

**JOINT OFFICIAL LIQUIDATORS
BEACON HILL MASTER LTD.
THEO BULLMORE
PHILLIP S. STENGER**

Dear Investor,

Attached below is the estimated value of all investment positions held by Beacon Hill Master, Ltd. (in Official Liquidation) ("the Master Fund") as at February 28, 2007. Please note that this does not constitute a net asset valuation of the Master Fund.

	28-Feb-07	31-Jan-07
Master Fund Assets		
Cash ¹	345,133,160	344,514,974
Investments in Securities ²	0	0
Amounts Receivable from Feeder Funds:		
Professional fees paid on behalf of Bristol Fund ³	472,718	472,718
Professional fees paid on behalf of Safe Harbor ³	767,009	748,928
Total Master Fund Assets	346,372,887	345,736,620
Master Fund Liabilities		
<i>Accrued Expenses:</i>		
Gifford Fong Associates	49,406	49,406
PWC	12,856	12,856
Simpson Thacher	9,878	9,878
Directors (DMS)	28,676	28,676
KPMG Cayman Islands	210,270	277,643
Solomon Harris	98,705	95,515
Stenger & Stenger P.C.	252,438	407,586
Access Litigation Support Services	4,672	581
Broadhurst Barristers	8,015	16,250
Friedman Kaplan Seiler & Adelman LLP	839,526	1,038,798
Levine, Barry M.	47,952	40,122
TrialGraphix	15,001	21,093
Connell Foley LLP	0	17,939
Moskowitz, Harvey D.	108,460	53,650
Marks Paneth & Shron	17,400	103,102
Ikon Office Solutions	10,739	10,739
TSG Reporting	46,585	0
Quin & Hampson	600	0
Total Master Fund Liabilities	1,761,179	2,183,834
Estimated Net Investment Assets of the Master Fund	344,611,708	343,552,786

Feeder Funds	% of Shares in Master Fund at Sept. 30, 2002 ⁴	Estimated Share of Net Investment Assets	Professional Fees Paid by and Owning to the Master Fund	Feeder Funds Specific Professional Fees Accrued	Feeder Funds Estimated Share of Net Investment Assets
Safe Harbor	18.10%	62,374,719	(767,009)	(20,383)	61,587,327
Bristol	78.71%	271,243,875	(472,718)	(151,131)	270,620,026
Milestone	3.19%	10,993,113	0	0	10,993,113
	100%	344,611,708	(1,239,727)	(171,514)	343,200,467

¹ As of August 10, 2004, the cash assets are earning interest at a rate of official British Bankers Association One-month LIBOR minus 0.08%.

² Valuation provided by former investment managers, Ellington Management Group, LLC. As no revenue has been received on any of the CBOs since February 2004 and per our discussions with Ellington Management Group, LLC, to be conservative we have written down the value of the CBOs to zero. However it is expected that upon liquidation, these securities may have some value (which is not currently determinable).

³ Certain professional fees incurred by the Feeder Funds have been paid out of the assets of the Master Fund. Prior to the distribution of funds, these expenses will be apportioned to the respective Feeder Funds, as shown above.

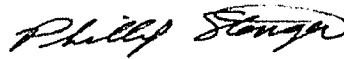
⁴ The percentage of participating shares is based on the historical valuation of the Master Fund. Provided that the Court sanctions the average distribution methodology, the shares of the Feeder Funds in the Master Fund will be recalculated which will lead to adjustments in the Feeder Funds' percentage shareholdings.

Should you have any queries regarding the statement, please do not hesitate to contact Blair Houston with KPMG at (345) 914-4334 or Sara Fazio with Stenger & Stenger at (616) 940-1190.

Kind Regards,



Theo Bullmore
Joint Official Liquidator



Phillip S. Stenger
Joint Official Liquidator

Theo Bullmore

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