



BlackEagle Partners, LLC

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This brochure provides information about the qualifications and business practices of BlackEagle Partners, LLC ("BlackEagle" or the "Company"). If you have any questions about the contents of this brochure, please contact us at the number provided above. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority. Registration as an adviser does not imply any level of skill or training.

Additional information about BlackEagle also is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2: MATERIAL CHANGES

This is the annual update of our brochure, compiled by BlackEagle to provide new and prospective clients and investors with disclosure of the Company's business practices and conflicts of interest. We encourage all recipients to read this brochure carefully in its entirety.

In June 2013, our investment period ended. Subsequent to this date, the Fund will not make any new platform investments. However, additional investments in the Fund's current portfolio companies may be made.

Three employees left the firm during 2013 and were not replaced.

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Item 4: ADVISORY BUSINESS

BlackEagle is a limited liability company formed in Delaware in 2005. The Company is owned by Messrs. Michael Madden, Garrett Kanehann, Jason Runco and Harry Watson.

The terms “BlackEagle” and the “Company” are used in this brochure to refer to BlackEagle Partners, LLC and its advisory affiliates.

BlackEagle provides discretionary investment advisory services to BlackEagle Partners Fund, L.P. (the “Fund” or “Client”), with a focus on value-oriented control investments in opportunistic situations. The Company provides advice to Client based on the investment objectives and strategies outlined in the Client’s Limited Partnership Agreement. Investment advice is not provided to the individual limited partners or investors (“Investors”) in the Client. Investors should carefully review the Fund's documents including the Limited Partnership Agreement before making an investment, as the terms set forth therein will govern the Fund.

As of December 31, 2013, BlackEagle managed approximately \$200 million in assets on a discretionary basis.

Item 5: FEES AND COMPENSATION

The fees paid by the Client include management fees and reimbursement of expenses incurred by the Company. In addition, BlackEagle has a carried interest in the net profits of the Fund which it is entitled to receive after repayment of funded Investor commitments and a preferred return. The fees charged by BlackEagle are set forth in the Fund's Limited Partnership Agreement.

Management Fees

The management fee is generally charged quarterly in advance and is payable on a pro rata basis for any period that is less than a quarter. In the event of a Client termination, BlackEagle will refund any management fees for which services have not been rendered. Management fees are generally not negotiable, although BlackEagle may waive or reduce the management fee for certain Investors at its discretion, including for Investors who are members, employees, or affiliates of the Company. In addition, management fees may be reduced by fees earned by BlackEagle from underlying portfolio companies, as described in more detail in the *Other Compensation* section below.

Carried Interest

BlackEagle is entitled to receive carried interest from the Fund after return of funded Investor commitments and satisfaction of a “preferred return,” if any. Such carried interest is subject to the terms described in the Fund's Limited Partnership Agreement.

Other Compensation

BlackEagle may receive fees in connection with services provided to portfolio companies. For example, BlackEagle may receive fees in exchange for providing portfolio companies with management, consulting, and other services and may also receive fees in connection with specific transactions. In addition, certain officers and employees of BlackEagle currently do and may in the future receive directors' fees for serving on the boards of portfolio companies. A portion of these directors' fees are used to offset management fees charged to the Fund.

Additional Expenses

The Fund may bear certain out-of-pocket expenses incurred by BlackEagle or its affiliates in connection with services provided to the Fund. The payment of such expenses by the Fund does not represent a source of profit for BlackEagle or its affiliates; rather it is a reimbursement of expenses paid on behalf of the Fund. Such expenses include, but are not limited to: (1) auditing, consulting, financing, accounting, and custodian fees and expenses; (2) expenses associated with the preparation of financial statements, tax returns, and K-1s; (3) out-of-pocket expenses incurred in connection with transactions not consummated; (4) insurance; (5) other expenses associated with the acquisition, holding, and disposition of its investments, including extraordinary expenses (such as litigation, if any); and (6) any taxes, fees, or other governmental charges.

A complete description of fees and compensation charged is outlined in the Client's Limited Partnership Agreement. Investors should review the Limited Partnership Agreement in order to fully understand the total amount of fees and compensation to be paid by the Fund.

Item 6: PERFORMANCE-BASED FEES AND SIDE BY SIDE MANAGEMENT

As detailed in the *Fees and Compensation* section above, BlackEagle charges fees to the Client that are based on the realized gains of Client's investments.

