

Manager Commentary

Spearpoint Limited ('Spearpoint') took over the Investment Management of the formerly Arch Financial Partners LLP managed funds on 1st December 2009 inheriting the assets as shown. Spearpoint played no part in the management of the assets prior to this date. Nor did Spearpoint play any part in the valuation of the portfolio or the calculation of the Net Asset Value. Since then, with the continuity of some former Arch staff who have joined Spearpoint, we have focused our initial efforts on certain direct deals where we felt that urgent restructuring was required. These are highlighted where appropriate. Redemption orders have now been placed for all hedge fund holdings, although a large proportion of those remaining are either gated, or in the middle of potentially lengthy unwind processes. We will be providing further information through factsheets every two months.

Fund Objectives

Current Objective: The investment objective of Arch cru Sustainable Opportunities IC Ltd ('the Fund') is to provide Shareholders over the medium to long term with capital appreciation through an economic exposure to a diverse range of investments in sustainable opportunities. The Fund is designed to capture the expected growth investments whose value and profitability are underpinned by major long-term environmental, social and economic trends.

Proposed Objective: The directors have written to all shareholders following consultation with the larger shareholders and will be proposing at the EGM to be held on the 28th January 2010 that the investment policy be restated as follows: "The Investment Manager will manage the Fund's portfolio with a view to realising its assets within the shortest period of time consistent with achieving a reasonable realisation price for such assets and with the intention of disposing of all such assets within 5 years. Realisations will be managed, as far as possible, with a view to ensuring regular and consistent distributions of proceeds to Shareholders."

