

# ComplianceOS — Autonomous AI Regulatory Intelligence

## The Compliance Autopilot for the AI Age

*From regulatory chaos to continuous compliance in days, not years.*

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## Executive Summary

ComplianceOS is the autonomous intelligence platform that transforms AI governance from a reactive, manual nightmare into continuous, automated assurance. We're building the compliance autopilot that monitors, documents, and enforces AI regulations across every model, every data pipeline, and every jurisdiction—automatically.

**The Opportunity:** The \$85B compliance market is facing its biggest disruption since GDPR. The EU AI Act is live. The US is fragmenting across 50 states. China, Brazil, and India are racing to regulate. Every company deploying AI needs to comply—and 94% have no idea how. We're building the infrastructure layer that makes AI compliance automatic.

**The Vision:** Every AI system running ComplianceOS. Every deployment automatically compliant. Every audit passed with a click. The compliance layer that lets innovation move at the speed of AI.

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## The Problem

### The AI Regulatory Tsunami

**The Numbers Are Overwhelming:** - **127 AI regulations** enacted globally in 2025 alone - **\$2.3 trillion** in potential fines under EU AI Act (up to 7% of global turnover) - **94%** of companies are “not prepared” for AI compliance (Deloitte 2025) - **18 months** average time to achieve compliance manually - **\$4.2 million** average cost of AI compliance failure - **847%** increase in AI-related regulatory actions year-over-year

### The Regulatory Landscape Is Chaos:

1. **EU AI Act** — Risk-based classification, transparency requirements, conformity assessments
2. **US State Patchwork** — California, Colorado, Connecticut, and 15+ states with different rules
3. **SEC AI Disclosure** — Mandatory AI risk disclosure for public companies
4. **Industry-Specific** — FDA AI/ML guidelines, FTC AI marketing rules, banking AI governance
5. **Global Fragmentation** — Brazil’s AI Act, China’s Algorithm Registry, India’s Digital Personal Data Act

### Why Current Approaches Fail:

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Approach	Problem
Legal Firms	\$1,500/hour, no technical understanding
Consulting	18-month projects, outdated by delivery

Approach	Problem
Manual Documentation	Can't keep up with model updates
GRC Platforms	Built for SOX/GDPR, not AI-native
In-House Teams	\$3M+ annually, still behind

## The Real Pain

A fintech deploys 47 AI models across fraud detection, underwriting, and customer service. EU AI Act requires:

- Risk classification for each model
- Technical documentation for high-risk systems
- Human oversight mechanisms
- Bias testing and fairness audits
- Incident reporting within 72 hours
- Conformity assessments by notified bodies

Their compliance team: 3 people. Their timeline: 6 months until enforcement. Current progress: 2 models documented. **They're facing €35M in potential fines.**

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## The Solution

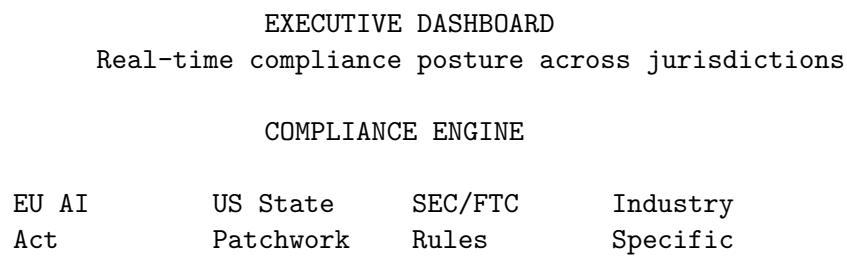
### ComplianceOS: The Autonomous AI Compliance Platform

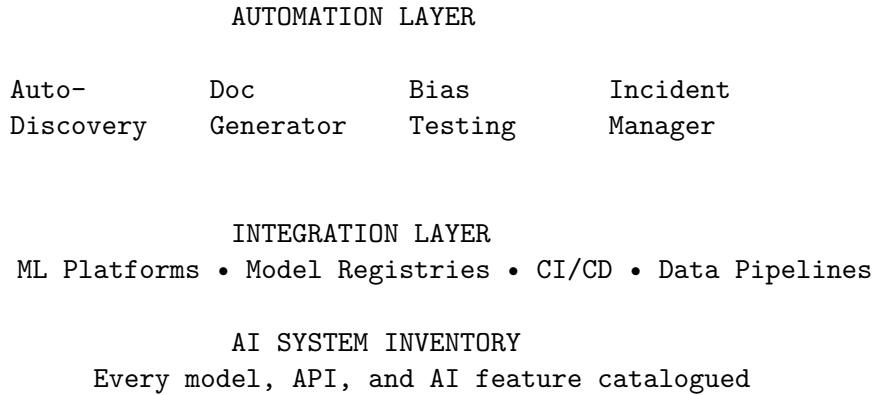
ComplianceOS is an AI-native compliance infrastructure that:

