

ATTACHMENT A

Form of Placement Agent and Political Contribution Disclosure Letter

Treasurer of the State of North Carolina
325 North Salisbury Street
Raleigh, North Carolina 27603

Re: Disclosure Letter pursuant to Placement Agent and Political Contribution
Policy

Ladies and Gentlemen:

Under Section III(A) of the Placement Agent and Political Contribution Policy originally adopted by the North Carolina Department of State Treasurer on October 19, 2009 and revised on March 14, 2011 (the "Policy"), prior to entering into an engagement to engage, hire, invest with or commit to invest, or otherwise do business with the Treasurer of the State of North Carolina (the "Treasurer") or at such time as provided in Section II of the Policy, an Investment Manager (as such term is defined in Section VII(B) of the Placement Agent Policy) must make certain disclosures to the Treasurer regarding its use of Placement Agents and Political Contributions (as such terms are defined in Section VII(B) of the Policy). Pursuant to and in accordance with such Policy, the undersigned Investment Manager hereby makes the following disclosures. Capitalized terms not otherwise defined in this Disclosure Letter have the same meanings as specified in the Policy.

1. Use of Placement Agent (please check the appropriate box):

The Investment Manager (or any officer, partner, principal or affiliate thereof) has elected to use the services of a Placement Agent to assist the Investment Manager in obtaining investments from or doing business with any of the NC Funds. (Note that this box should be checked whether the compensation provided to the Placement Agent is a flat fee, contingent fee, or any other form of compensation or benefit (tangible or intangible).) If this box is checked, please provide the disclosures as prompted in paragraphs 2 through 8.

Neither the Investment Manager nor any officer, partner, principal or affiliate thereof has elected to use the services of a Placement Agent to assist the Investment Manager in obtaining investments from or doing business with any of the NC Funds. If this box is checked, no further disclosures are necessary.

2. Placement Agent Information:

(a) The name of the Placement Agent is: Please see attached

- (b) Attached is a resume for each officer, partner, and/or principal of the Placement Agent, detailing the person's education, work experience and professional designations.
- (c) Listed below are any and all officers, partners and/or principals of the Placement Agent that are current or former North Carolina Department of State Treasurer employees, Investment Advisory Committee members, or consultants or members of the immediate family of any such person *(attach additional pages as necessary)*:

None

3. Placement Agent Compensation: Described below is any and all compensation of any kind provided or agreed to be provided to a Placement Agent including the nature, timing and value of such compensation. *(Note that compensation to a Placement Agent is deemed to include compensation to third parties as well as employees of the Investment Manager who are retained in order to solicit, or who are paid based in whole or in part upon, an investment from or business with any of the NC Funds (attach additional pages as necessary))*:

Please see attached

4. Terms of Agreement with Placement Agent: Described below are the terms of the agreement or arrangement (oral or written) creating an obligation to pay a fee to or for the benefit of any Placement Agent the Investment Manager has elected to use in connection with obtaining investments or doing business with the Treasurer. *(Please note that in the case of any oral agreement, the full extent of such agreement should be written and summarized, succinctly describing the terms of such agreement or arrangement with the Placement Agent, including details of the nature, timing, and value of the compensation or benefit provided (attach additional pages as necessary))*

Please see attached

5. Actions and Investigations Involving Placement Agent (please check the appropriate box):

The Placement Agent (or any officer, partner, principal or affiliate thereof) has been the subject of an action, or investigation by a federal, state, or local government agency or regulatory body in the last ten (10) years and/or anticipates being the subject of such actions or investigations in the future. If this box is checked, the following describes any such action(s) or investigation(s) (attach additional pages as necessary):

Please see attached

Neither the Placement Agent nor any officer, partner, principal or affiliate thereof has been the subject of any actions, or investigations by any federal, state, or local government agencies or regulatory bodies in the last ten (10) years or anticipates being the subject of any such actions or investigations in the future.

6. Relationships between Placement Agent and Department of State Treasurer (please check the appropriate box):

The Placement Agent (or any officer, partner, principal or affiliate thereof) has had a prior personal or professional relationship with a current or former Department of State Treasurer employee, Investment Advisory Committee member, and/or consultant or a member of the immediate family of such person who suggested the retention of the Placement Agent. If this box is checked, the following lists the name(s) of such individual(s) (attach additional pages as necessary):

The Placement Agent (or any officer, partner, principal or affiliate thereof) has not had any prior personal or professional relationship with any current or former Department of State Treasurer employee, Investment Advisory Committee member, or consultant or a member of the immediate family of such person who suggested the retention of the Placement Agent.

