Manager

Man Investments Limited will be replaced by AHL Partners LLP as Investment Manager.

AHL Partners LLP is a limited liability partnership which was approved on 15 March 2013 as an investment manager by the Financial Conduct Authority in the UK (it has the same regulatory permissions as Man Investments Limited). As of 31 March 2014, the total assets under management of AHL Partners LLP were USD 9 billion.

The Company will continue to invest in the same underlying investment programme, the AHL Diversified Programme, with no change in its investment objective.

The replacement of Man Investments Limited with AHL Partners LLP as Investment Manager is being implemented across the wider range of investment products managed by the AHL investment management business ("AHL"). Effective 1 April 2013, certain senior employees of AHL (including the two key personnel of Man Investments Limited) became partners of AHL Partners LLP. As a result, Man Investments Limited cannot fully comply with 5.5(b) of the Code on Unit Trusts and Mutual Funds which states that, among other things, the key personnel of an investment manager must be dedicated full-time staff of the investment manager. However, despite the contractual arrangement, in essence during the period of transition (which, as set out above, will expire for the Company on 22 July 2014) (the "Transition Period"), employees of AHL have continued to provide investment management services to investment products managed by both Man Investments Limited and AHL Partners LLP and the two key personnel remain dedicated full-time staff during the Transition Period, in that they exclusively serve the AHL business including the underlying AHL Diversified Programme into which the Company invests. Man Investments Limited is also the managing member of AHL Partners LLP and therefore the AHL business is continuing to operate in accordance with its current business plan, investment strategy and compliance monitoring programme.

The Company considers that there is no impact on the Company and its investors as a result of the replacement of Investment Manager and the arrangement in the Transition Period described above.

The costs and expenses of this proposed change of Investment Manager will be borne by AHL Partners LLP, including the costs and expenses of updating the Hong Kong offering documents to reflect all the changes summarised in this letter.

2. Update on connected parties transactions and dealing commission (soft dollars) arrangements

The Investment Manager will utilize various brokers and dealers to execute securities transactions. Portfolio transactions for the Company are allocated to brokers and dealers on the basis of best execution.

In entering into transactions with brokers or dealers connected to the Investment Manager on behalf of the Company, directors of the Company or any of their connected persons, the Investment Manager will ensure that:

- (a) such transactions are on arm's length terms;
- (b) it uses due care in the selection of such brokers or dealers and ensure that they are suitably qualified in the circumstances;
- (c) transaction execution must be consistent with applicable best execution standards;
- (d) the fee or commission paid to any such broker or dealer in respect of a transaction must not be greater than that which is payable at the prevailing market rate for a transaction of that size and nature;
- (e) it monitors such transactions to ensure compliance with its obligations; and
- (f) the nature of such transactions and the total commissions and other quantifiable benefits received by such broker or dealer shall be disclosed in the annual report of the Company.

Dealing commissions will be used for the provision of execution or research services in accordance with any applicable regulatory requirements. In particular, soft dollars will only be retained if the goods or services¹ are of demonstrable benefit to Shareholders, transaction execution is consistent with best execution standards and brokerage rates are not in excess of customary institutional full-service brokerage rates. Periodic disclosure will be made in the Company's annual report in the form of a statement describing the Investment Manager's soft dollar practices, including a description of the goods and services received by the Investment Manager.

Neither the Investment Manager nor any of its connected persons will retain cash or other rebates from brokers or dealers in consideration of directing transactions for the Manager to such brokers or dealers.

3. Administrative updates

- a) The minimum initial investment of the Company will be reduced from USD20,000 to USD10,000.
- b) The website www.maninvestments.com (through which certain reporting and statements were available) has changed to the Hong Kong website of www.man.com (this website is not authorised and reviewed by the SFC).
- c) Mr. John Collis has resigned from the role of an alternative director of the Company.

The Second Addendum to the Prospectus issued by the Company dated 22 July 2014 will be available on the website of www.man.com in due course. Investors who do not agree to the above changes may redeem their Shares in accordance with the procedures set out in the Prospectus.

If you have any questions concerning the changes herein, please contact the Hong Kong Representative at Man Investments (Hong Kong) Limited Suite 1301 Chater House, 8 Connaught Road Central Hong Kong (telephone +852 2521 2933).

Yours faithfully



Dawn Griffiths
Director

The Board of Directors

¹ Goods and services may include: research and advisory services; economic and political analysis; portfolio analysis, including valuation and performance measurement; market analysis, data and quotation services; computer hardware and software incidental to the above goods and services; clearing and custodian services and investment-related publications. Such goods and services may not include travel, accommodation, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employee salaries, or direct money payments.