1. **Auto-Discovers AI Systems:** Scans your entire stack to find every model, API, and AI-powered feature
  2. **Classifies Risk Automatically:** Maps each system against EU AI Act, SEC, state laws, and industry regulations
  3. **Generates Documentation:** Creates technical documentation, model cards, and impact assessments automatically
  4. **Monitors Continuously:** Tracks model drift, bias emergence, and compliance drift in real-time
  5. **Enforces Policies:** Blocks non-compliant deployments, requires attestations, and maintains audit trails
  6. **Manages Incidents:** Detects incidents, generates reports, and files with regulators automatically
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## Product Architecture

### The ComplianceOS Stack





## Core Capabilities

### 1. AI System Discovery Engine

- **Automatic Scanning:** Discovers AI across cloud, on-prem, and SaaS
- **Shadow AI Detection:** Finds undocumented models and API integrations
- **Dependency Mapping:** Traces data flows and model dependencies
- **Continuous Inventory:** Real-time updates as new systems deploy

### 2. Regulatory Intelligence Engine

- **Multi-Jurisdiction Mapping:** Maps every AI system to applicable regulations
- **Risk Classification:** Automatic EU AI Act risk tier assignment
- **Gap Analysis:** Shows exactly what's missing for compliance
- **Regulatory Updates:** Real-time tracking of new laws and guidance

### 3. Documentation Autopilot

- **Technical Documentation:** Generates EU AI Act Annex IV documentation automatically
- **Model Cards:** Creates standardized model cards from training artifacts
- **Impact Assessments:** Drafts Fundamental Rights Impact Assessments
- **Version Control:** Tracks documentation across model versions

### 4. Bias & Fairness Testing

- **Automated Testing:** Runs bias tests across protected categories
- **Fairness Metrics:** Tracks demographic parity, equalized odds, calibration
- **Drift Detection:** Alerts when fairness degrades in production
- **Remediation Guidance:** Suggests fixes when bias is detected

### 5. Policy Enforcement

- **Deployment Gates:** Blocks non-compliant models from production
- **Human Oversight:** Enforces human-in-the-loop requirements
- **Attestation Workflows:** Requires sign-offs before high-risk deployments

- **Audit Trails:** Immutable logs of every decision and change

## 6. Incident Management

- **Incident Detection:** Identifies AI malfunctions and harms
  - **Automated Reporting:** Generates regulatory incident reports
  - **Deadline Tracking:** Ensures 72-hour EU AI Act reporting requirements
  - **Regulator Filing:** Direct submission to relevant authorities
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## Market Opportunity

### The AI Compliance Market

**Total Addressable Market: \$185B by 2030**

Segment	2026	2030	CAGR
AI Compliance Software	\$8B	\$45B	54%
AI Governance Services	\$12B	\$65B	52%
AI Audit & Assurance	\$5B	\$35B	63%
AI Risk Management	\$7B	\$40B	55%

**Serviceable Addressable Market: \$45B** - Enterprise AI deployers (>500 employees) - Regulated industries (financial services, healthcare, government) - Global companies with EU exposure

**Serviceable Obtainable Market: \$4.5B by 2028** - 10% market share in enterprise AI compliance software

## Market Drivers

1. **EU AI Act Enforcement** — August 2025 prohibitions, August 2026 full enforcement
  2. **US Regulatory Acceleration** — SEC, FTC, and state-level AI laws multiplying
  3. **Board-Level Priority** — 78% of boards now list AI compliance as top-5 risk
  4. **Insurance Requirements** — Cyber insurers requiring AI governance proof
  5. **Customer Demands** — Enterprise buyers requiring AI compliance attestations
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## Competitive Landscape

### Why No One Has Won Yet

Competitor	Approach	Gap
<b>OneTrust</b>	Privacy-focused GRC	Not AI-native, manual classification