7. Registration of Placement Agent and Licensing of Placement Agent Representatives. The Investment Manager hereby confirms that (i) the Placement Agent is registered with the Securities and Exchange Commission or the Financial Industry Regulatory Association, (ii) the individual officers, partners, principals, employees, or other representatives of the Placement Agent hold all required securities licenses, (iii) no placement fee has been shared with any person or

entity not so registered and (iv) the Placement Agent is in the habitual systematized business of acting as a Placement Agent.

(a) The Placement Agent's registration details are as follows:

Please see attached

(b) For each individual officer, partner, principal, employee and other representative of the Placement Agent, the registrations, number of years of employment by the Placement Agent and the number of years of experience directly related to such business are as follows (*attach additional pages as necessary*):

Please see attached

8. Lobbying Information of Placement Agent (*please check the appropriate box*):

The Placement Agent (and/or any officer, partner, principal or affiliate thereof) is registered as a lobbyist with a state government. If this box is checked, the following are the names and positions of such persons and the registrations held (*attach additional pages as necessary*):

Please see attached

Neither the Placement Agent nor any officer, partner, principal or affiliate thereof is registered as a lobbyist with any state government.

9. Political Contributions.

The Investment Manager hereby confirms that none of the Investment Manager, the Placement Agent nor their respective officers, partners, principals or affiliates has made, coordinated or solicited any Political Contribution to the Treasurer or any incumbent, nominee, candidate or successful candidate for such elective office (i) in violation of any published policy approved by the Treasurer or applicable state or federal law or (ii) that would make it unlawful for the Investment Manager to provide services to the Treasurer, the NCRS and/or the NC Funds either directly or indirectly through an investment vehicle affiliated with the Investment Manager. Please see attached

[Signature Page Follows]

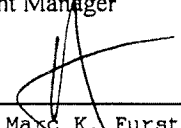
By signing below, the Investment Manager hereby (i) represents and warrants that the information found in this Disclosure Letter is true, correct, and complete in all material respects, and (ii) agrees that it shall provide the Treasurer with a written update of any material changes to any of the information in this Disclosure Letter within fourteen (14) days from the date the Investment Manager knew or should have known of the change of information.

Sincerely,

Fortress Credit Opportunities Advisors LLC

Name of Investment Manager

By:



Name: | Max K. Furstein
Title: | Chief Operating Officer
Date: | 3/19/12

[Disclosure Letter should be signed by an authorized representative of the Investment Manager]

North Carolina Placement Agent and Political Contribution Letter Riders

1. and 2a.

The Investment Manager has not compensated or agreed to compensate directly or indirectly any unaffiliated third party to act as a Placement Agent in connection with the investment or the contract by the NC Funds (as defined in the Policy). Fortress Investment Group LLC (together with its affiliates, "Fortress") and its affiliates (including the Investment Manager) rely, however, on a wholly owned Fortress affiliate, Fortress Capital Formation LLC ("FCF"), a member of FINRA (CRD# 152385), to market interests in Fortress managed funds. For purposes of this disclosure letter, we treat FCF as the "Placement Agent" within the meaning of the Policy.

FCF does not receive any sales commissions for its services. Rather, FCF's entire revenue is derived from an expense sharing arrangement with an affiliate of Fortress. On a monthly basis, FCF is paid an amount equal to the previous month's expenses incurred by FCF plus 1% of such expenses. Certain representatives of FCF may be compensated by Fortress based on a number of factors, including the amount of capital they raise for Fortress managed funds, which may include capital raised from NC Funds. The representatives of the Placement Agent most likely to receive additional incremental compensation in connection with the Treasurer's investment in the Fortress Credit Opportunities Fund III are A. Todd Ladda, Edward Chestnut and Michael George. FCF expects that in January or February of 2013, such individuals, if employed by FCF at such time, will receive a discretionary bonus for work performed in calendar year 2012. Other factors that will be taken into account in the compensation awarded to such persons include their contribution to the Fortress Credit Funds as a whole, the success of the Fortress Credit Funds' business and the amount of capital that each such individual raises from investors in other funds. None of such persons has had a prior personal or professional relationship with any current or former Department of State Treasurer employee, Investment Advisory Committee Member and/or consultant or a member of the immediate family of such person, who suggested the retention of the Placement Agent.

