

**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 29, 2008. Please note that this does not constitute a net asset valuation of the Master Fund.

	29-Feb-08	31-Jan-08
<b>Master Fund Assets</b>		
Cash <sup>1</sup>	359,894,289	359,115,943
Investments in Securities <sup>2</sup>	0	0
Amounts Receivable from Feeder Funds:		
Professional fees paid on behalf of Bristol Fund <sup>3</sup>	640,674	640,674
Professional fees paid on behalf of Safe Harbor <sup>3</sup>	791,612	791,612
<b>Total Master Fund Assets</b>	<b>361,326,575</b>	<b>360,548,229</b>
<b>Master Fund Liabilities</b>		
<i>Accrued Expenses:</i>		
Gifford Fong Associates	113,392	113,392
PWC	103,956	103,956
PWC Cayman Islands	40,000	40,000
Directors (DMS)	28,676	28,676
KPMG Cayman Islands	316,544	295,780
Solomon Harris	376,457	353,563
Stenger & Stenger P.C.	293,252	267,642
Broadhurst Barristers	3,020	1,922
Friedman Kaplan Seiler & Adelman LLP	1,641,558	1,566,368
Levine, Barry M.	103,433	102,938
TrialGraphix	58,381	54,871
Gallopp, Sean	131,725	131,725
Moskowitz, Harvey D.	273,219	273,219
Marks Paneth & Shron	10,222	10,222
TSG Reporting	57,454	57,454
The Michel-Shaked Group	66,231	66,231
The Harbour Trust Co. Ltd.	2,140	2,140
Cadwalader, Wickersham & Taft LLP	36,707	36,707
Erskine Chambers	18,572	18,572
Record Press Inc.	7,025	7,025
HellerEhrman LLP	23,776	23,776
<b>Total Master Fund Liabilities</b>	<b>3,705,740</b>	<b>3,556,179</b>
<b>Estimated Net Investment Assets of the Master Fund</b>	<b>357,620,835</b>	<b>356,992,050</b>

Feeder Funds	% of Shares in Master Fund at Sept. 30, 2002 <sup>4</sup>	Estimated Share of Net Investment Assets	Professional Fees Paid by and Owing to the Master Fund	Feeder Funds Specific Professional Fees Accrued	Feeder Funds Estimated Share of Net Investment
Safe Harbor	18.10%	64,729,371	(791,612)	(91,111)	63,846,648
Bristol	78.71%	281,483,359	(640,674)	(160,829)	280,681,856
Milestone	3.19%	11,408,105	0	(4,250)	11,403,855
	<b>100%</b>	<b>357,620,835</b>	<b>(1,432,286)</b>	<b>(256,190)</b>	<b>355,932,359</b>

<sup>1</sup> As of November 1, 2007, the cash assets are earning interest at a rate of the United States Federal Funds rate minus 0.23%.

<sup>2</sup> 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).

<sup>3</sup> 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.

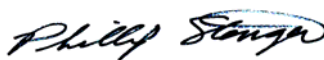
<sup>4</sup> The percentage of participating shares is based on the historical valuation of the Master Fund. Provided that the Court sanctions the average distribution methodology, the shares of the Feeder Funds in the Master Fund will be recalculated which will lead to adjustments in the Feeder Funds'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

KPMG, Century Yard, P.O. Box 493, Grand Cayman KY1-1106, Cayman Islands Telephone: (345) 949-4800 Fax: (345) 949-7164 E-mail: tbullmore@kpmg.ky

**Phillip S. Stenger**

Stenger & Stenger, P.C., 4095 Embassy Drive, SE, Suite A, Grand Rapids, Michigan, 49546 Telephone: (616) 940-1190 Fax: (616) 940-1192 E-mail: phil@stengerlaw.com