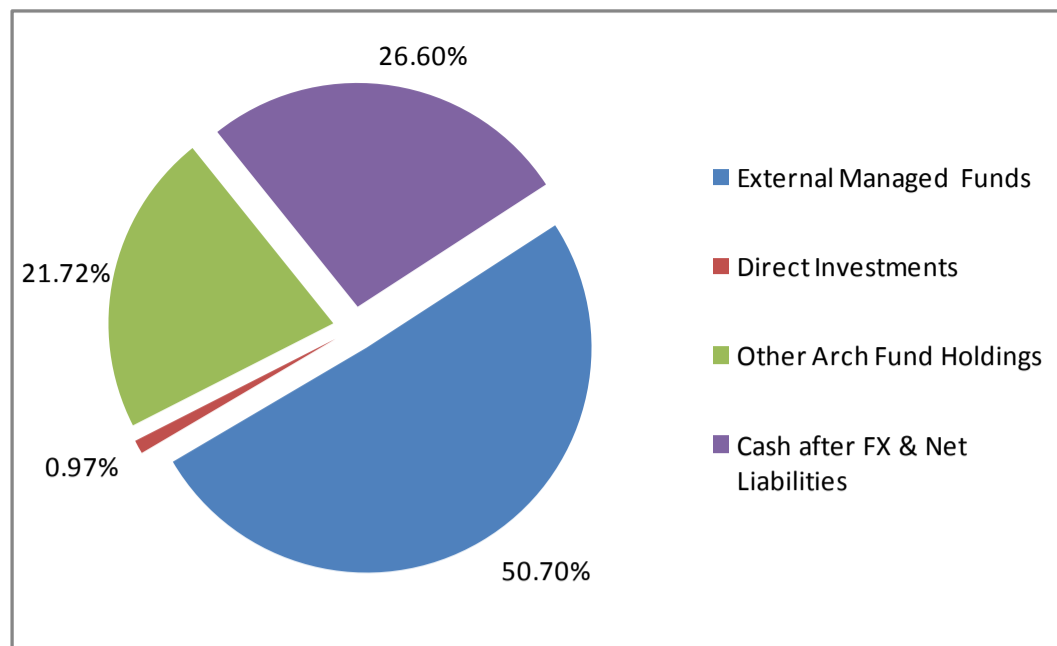
Holdings

Investment	Currency of Investment	Amount Invested (in Currency of Investment)	Amount Returned (in Currency of Investment)	Current Value of Remaining Holding (in Currency of Investment)	Current Value of Remaining Holding (in GBP)	Description of Investment
Acheron Portfolio Corporation	USD	3,200,000	0	4,133,150	2,514,081	Fund specialising in the purchase of Life Settlement policies from distressed sellers. Closed-ended company trading as a share with very little liquidity making an exit difficult.
Acheron Natural Risk Fund	USD	3,000,000	0	3,317,730	2,018,084	Fund investing in securities and derivatives linked to natural catastrophes. This Cell is a large proportion of the investor base, a full redemption would likely trigger the fund to gate or suspend. Time required to negotiate an exit.
RAB Energy Fund Ltd	USD	1,100,000	935,473	56,183	34,175	Fund aiming to exploit investment opportunities in the energy sector. Redemption lodged in July 2008, share class unwinding with final payment due in Q1 2010.
Noble Group Holdings Ltd - Equity	GBP	699,467	0	54,403	54,403	An Irrevocable Undertaking to Participate in Corporate Activity was signed during December. This had no effect on the NAV but did lead to an improvement in the position of Noble.
Argo Special Situations	USD	600,000	252,934	292,023	177,630	Fund focused on opportunities for dealing in Distressed Securities and/or taking advantage of Special Situations particularly in the Emerging Markets. Redemption lodged, fund gated with quarterly repayments due over the next year.
Securis I Fund	USD	518,814	0	571,022	347,337	Fund investing in insurance related securities and products. Redemption lodged for end of 2009, payment due during February 2010.
cru Investment Management Loan	GBP	263,900	0	45,592	45,679	Loan to the funds' distributor which is now in default. The loan collateral was the borrower's revenue from a Distribution Agreement but this has now ceased. Loan now marked to the value of the only remaining asset, a holding in one of the other Cells. Timing and value of any recovery uncertain.
AGSSF Holdings Ltd	USD	185,065	0	202,073	122,916	Illiquid side pocket of Argo Special Situations fund. Underlying investments require long term workout, investor repayment timeline unknown.
cru Investment Management - Equity	GBP	160,000	3,192	0	0	Equity investment in the funds' distributor. Zero recovery likely.
Holdings in Other Arch Funds						
Arch Private Finance IC Ltd	GBP	2,013,125	593,275	816,221	816,221	Equity in Arch Private Finance IC Ltd marked at the latest available NAV. Exit to be sought as part of a wider unwind of the Intra-Arch fund holdings.
Arch cru Private Finance IC Ltd	GBP	1,884,515	89,005	852,811	852,811	Equity in Arch cru Private Finance IC Ltd marked at the latest available NAV. Exit to be sought as part of a wider unwind of the Intra-Arch fund holdings.
Arch Fine Wine IC Ltd	GBP	435,638	0	421,567	421,567	Equity in Arch Fine Wine IC Ltd marked at the latest available NAV. Exit to be sought as part of a wider unwind of the Intra-Arch fund holdings.
Arch Structured Finance IC Ltd	GBP	351,906	0	107,716	107,716	Equity in Arch Structured Finance IC Ltd marked at the latest available NAV. Exit to be sought as part of a wider unwind of the Intra-Arch fund holdings.
Arch Finance Opportunities IC Ltd	GBP	93,740	0	35,704	35,704	Equity in Arch Finance Opportunities IC Ltd marked at the latest available NAV. Exit to be sought as part of a wider unwind of the Intra-Arch fund holdings.
Arch Treasury IC Ltd	GBP	28,237	0	0	0	Equity in Arch Treasury IC Ltd, marked at zero due to the low value of underlying investments held making any recovery unlikely.
Other						
Cash	GBP				2,632,515	
FX Hedge MtM	GBP				174,006	
Other Net Liabilities	GBP				-70,365	
Total					10,284,393	

Performance (since December 2008)

	Dec-08	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09
NAV per Share	1.1759	1.1760	1.1253	0.9698	0.9521	0.9513	0.9178	0.9018	0.9086	0.8805	0.8676	0.8601
% Change		0.0%	(4.3%)	(13.8%)	(1.8%)	(0.1%)	(3.5%)	(1.7%)	0.8%	(3.1%)	(1.5%)	(0.9%)

Investment Allocation



Additional Information

- The Fund is listed on the Channel Islands Stock Exchange (CISX) and official announcements relating to the Fund can be found on the exchange's website (www.cisx.com) under the 'CISX Market News' section.
- The financial year-end for the Fund is 31st March and the audited Report and Financial Statements can also be found on the CISX website.
- The Annual Management Charge for the Fund has been reduced from 1.75% to 1.5% as of 1st December 2009.
- The Performance Fee for the Fund remains 20% of performance above the Cumulative Hurdle Rate of three month Sterling LIBOR + 4%.
- The High Water Mark for the Fund will be reset as the higher of: i) The November end-of-month NAV, ii) The arithmetic average of the end-of-month NAV's, for the 9 data points between March and November 2009 inclusive. This will be published once it has been agreed by the board.

Disclaimer

This document is for information purposes only and is not to be construed as a solicitation or an offer to purchase or sell investments or related financial instruments. Investment markets and conditions can change rapidly and as such the views expressed should not be taken as statements of fact nor should reliance be placed on these views when making investment decisions. This document has no regard for the specific investment objectives, financial situation or needs of any specific entity and contains only brief information on the Fund. This document is issued by Spearpoint Limited which is licensed and regulated by the Guernsey Financial Services Commission and the Jersey Financial Services Commission Registered Office; 2nd Floor, Yorkshire House, Le Truchot, St Peter Port, Guernsey, GY1 1WD. Company registration 47575.