On occasion, Fortress may utilize unaffiliated third party placement agents in connection with the sale of interests to certain prospective investors in Fortress managed funds, and may compensate such placement agents for their services. No such unaffiliated third party placement agent has been utilized in connection with the potential investment or contract by the NC Funds in Fortress Credit Opportunities Fund III.

2b.

Please see below for the biographies of the supervisory personnel affiliated with FCF:

Stuart H. Bohart

Senior Managing Director, acting Chief Compliance Officer of FCF
New York

Stuart H. Bohart is the President of Liquid Markets and Senior Managing Director–Strategy of Fortress Investment Group LLC. Mr. Bohart is also the Chief Executive Officer and acting Chief Compliance Officer of Fortress Capital Formation LLC.

Prior to joining Fortress in October 2010, Mr. Bohart was Co-Head of Morgan Stanley Investment Management, responsible for \$400 billion of client assets across retail and institutional strategies including cash management, equities, fixed income, hedge funds, quantitative strategies, and Fund of Funds. He was also a member of Morgan Stanley's Management Committee. Mr. Bohart joined Morgan Stanley in 1997 as a portfolio manager in the Investment Management Business, where he co-managed a global multi-strategy equity fund. He subsequently headed risk management for the Firm's prime brokerage and stock loan business. Mr. Bohart became head of International Prime Brokerage in 2003 and global head of Prime Brokerage in 2005. He was appointed Head of Alternative Investments in 2006 and became Co-Head of the Investment Management Division in February 2008. Prior to Morgan Stanley, Mr. Bohart's experiences include portfolio management and trading positions at Harvard University's endowment fund, Bankers Trust, and FrontPoint Partners.

Mr. Bohart graduated from Northwestern University in 1989 with dual degrees in Economics and Asian Studies.

Mr. Bohart is a registered representative with the FINRA and holds the Series 7, 63 and 24 licenses.

A. Todd Ladda

Managing Director

New York

Todd Ladda is a managing director in the Capital Formation Group where he is responsible for capital raising and investor relationship management for the Credit Funds at Fortress Investment Group LLC. Mr. Ladda is also a member of the Management Committee of Fortress.

Prior to joining Fortress in July 2006, Mr. Ladda was a managing director at Trust Company of the West ("TCW") where he was responsible for the United States hedge fund joint venture between TCW and its parent company, Societe Generale Asset Management. He previously served as managing director and head of sales, marketing and distribution for Oppenheimer and Company's Alternative Investment Group. Mr. Ladda was also on the group's risk management and due diligence committees. Mr. Ladda was a founder of Green Wave Capital, an investment firm focusing on developing and distributing hedge fund products for the high net worth and institutional marketplace.

Mr. Ladda received a B.A. from Princeton University in Political Science.

Mr. Ladda is a registered representative with the FINRA and holds the Series 7, 63 and 24 licenses.

Allison L. Thrush
Managing Director
New York

Allison L. Thrush is a managing director in the Capital Formation Group, where she is responsible for capital raising and investor relationship management for the Private Equity business at Fortress Investment Group LLC. Ms. Thrush is also a member of the Management Committee of Fortress.

Prior to joining Fortress in March 2001, Ms. Thrush directed a portfolio of opportunistic real estate and private equity investments for the New York State Common Retirement Fund. Prior to that, she was with the New York State Urban Development Corporation and Coopers and Lybrand, now PricewaterhouseCoopers.

Ms. Thrush received a B.S. in Economics from the University of California, Berkeley, and a Masters in Public Policy from Harvard University's Kennedy School of Government.

Ms. Thrush is a registered representative with the FINRA and holds the Series 7, 63 and 24 licenses.

Andrew P. Dempsey
Managing Director
New York

Andrew P. Dempsey is a managing director in the Capital Formation Group where he is responsible for capital raising and investor relationship management for the Liquid Markets business at Fortress Investment Group LLC. Mr. Dempsey is also a member of the firm's Management Committee.

Prior to joining Fortress in May 2005, Mr. Dempsey was a regional director for Allegiance Capital where he was responsible for the marketing and distribution of fixed income products for the southwest United States and Mexico. Prior to that, Mr. Dempsey was a fixed income specialist for the Enterprise Unit at SEI Investments where he developed asset liability studies and investment analysis for endowments, foundations and Fortune 100 defined benefit and defined contribution plans.