The fact that BlackEagle is compensated based on the success of investments held by the Fund may create an incentive for BlackEagle to make investments that are riskier or more speculative than would be the case in the absence of such compensation. All performance fees charged by BlackEagle will be in compliance with Rule 205-3 under the Investment Advisers Act of 1940, as amended ("Advisers Act").

Item 7: TYPES OF CLIENTS

BlackEagle's current Client is a privately-placed pooled investment vehicle. The Fund relies on rules under the United States federal securities laws that exempt privately offered partnerships from registering as investment companies.

The minimum investment in a Fund managed by the Company is generally \$10 million. This minimum may be waived or modified in the sole discretion of BlackEagle.

Item 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES, AND RISK OF LOSS

Investment Strategies and Methods of Analysis

BlackEagle invests on behalf of its Client primarily by purchasing the common or preferred stock of distressed or impaired businesses that meet the Fund's investment parameters. BlackEagle will, from time to time, purchase bank debt or other fixed income securities as a means of achieving control of the company which issued the debt or securities, but always in furtherance of its objective of acquiring the underlying business. BlackEagle may also acquire other equity interests, or may purchase the assets of the business.

The Company's investment philosophy focuses on the belief that competitive, risk adjusted returns can be achieved utilizing its investment process by actively managing businesses which have been in significant distress. BlackEagle believes that positive total returns can be achieved in flat, falling and rising markets by investing in impaired companies and subsequently improving their operations with sound business practices and skilled management. Within its investing activities, BlackEagle has developed what it believes to be a successful investment process designed to minimize the incidence and severity of loss. In depth, hands-on operational input and restructuring executed by BlackEagle's investment team is key, in its view, to creating investment returns. BlackEagle's investment process focuses on the improvement of operations, production and output while creating accountability and management buy-in.

BlackEagle's investment process stresses rigorous investment monitoring. BlackEagle may seek to implement its investment strategy by investing on a levered or unlevered basis depending upon a variety of factors specific to each acquired business.

Risks of Loss

Investing in securities involves the risk of loss that Investors should be prepared to bear. It is not anticipated that there will be an active secondary market for interests in the Fund and it is not expected that such a market will develop. The return of capital and the realization of gains, if any, will generally occur only upon the partial or complete disposition of an investment. While an investment may

be sold at any time, it is not generally expected that this will occur for a number of years after the initial investment. Prior to such time, there often will be no current return on investments. It is uncertain as to when profits, if any, will be realized. Further, no guarantee or representation is made that a Client's investment objectives will be achieved and performance could be negatively impacted by a number of risks, including, but not limited to:

1. Investments in Privately-Owned Businesses

A significant portion of investments consists of securities issued by or investments directly in privately-held companies. Such investments involve a high degree of business and financial risk, which can result in substantial losses. There is generally no publicly-available information about the status and prospects of privately-held portfolio companies and Investors must rely on the diligence of BlackEagle to obtain information in connection with investment decisions. BlackEagle may be required to make investment decisions without complete information or in reliance upon information provided by third parties that may be difficult or impossible to verify.

2. Valuation of Investment Positions

There will likely be no readily available market for the investments made on behalf of the Client and, therefore, such investments will be difficult to value.

3. Investments in Financially Distressed Companies

A portion of the Client's investment portfolio may consist of financially distressed companies or companies emerging from bankruptcy, restructuring, or turnaround situations. Such companies will most likely be underperforming and will involve a high degree of business and financial risk, which can result in substantial losses.

4. Investment in Junior Securities

Certain securities in which the Client invests may be among the most junior in a portfolio company's capital structure and, therefore, subject to the greatest risk of loss. Generally, there will be no collateral to protect investments made by the Client.

For a complete description of the risk factors applicable to the Fund, please refer to the Fund's documents and Limited Partnership Agreement.

Item 9: DISCIPLINARY INFORMATION

BlackEagle and its management personnel have not been involved in any legal or disciplinary events that would be material to the Client's or Investor's evaluation of BlackEagle or its management personnel.

Item 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

The Fund is managed by BlackEagle and an affiliated general partner entity ("GP Entity"). The GP Entity is not separately registered as an investment adviser with the SEC; however, all of its investment advisory activities are subject to BlackEagle's supervision and control.

Item 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Code of Ethics

BlackEagle has adopted a Code of Ethics, which is predicated on the principal that BlackEagle owes a fiduciary duty to its Client. Accordingly, employees of BlackEagle must disclose or avoid activities, interests, and relationships that run contrary (or appear to run contrary) to the best interest of the Client. BlackEagle endeavors to maintain current and accurate records of all personal securities' accounts of its employees in an effort to monitor all such activity.

