

Expanded Compliance Function

Compliance: Past and Present

2015

2017

Support of Legal and Operational Matters

- Not applicable

- Fund Formation ([REDACTED] Program)
- Ongoing Fund Maintenance
- Confidentiality Agreement Review/Negotiation
- HSR Filings
- ESG (Assisted with portfolio company reporting questionnaire and 2016 ESG Brochure)
- Human Resources (Employee Handbook and roll-out of internal [REDACTED])

Modernization

- Not applicable

- Efficient compliance reporting software (saves time/ reduces effort for all)
- Effective email archiving/monitoring software
- Seeking to leverage iLevel for regulatory reporting requirements
- Implementing vendor due diligence solution

Compliance: Past and Present

Increased Volume and Execution

	2015	2016	2017	
Presentations Reviewed	49	76	98	100% increase 2015 to 2017
Compliance Training Sessions	0	3	7	
Confidentiality Agreements Reviewed/Negotiated by CCO	0	338	454	• 35% increase YOY (to-date) • Assuming average of 2 hrs/CA = 908 hrs • Reviewed CAs from ~176 different parties • 84 in September 2017 • 51 for Leeward sale process
HSR Filings handled by CCO	0	2	7	

Compliance: Future

Fund VII and Core Holdings Program

With my 15+ years of fund formation legal experience, I am well-positioned to add significant value in connection with the fund formation process including the following:

- Drafting legal documents and negotiating with prospective investors
- Participating in diligence meetings with prospective investors
- Managing the subscription process
- Managing the closing process
- Post-closing compliance with contractual obligations

ESG

Assist portfolio companies with the roll-out of relevant policies and procedures*

- Code of Business Conduct/Ethics
- Cybersecurity
- ESG
- Other

* Anticipated to be a focus during investor due diligence

Market Data

COMPLIANCE

Firm Size and Type	Title	Total Compensation / Compensation Range
Small-Medium Investment Bank	Compliance Analyst/Associate	\$65,000 - \$125,000
	Compliance Manager/Vice President	\$150,000 - \$300,000
	Head of Control Room/Firm-Wide AML/Deputy	\$350,000
Small-Medium Asset Management Firm	Compliance/Legal Assistant	\$80,000 - \$105,000
	Compliance, Manager/Vice President/Deputy	\$80,000 - \$200,000
	Compliance & AGC/Counsel	\$175,000 - \$275,000
	Chief Compliance Officer (Counsel)	\$200,000 - \$400,000
Large Asset Management Firm	Compliance Analyst/Associate	\$90,000 - \$125,000
	Compliance, Manager/Vice President/Deputy (Global) CCO or Co-CCO	\$140,000 - \$300,000
		\$700,000 - \$1,000,000
Small-Medium Private Equity Firm	Compliance Officer & Legal Associate	\$250,000
	Compliance, Manager/Vice President/Deputy	\$225,000 - \$375,000
	Chief Compliance Officer & Counsel	\$500,000 - \$750,000
Large Private Equity Firm	Compliance Analyst/Associate	\$125,000 - \$175,000
	Compliance, Manager/Vice President	\$150,000 - \$300,000
	Compliance Principal/Deputy	\$250,000 - \$450,000
	Chief Compliance Officer & Counsel	\$500,000 - \$600,000
Small-Medium Hedge Fund	Compliance Analyst/Associate	\$80,000 - \$100,000
	(Sr.) Compliance Officer/Manager	\$150,000 - \$200,000
	Deputy Compliance Officer/Counsel	\$200,000 - \$400,000
	Chief Compliance Officer & Counsel	\$400,000 - \$600,000
Large Hedge Fund	Compliance Analyst/Associate	\$90,000 - \$140,000
	(Sr.) Compliance Officer/Manager	\$100,000 - \$200,000
	Deputy Compliance Officer/Counsel	\$325,000 - \$600,000
	Chief Compliance Officer & Counsel	\$600,000 - \$800,000
Hedge Fund Compliance Consulting Firm	Assistant Vice President/VP/SVP	\$130,000 - \$300,000

Source: J.W. Michaels & Co. "Financial Services Market Data 2016" (data from invoiced placements made by JW Michaels in 2016).

SURVEY HIGHLIGHTS							
		Sample Size	Low	High	Median	Average	Top Quartile
All Participants	Entire Sample	269	\$130,000	\$3,875,000	\$525,000	\$702,825	\$850,000
	16+ Years	89	\$225,000	\$2,600,000	\$825,000	\$968,506	\$1,250,000
	11 to 15 Years	87	\$240,000	\$3,875,000	\$620,000	\$734,173	\$850,000
	6 to 10 Years	60	\$230,000	\$1,400,000	\$445,000	\$475,511	\$525,000
	1 to 5 Years	33	\$130,000	\$500,000	\$300,000	\$316,945	\$365,000
All GC	All GC	90	\$275,000	\$3,875,000	\$857,500	\$1,037,367	\$1,387,500
	GC	29	\$369,000	\$3,875,000	\$1,000,000	\$1,306,517	\$1,700,000
	GC/CCO	61	\$275,000	\$2,375,000	\$840,000	\$909,410	\$1,100,000
	All GC 16+ Years	55	\$275,000	\$2,600,000	\$930,000	\$1,090,491	\$1,475,000
	All GC 15 Years and Less	35	\$360,000	\$3,875,000	\$850,000	\$953,886	\$1,175,000
All AGC	All AGC	153	\$130,000	\$2,500,000	\$450,000	\$506,589	\$600,000
	AGC Only	132	\$130,000	\$1,500,000	\$437,500	\$471,016	\$550,000
	AGC/CCO	21	\$290,000	\$2,500,000	\$525,000	\$730,190	\$850,000
	All AGC 10 Plus	96	\$240,000	\$2,500,000	\$525,000	\$597,723	\$656,250
	All AGC 6 to 9 Years	43	\$230,000	\$625,000	\$367,500	\$381,435	\$435,000
All CCO	All CCO	108	\$225,000	\$2,500,000	\$705,000	\$824,044	\$1,000,000
	CCO	26	\$225,000	\$1,575,000	\$650,000	\$699,569	\$946,250
	GC/CCO	61	\$275,000	\$2,375,000	\$840,000	\$909,410	\$1,100,000
	AGC/CCO	21	\$290,000	\$2,500,000	\$525,000	\$730,190	\$850,000
	All CCO 15 Plus Years	55	\$225,000	\$2,500,000	\$875,000	\$956,145	\$1,200,000
	All CCO 11 to 15 Years	39	\$250,000	\$1,600,000	\$675,000	\$725,354	\$895,000
	All CCO 10 Years and Under	14	\$235,000	\$1,400,000	\$512,500	\$580,000	\$592,500

Source: Claypoole Executive Search "Compensation of Legal and Regulatory Professionals at Alternative Asset Managers" (2016). Survey reports on legal and regulatory compensation in the alternative asset management industry in major markets (New York Tri-State Area, Boston, Chicago, Washington DC, Northern and Southern California and London).