Mr. Dempsey received a B.B.A. in Finance and Mathematics from the University of Notre Dame.

Mr. Dempsey is a registered representative with the FINRA and holds the Series 7, 63 and 24 licenses.

3. As described in 1 above, FCF's entire revenue is derived from an expense sharing arrangement with an affiliate of Fortress. On a monthly basis, FCF is paid an amount equal to the previous month's expenses incurred by FCF plus 1% of such expenses. Certain representatives of FCF may be compensated by Fortress based on a number of factors, including the amount of capital they raise for Fortress managed funds, which may include capital raised from the NC Funds.

4. Please see our response to question 3 above.

5. Fortress, on occasion, receives inquiries from governmental or regulatory agencies in the normal course of business concerning matters that do not appear to Fortress to involve potential actions or investigations about which Fortress is the subject. Fortress may also be, and has been, examined by regulatory agencies in the normal course. We do not believe such inquiries or examinations are responsive to this question as we do not believe they constitute actions or investigations, nor do we anticipate Fortress will become the subject of an action or investigation in the future. Set forth below are the disclosures that Fortress believes, to the best of its knowledge, are responsive to this question.

On December 16, 2011, the U.S. Securities and Exchange Commission filed a civil complaint against Mr. Daniel Mudd, who was the Chief Executive Officer ("CEO") of Fortress Investment Group LLC at the time, alleging that he violated certain provisions of the Securities Exchange Act of 1934. The complaint wholly relates to Mr. Mudd's tenure at his previous employer, Federal National Mortgage Association, and is not directed to and does not relate to Fortress, its affiliates or to any other person within the Fortress organization. On December 21, 2011, Fortress announced that Mr. Mudd requested a leave of absence from his role as CEO and member of Fortress's Board of Directors, and shortly thereafter, on January 24, 2012, he resigned from the firm.

In late October 2010, the CME Group Market Regulation Department ("CME") notified Fortress that it was reviewing a short term position in single month wheat futures contracts and options that was in excess of the applicable futures contract limit. The firm acted quickly to reduce the excess positions in order to bring the firm below the applicable limit. However, the CME has recently indicated that it will likely seek some type of financial remuneration relating to the contracts purchased in excess of the applicable limit. The firm continues to have discussions with the CME with respect to this issue.

In addition, on July 3, 2009, Banca d' Italia notified Italfondario (the "Company"), a Fortress portfolio company, that members of its board of directors and board of statutory auditors violated certain provisions of legislative decree 385 of September 1, 1993 (the "Banking Act"). The violations can be classified into two general groups: (1) deficiencies in organizational and internal controls and (2) mistaken/missing notifications to the supervisory body of Banca d' Italia (in violation of Art. 107, §§ 2 & 3 of the Banking Act, respectively). Banca d' Italia levied an administrative fine in the aggregate amount of euro 102,000 against the Company, its board of directors and board of

statutory auditors in relation to the aforementioned violations, including fines against a handful of Fortress employees serving in such capacities. The fine was paid in its entirety on July 30, 2009.

Please note, the above does not include responses related to portfolio companies owned by Fortress managed funds, except to the extent that an investigation or action directly names an employee of Fortress.

7(a) FCF is a member of FINRA (CRD# 152385) and is registered with the U.S. Securities and Exchange Commission (the "SEC") and the New York State Securities Commission.

7(b) FCF was formed in 2008 and registered with the FINRA in 2010. However, prior to 2008, current representatives of FCF performed investor relations and capital-raising functions for Fortress. Fortress employed representatives of FCF hold the registrations noted below. In addition, representatives of FCF who do not currently hold any registrations provide support to the personnel noted below.

Fortress Capital Formation LLC Registered Representatives					
Last Name	First Name	Licenses Held			Approx Years with Fortress**
Beecher	Richard	7	63		5
Bohart	Stuart	7	63	24	1.5
Chestnut	Edward	7	63		2
Choi	Fiona	7	63		1.5
Cookhorn	Gary	7	63		2.5
Dempsey	Andrew	7	63	24	7
Dolan	Tracy	7	63		5.5
George	Michael	7	63	24	2.5
Green	Michael	7	63		2
Hancock	Christopher	7	63		1.5
Hausmann	Peter	7	63		<1
Hill	Laura	7	63		2
Hsu	Jennifer	7	63		<1
Huang	Linda	7	63		<1
Hubsher	Elise	7	63	24	2.5
Jones	Lindsey	7	63		3
Jug	Louis	7	63		1.5
Kramer	Jill	7	63		<1
Kurz	Stephen	7	63		3.5
Ladda	Andrew	7	63	24	5.5
Margolies	Alexander	7	63	24	5.5
Polland	Andrew	7		24	4
Rosengarten	Magdalena	7	63		4

