

**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 September 30, 2008. Please note that this does not constitute a net asset valuation of the Master Fund.

	30-Sep-08	31-Aug-08
Master Fund Assets		
Cash ¹	363,010,706	362,455,179
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	796,804	796,804
Professional fees paid on behalf of Milestone ³	4,250	4,250
Total Master Fund Assets	364,452,434	363,896,907
Master Fund Liabilities		
<i>Accrued Expenses:</i>		
Gifford Fong Associates	32,939	32,939
PWC	12,856	12,856
PWC Cayman Islands	40,000	40,000
Directors (DMS) ⁵	142,889	142,889
KPMG Cayman Islands	499,775	445,576
Solomon Harris	591,464	570,447
Stenger & Stenger P.C.	416,976	379,258
Broadhurst Barristers	11,587	11,587
Friedman Kaplan Seiler & Adelman LLP	1,208,075	1,204,169
Levine, Barry M.	47,880	47,880
TrialGraphix	52,191	48,681
Gallopp, Sean	84,025	84,025
Moskowitz, Harvey D.	147,504	147,504
Marks Paneth & Shron	6,622	6,622
TSG Reporting	12,273	12,273
The Michel-Shaked Group	35,051	35,051
Cadwalader, Wickersham & Taft LLP	10,056	10,056
Erskine Chambers	18,572	18,572
Record Press Inc.	7,025	7,025
HellerEhrman LLP	475	475
Robert Hildyard Q.C.	25,875	25,875
Total Master Fund Liabilities	3,404,111	3,283,761
Estimated Net Investment Assets of the Master Fund	361,048,323	360,613,146

Feeder Funds	% of Shares in Master Fund at Sept. 30, 2002 ¹	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%	65,349,746	(796,804)	(103,115)	64,449,827
Bristol	78.71%	284,181,135	(640,674)	(326,011)	283,214,450
Milestone	3.19%	11,517,441	(4,250)	0	11,513,191
	100%	361,048,323	(1,441,728)	(429,126)	359,177,469

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 material 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.


⁵ On September 4, 2008, the Joint Official Liquidators received a proof of debt claim from Don Seymour, a director of the Master Fund in the amount of \$281,351.87 for fees and expenses incurred through May of 2008. Previously, the Master Fund paid Turner & Roulstone \$138,463.20 and therefore the outstanding fees currently being reserved for by the Joint Official Liquidators are \$142,888.67. The Joint Official Liquidators have not yet adjudicated this claim to insure that the fees and expenses claimed are in fact debts of the Master Fund. It is possible that this claim may increase or decrease based on the adjudication or based upon fees and expenses of DMS and Turner & Roulstone.

Should you have any queries regarding the statement, please do not hesitate to contact Lauren Christie with KPMG at (345) 815-2663 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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