A copy of the Company's Code of Ethics is available to any Investor or prospective Investor upon request.

Personal Trading

Personal transactions in securities by principals and employees of BlackEagle are subject to the restrictions set forth in BlackEagle's Code of Ethics. The personal account trading rules contained in the Code of Ethics, among other things, restrict employees from buying and selling securities that are on the Company's restricted list. In addition, employees may invest in certain securities only after such transactions have been pre-cleared by BlackEagle's Chief Compliance Officer.

From time to time, BlackEagle or its employees may come into possession of material, non-public or other confidential information about companies which, if disclosed, might affect an investor's decision to buy, sell, or hold a security. Employees are prohibited from improperly disclosing or using this information for their personal benefit or for the benefit of any person, regardless of whether the person is a client of BlackEagle.

Participation or Interest in Client Transactions

Employees currently do and may in the future receive directors' fees for serving on the board of directors of a portfolio company, which may be retained in whole or in part by BlackEagle. In addition, portfolio companies may, from time to time, make discounts and other benefits available to employees in connection with products or services offered by such companies.

Employees and other persons associated with BlackEagle may be permitted to invest in Funds established as co-investment vehicles to facilitate participation by such persons in portfolio investments made by the Funds. BlackEagle and/or its affiliates, in their proprietary capacity, may also invest in the Funds.

Item 12: BROKERAGE PRACTICES

Although the Company's investment strategy does not involve investing in public securities, BlackEagle has developed and implemented policies and procedures to address the limited instances where the Company must use a broker-dealer to effect a transaction on behalf of the Client's account.

BlackEagle will select broker-dealers, investment banks, or financial intermediaries that it believes provide the Client with favorable execution capabilities and qualities. Certain entities may be utilized or recommended due to their presence in certain markets and ability to effect certain specialized types of transactions. Research or additional ancillary services not associated with a transaction provided by a service provider is not a determining factor for engaging the service provider, but may be considered as part of the overall execution decision. Any brokerage fees incurred would be paid by the Client.

In order to minimize execution costs and obtain best execution for Client transactions in the event of a transaction in marketable securities, BlackEagle will generally aggregate orders for the Client's account.

BlackEagle does not have any soft dollar arrangements or other arrangements that would commit the Client to any specific or implied level of trading.

Item 13: REVIEW OF ACCOUNTS

Investments made on behalf of the Client are generally long-term in nature. BlackEagle closely monitors the entities in which the Client invests and will have representation on the portfolio company's board of directors. Client holdings are reviewed by BlackEagle's investment personnel, including the Managing Partner, during periodic investment meetings. BlackEagle provides reports to Investors in accordance with the Client's Limited Partnership Agreement.

Item 14: CLIENT REFERRALS AND OTHER COMPENSATION

BlackEagle does not currently have any Client referral or solicitation agreements in place.

Item 15: CUSTODY

All Client assets are held in custody by unaffiliated broker-dealers or banks. However, in certain circumstances, BlackEagle may be deemed to have custody of Client assets because its affiliate serves as the general partner of the Client. In such instance, the Client is subject to an annual audit and audited financial statements are distributed to each Investor. Audited financial statements are prepared in accordance with generally accepted accounting principles and distributed within 120 days of the Client's fiscal year end.

Item 16: INVESTMENT DISCRETION

Pursuant to the Fund's Limited Partnership Agreement, BlackEagle has discretionary authority to determine the underlying companies to be bought or sold for Client's account. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives of the Client.

Item 17: VOTING CLIENT SECURITIES

Registered investment advisers that exercise voting authority over client securities are required to implement proxy voting policies. Although investments held by the Fund generally do not issue proxies in the traditional sense, portfolio companies may occasionally solicit shareholder votes, elections, approvals, and/or consents (collectively, “proxies”). In the event of a proxy, it is BlackEagle’s policy to vote in a manner that it believes will increase shareholder value the most or decrease shareholder value the least. BlackEagle may abstain from voting if it deems that abstinence is in its Client's best interests.

Investors generally cannot direct the vote by BlackEagle on behalf of the Fund. However, in the event of a conflict of interest between the Company and the Client with respect to a proxy, BlackEagle may refer the matter to the Limited Partner Advisory Committee (as defined by the Fund's Limited Partnership Agreement) to determine the best way to resolve the conflict.

Current Investors may request a copy of BlackEagle’s full proxy voting policies and procedures and record.

Item 18: FINANCIAL INFORMATION

BlackEagle has not filed for bankruptcy and is not aware of any financial condition that is expected to affect its ability to manage Client accounts.