Sin	Carrie	7	63		2.5
Snyder	Matthew	7	63		<1
Sun	Guantong	7	63		2.5
Swift	David	7	63		5.5
Thrush	Allison	7	63	24	11
Van Nostrand	Lauren	7	63		5
Watterston	Sarah	7	63		<1
Werthamer	Scott	7	63		4
Wilson	Nils	7	63		5.5

****Represents approximate years employed by Fortress, which may include time spent in positions unrelated to FCF and/or investor relations, and which may precede the formation of FCF.**

8. FCF and/or its representatives are registered as a lobbyist in the following states:

Fortress Capital Formation LLC *State of California*
LA City
County of LA
City of San Jose
City of San Diego
LAMTA
County of San Diego
Massachusetts

Allison Thrush *State of California*
LA City
San Francisco City & County
City of Fresno
County of San Diego
County of LA
City of San Jose
City of San Diego
LAMTA

Andrew T. Ladda *State of California*

Andrew Dempsey *State of California*
LA City
San Francisco City & County
City of Fresno
County of San Diego
County of LA
City of San Jose
City of San Diego
LAMTA

Massachusetts

Alex Margolies

*State of California
San Francisco*

Michael George

*State of California
LA City
City of San Diego
County of LA
City of San Diego
LAMTA*

Nils Wilson

State of California

Maggie Rosengarten

*State of California
LA City
San Francisco City & County
County of LA*

Lou Jug

*State of California
LA City
San Francisco City & County
City of Fresno
County of San Diego
County of LA
City of San Jose
City of San Diego
LAMTA*

Edward Chestnut

*LA City
San Francisco City & County
City of Fresno
County of San Diego
County of LA
City of San Jose
City of San Diego
LAMTA*

Chris Hancock

*State of California
LA City
San Francisco City & County
City of Fresno
County of San Diego
County of LA
City of San Jose
City of San Diego
LAMTA
Massachusetts*

Stephen Kurz

Massachusetts

Elise Hubsher

*Massachusetts
State of California*

Matthew Snyder

State of California

Peter Hausmann

Massachusetts

9. Fortress began tracking political contributions by Fortress employees on September 27, 2007. To the best of Fortress's knowledge, the following contributions have been made by Fortress employees to persons running for office in North Carolina since September 27, 2007 (and, without limiting or modifying the representations or warranties contained in Paragraph 9 hereof, we note that to the best of Fortress's knowledge, such contributions would not (i) violate any published policy approved by the Treasurer or applicable state or federal law or (ii) make it unlawful for the Investment Manager to provide services to the Treasurer, the NCRS and/or the NC Funds either directly or indirectly through an investment vehicle affiliated with the Investment Manager).

Employee	Amount of donation	Year	Candidate	Office Sought
Michael Malone	\$4,000	2008	David Young	NC State Treasurer
Wes Edens	\$4,000	2008	David Young	NC State Treasurer
Peter Briger	\$4,000	2008	David Young	NC State Treasurer
Mike Novogratz	\$4,000	2008	David Young	NC State Treasurer
Adam Levinson	\$4,000	2008	David Young	NC State Treasurer
Joe Walsh	\$500	2008	Janet Cowell	NC State Treasurer
Peter Briger	\$4,000	2008	Janet Cowell	NC State Treasurer
Gene Taylor	\$500	2008	Janet Cowell	NC State Treasurer
Mike DeMarco	\$1,000	2008	Janet Cowell	NC State Treasurer
Mike Malone	\$3,600	2008	Janet Cowell	NC State Treasurer**
Jarett Wait	\$4,000	2008	Janet Cowell	NC State Treasurer
Mike Malone	\$4,000	2008	Bev Perdue	Governor

James Harrington	\$250	2010	Brad Miller	Congress (NC-13)
Mike Malone	\$2,000	2010	Dewey Hudson	NC Senate
John Harris III	\$4,000	2010	Bev Perdue	N/A

***Mr. Malone also sponsored a lunch for Janet Cowell, at an approximate cost of \$366.*