

**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 January 31, 2008. Please note that this does not constitute a net asset valuation of the Master Fund.

	31-Jan-08	31-Dec-07
Master Fund Assets		
Cash ¹	359,115,943	357,889,296
Investments in Securities ²	0	0
Amounts Receivable from Feeder Funds:		
Professional fees paid on behalf of Bristol Fund ³	640,674	640,674
Professional fees paid on behalf of Safe Harbor ³	791,612	791,612
Total Master Fund Assets	360,548,229	359,321,582
Master Fund Liabilities		
<i>Accrued Expenses:</i>		
Gifford Fong Associates	113,392	113,392
PWC	103,956	103,956
PWC Cayman Islands	40,000	0
Directors (DMS)	28,676	28,676
KPMG Cayman Islands	295,780	273,317
Solomon Harris	353,563	298,975
Stenger & Stenger P.C.	267,642	244,289
Broadhurst Barristers	1,922	1,922
Friedman Kaplan Seiler & Adelman LLP	1,566,368	1,509,097
Levine, Barry M.	102,938	92,048
TrialGraphix	54,871	51,362
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
Total Master Fund Liabilities	3,556,179	3,344,105
Estimated Net Investment Assets of the Master Fund	356,992,050	355,977,477

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
Safe Harbor	18.10%	64,615,561	(791,612)	(86,962)	63,736,987
Bristol	78.71%	280,988,442	(640,674)	(133,880)	280,213,888
Milestone	3.19%	11,388,046	0	(4,250)	11,383,796
	100%	356,992,050	(1,432,286)	(225,092)	355,334,672

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

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

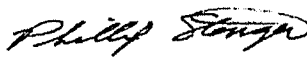
⁴ The percentage of participating shares is based on the historical valuation of the Master Fund. Provided that the Court sanctions the average distribution methodology, the shares of the Feeder Funds in the Master Fund will be recalculated which will lead to adjustments in the Feeder Funds' percentage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

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