

RADIX HOLDINGS MANAGEMENT LLC

SECOND CHANCE EMPLOYMENT & REENTRY PROGRAM POLICY

Federal | Texas | Florida

A company-wide fair-chance hiring, compliance, risk-control, bonding, workforce-development, and reentry support framework for RADIX HOLDINGS MANAGEMENT LLC and all subsidiaries.

Policy control	Current designation
Policy owner	Human Resources / Compliance
Applies to	RADIX HOLDINGS MANAGEMENT LLC and all current and future subsidiaries, affiliates, divisions, and DBAs
Jurisdictions	United States federal law; Texas; Florida; applicable local law
Effective date	May 15, 2026
Review cycle	At least annually and upon any material legal or program change
Approval status	Board / Managing Member approval required before implementation

Legal review required: This policy is an operational compliance framework, not legal or tax advice. Employment counsel and the company tax professional must review it before adoption and whenever the law, a government contract, a regulated role, or an incentive program changes.

Covered operating entities currently include, without limitation: RADIX EXPORTS LTD LLC (also referenced operationally as RADIX EXPORTS LTD), RADIX ENERGY OIL & GAS, RADIX HOLDINGS LLC, RADIX ADVERTISING LLC, and RADIX DEVELOPMENT LTD. The exact registered legal name of each employing entity controls.

Policy Snapshot

RADIX supports qualified applicants with prior criminal records while protecting clients, employees, confidential information, regulated activities, and company assets through job-related review and documented controls.

Rule	RADIX standard
No blanket ban	A conviction does not automatically disqualify an applicant.
Fair timing	Criminal-history questions and checks ordinarily occur only after a conditional offer, unless law requires an earlier inquiry.
Individual review	RADIX considers the offense, time elapsed, rehabilitation, work history, job duties, and available safeguards.
Higher-risk roles	Financial authority, bank access, KYC/AML, confidential counterparty data, fiduciary duties, driving, and vulnerable-person contact receive heightened review.
Federal compliance	Title VII, FCRA, the Fair Chance Act when applicable, and industry-specific restrictions apply.
Current incentive status	Federal Bonding remains available subject to eligibility. WOTC/Form 8850 is inactive for employees beginning work after December 31, 2025, unless reauthorized.

1. Purpose

The purpose of this policy is to:

1. expand access to employment for qualified people with arrest or conviction histories;
2. apply consistent, job-related, and nondiscriminatory hiring standards;
3. comply with federal, Texas, Florida, and applicable local requirements;
4. protect RADIX, its clients, counterparties, employees, information, funds, property, licenses, and contracts;
5. identify lawful bonding, wage-reimbursement, recruiting, and training opportunities; and
6. provide structured onboarding and advancement opportunities that support successful reentry and retention.

2. Scope

This policy applies to all applicants, employees, hiring managers, officers, supervisors, recruiters, staffing partners, and third-party screening providers of RADIX HOLDINGS MANAGEMENT LLC and every current or future subsidiary, affiliate, division, branch, or DBA under its control. It applies to regular, temporary, part-time, seasonal, internship, apprenticeship, and, where legally appropriate, contractor engagement decisions.

Where another law, license, government contract, insurance requirement, customer requirement, collective-bargaining agreement, or site rule imposes a stricter lawful standard, RADIX will follow the stricter standard after review by Human Resources and Legal/Compliance.

3. Governing Principles

7. Equal opportunity: RADIX will not discriminate on a basis protected by law and will monitor criminal-history practices for inconsistent treatment or unjustified disparate impact.
8. Job relatedness: Any exclusion must be connected to the position and consistent with business necessity.
9. Individualized assessment: RADIX will avoid automatic exclusions except where a law or binding regulatory rule requires disqualification.
10. Accuracy and due process: Applicants may identify errors, provide context, and submit rehabilitation evidence before a final adverse decision.
11. Minimum necessary information: Criminal-history information will be limited to personnel with a legitimate business need and retained securely.
12. No incentive-driven hiring decision: A tax credit, bond, grant, or reimbursement may support a hire but may not replace a lawful qualifications and risk review.