Competitor	Approach	Gap
<b>BigID</b>	Data discovery	No model governance, limited to data
<b>TrustArc</b>	Privacy compliance	No AI understanding, GDPR-only
<b>Fairly AI</b>	Bias testing only	Single point solution, no compliance
<b>Credo AI</b>	AI governance	Manual processes, limited automation
<b>Legal Firms</b>	Advisory	No technology, doesn't scale

## Our Moat

- Full Automation:** Only platform that auto-discovers, auto-classifies, and auto-documents
- Real-Time Monitoring:** Continuous compliance, not point-in-time assessments
- Multi-Jurisdiction:** Single pane for global AI regulation complexity
- AI-Native Architecture:** Built by ML engineers, not compliance consultants
- Network Effects:** Anonymized benchmarking data across customers
- Enforcement Integration:** Direct filing with regulators (EU, SEC, state AGs)

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## Business Model

### Pricing Strategy

#### Platform Subscription (ARR)

Tier	AI Systems	Annual Price	Target
Starter	1-25	\$75,000	Mid-market
Growth	26-100	\$250,000	Enterprise
Enterprise	101-500	\$750,000	Large Enterprise
Global	500+	\$2,000,000+	Multinational

**Add-On Services** - Regulatory Intelligence Feed: \$50K/year - Audit-Ready Reports: \$25K/audit  
 - Regulator Filing Service: \$10K/filing - Custom Jurisdiction Module: \$100K one-time

### Revenue Projections

Year	ARR	Customers	ACV
2026	\$5M	25	\$200K
2027	\$25M	100	\$250K
2028	\$85M	280	\$300K
2029	\$200M	550	\$360K
2030	\$450M	1,000	\$450K

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## Go-to-Market Strategy

### Phase 1: Beachhead (Months 1-12)

#### Target: Financial Services + EU Exposure

Why financial services first: - Highest regulatory pressure (SEC, OCC, FINRA + EU AI Act) - Largest AI deployments (fraud, credit, trading) - Budget for compliance (\$50M+ average compliance spend) - Risk-averse culture favors proven solutions

**Initial Customers:** - 10 US banks with EU operations - 5 EU-headquartered asset managers - 5 US fintechs with EU customers

**Channel:** - Direct enterprise sales (4 AEs) - Big 4 partnerships (Deloitte, PwC, EY, KPMG) - Law firm referrals (Latham, Skadden, Freshfields)

### Phase 2: Expansion (Months 12-24)

**Expand to:** - Healthcare (FDA AI guidelines, HIPAA) - Technology (SEC disclosure, state laws) - Retail (FTC, CCPA, biometric laws) - Government contractors (NIST AI RMF)

**Channel Expansion:** - AWS/Azure/GCP marketplace listings - System integrator partnerships - Regulatory body partnerships (ISO certification bodies)

### Phase 3: Platform (Months 24-36)

**Become the compliance layer:** - API for MLOps platforms (MLflow, Weights & Biases, Neptune) - Embedded in model registries - CI/CD pipeline integrations - Standard for AI procurement

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## Product Roadmap

### 2026: Foundation

**Q1** - AI discovery for major cloud platforms (AWS, Azure, GCP) - EU AI Act risk classification engine - Basic documentation generation

**Q2** - US state law coverage (CA, CO, CT, VA, UT) - Bias testing framework - Model registry integrations

**Q3** - SEC AI disclosure module - Incident detection and reporting - Audit workflow system

**Q4** - Industry modules (BFSI, healthcare) - Policy enforcement engine - Regulator filing integration

## **2027: Scale**

**Q1-Q2** - Predictive compliance (anticipate regulatory changes) - Automated remediation suggestions - Cross-customer benchmarking

**Q3-Q4** - Global expansion (Brazil, India, UK, China) - Real-time model monitoring integration - Compliance-as-code SDK

## **2028: Dominance**

- Regulatory sandbox integrations
  - Certification authority partnerships
  - Compliance insurance integration
  - Industry standard protocols
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## **Team Requirements**

### **Founding Team (Pre-Seed)**

Role	Profile
<b>CEO</b>	Regulatory tech founder, enterprise sales, board relationships
<b>CTO</b>	ML platform architect, built compliance systems at scale
<b>Chief Legal Officer</b>	Former regulator (SEC/FTC/EU), AI law expertise

### **Seed Team (15 people)**

Function	Headcount
Engineering	8
Product	2
Legal/Regulatory	2
Sales	2
Operations	1

### **Series A Team (50 people)**

Function	Headcount
Engineering	25
Product	5
Legal/Regulatory	5
Sales	8
Customer Success	4
Marketing	2
Operations	1

## Funding Strategy

### Pre-Seed: \$3M

**Use of Funds:** - MVP development (6 months) - 3 design partners - Regulatory content build-out  
- Team of 5

**Target Investors:** - Regulation-focused: Fin Capital, Fika Ventures - Enterprise SaaS: Costanoa, Work-Bench - Legal tech: Obvious Ventures

### Seed: \$15M

**Use of Funds:** - Platform build-out - 25 paying customers - Team of 15 - SOC 2, ISO 27001 certification

**Target Investors:** - Bessemer, Insight Partners, Battery - Index Ventures, Accel (European angle)  
- Salesforce Ventures, ServiceNow Ventures

### Series A: \$50M

**Use of Funds:** - 100 customers, \$25M ARR - Team of 50 - Global expansion - Industry vertical build-out

**Target Investors:** - Andreessen Horowitz (enterprise, AI) - Sequoia (growth) - Ioniq, General Atlantic

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## Risk Analysis

### Technical Risks

Risk	Mitigation
AI discovery accuracy	Multi-modal detection, customer validation
Regulatory interpretation	Legal advisory board, regulator partnerships
False positives/negatives	Human-in-the-loop for critical decisions
Integration complexity	Pre-built connectors, open APIs

### Market Risks

Risk	Mitigation
Regulatory changes	Modular architecture, rapid update capability
Enterprise sales cycles	Regulatory deadlines create urgency
Competitor response	Speed, automation depth, network effects
Economic downturn	Compliance is mandatory, not discretionary

### Regulatory Risks

Risk	Mitigation
Regulators change approach	Scenario planning, flexible architecture
Delayed enforcement	Already happening, companies still need to prepare
Global fragmentation	Multi-jurisdiction from day one

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## Why Now

### The Perfect Storm

1. **EU AI Act is Live** — Prohibitions effective August 2025, full enforcement August 2026
2. **US Acceleration** — 15+ state AI laws in 2025, SEC and FTC active
3. **Board Pressure** — AI governance is now a fiduciary duty
4. **Insurance Requirements** — Cyber policies requiring AI compliance proof
5. **Customer Demands** — RFPs now include AI governance requirements
6. **Enforcement Actions** — First major fines will create market panic

### The Window

The next 18 months will define the AI compliance market: - First-mover will set the standard - Regulatory relationships are forming now - Enterprise budgets are being allocated - Winners will be established before the late majority realizes they need solutions

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### Success Metrics

#### North Star: Compliance Coverage

**Year 1:** - 500+ AI systems under management - 95% audit pass rate for customers - Zero regulatory fines for customers

**Year 3:** - 10,000+ AI systems under management - Industry standard for AI compliance - Direct integration with 3+ regulators

#### Key Metrics

Metric	Target Y1	Target Y3
ARR	\$5M	\$85M
Net Revenue Retention	130%	150%
Gross Margin	75%	82%
CAC Payback	18 months	12 months
Customer Churn	<5%	<3%

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## The Ask

### Raising: \$3M Pre-Seed

**To Build:** - Autonomous AI discovery engine - EU AI Act classification and documentation - First 3 design partner deployments - World-class founding team

**The Return:** - \$185B market by 2030 - Every AI-deploying company needs this - Regulatory tailwinds accelerating - Network effects create winner-take-most dynamics

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## Appendix: Regulatory Deep Dive

### EU AI Act Summary

**Risk Categories:** | Category | Examples | Requirements | | ----- | ----- | ----- | | Unacceptable | Social scoring, real-time biometric | Prohibited | | High-Risk | Credit scoring, hiring, medical devices | Full conformity assessment | | Limited | Chatbots, deepfakes | Transparency requirements | | Minimal | Spam filters, games | No requirements |

**High-Risk Requirements:** 1. Risk management system 2. Data governance 3. Technical documentation 4. Record-keeping 5. Transparency 6. Human oversight 7. Accuracy, robustness, cybersecurity 8. Quality management system

### US State AI Laws

State	Focus	Effective
California	Automated decision systems	2026
Colorado	High-risk AI disclosure	2024
Connecticut	Automated decisions	2024
Virginia	Consumer data + AI	2025
Utah	AI disclosure	2024
Illinois	Biometric + hiring AI	2025

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*"In a world where every company is an AI company, every company needs a compliance company."*

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