4. Definitions

Term	Meaning
Adverse action	A decision not to hire, to withdraw a conditional offer, or to take another unfavorable employment action based in whole or in part on background information.
Conditional offer	An offer conditioned on satisfactory completion of lawful background, credential, reference, and role-specific checks.
Consumer report	A report obtained from a third-party consumer reporting agency for employment purposes, including qualifying criminal-history background reports.
Individualized assessment	A documented review of the record, the position, rehabilitation evidence, and reasonable safeguards before a final decision.
Justice-involved individual	A person with an arrest, charge, conviction, incarceration, probation, parole, or similar criminal-justice history.
Second Chance Participant	A person hired or retained under this policy; the designation is confidential and is not a job title or public label.

5. Roles and Responsibilities

Owner	Core responsibility
Managing Member / Board	Approve this policy and material changes; provide oversight and resources.
Human Resources	Own the process, forms, notices, consistency review, records, training, and applicant communications.
Legal / Compliance	Review regulated roles, federal contracts, exceptional exclusions, adverse-action standards, and legal changes.
Tax / Finance	Confirm incentive eligibility, maintain substantiation, prevent double counting of wages, and approve any tax filing.
Hiring manager	Define essential duties and risks; assess qualifications without requesting criminal history before authorized timing.
Information Security / Operations	Design role-based access, segregation of duties, supervision, and monitoring controls.
Applicant / Employee	Provide truthful, timely information when lawfully requested and comply with role-specific safeguards.

6. Standard Hiring Workflow

13. Define the job. HR and the hiring manager document essential duties, access, location, licensing, driving, funds/property exposure, client contact, and any statutory restrictions.
14. Recruit on qualifications. Job postings must not state “no felons” or use similar blanket exclusions unless Legal confirms a legally required bar for the specific role.
15. Evaluate without early criminal-history inquiry. RADIX ordinarily delays criminal-history questions and third-party checks until after a conditional offer.
16. Issue a written conditional offer. The offer identifies lawful contingencies and does not promise final employment before required screening.
17. Obtain authorization. If a consumer report will be used, HR provides a stand-alone FCRA disclosure and obtains written authorization before ordering the report.
18. Verify accuracy and role relevance. HR confirms identity matching, disposition, completeness, and whether the record is legally reportable and materially related to the position.
19. Conduct individualized assessment when needed. The applicant receives a meaningful opportunity to provide context, correction, rehabilitation, and mitigation information.
20. Decide and document. HR and the hiring manager approve the hire, approve with lawful safeguards, transfer to another role, or begin the pre-adverse-action process.
21. Screen incentives and supports. Only after the hiring decision is independently supportable may RADIX pursue bonding, training, or wage-reimbursement opportunities.

22. Onboard and monitor consistently. All employees are held to the same performance and conduct standards; safeguards must be tied to the job risk, not stigma.

7. Individualized Assessment Standard

When a criminal record may affect employment, HR will assess the EEOC “Green factors” and additional evidence:

- 23. nature and gravity of the offense or conduct;
- 24. time elapsed since the conduct, conviction, release, or completion of sentence;
- 25. nature, duties, environment, and level of supervision of the job sought;
- 26. age at the time of the conduct and circumstances surrounding it;
- 27. accuracy of the record and evidence of dismissal, sealing, expunction, or other disposition;
- 28. employment, education, treatment, training, military, volunteer, and community history;
- 29. references and evidence of rehabilitation;
- 30. whether the person has performed the same or similar work successfully since the conduct;
- 31. the frequency and pattern, if any, of relevant conduct; and
- 32. whether reasonable safeguards can reduce a legitimate, identified risk.

Arrests: An arrest alone is not proof of criminal conduct. RADIX may consider reliable evidence of underlying conduct only when job-related, consistent with business necessity, and reviewed by HR/Legal; the mere fact of arrest will not be treated as a conviction.

8. Role-Risk Classification and Safeguards

Class	Examples	Minimum controls
Standard	General office, creative, administrative, or supervised operational work with limited sensitive access.	Ordinary review; least-restrictive access needed for the role.
Elevated	Driving, travel, warehouse/site access, expensive equipment, confidential business data, unsupervised client contact.	Relevant record/credential checks, supervision plan, access limits, and periodic review.
High trust / regulated	Bank access, payment authority, IOLTA/paymaster support, wire instructions, KYC/AML, sanctions screening, client funds/property, financial books, cybersecurity administration, export-controlled data, regulated licenses.	Legal/Compliance review; dual control; separation of duties; transaction limits; logging; no shared credentials; bond/insurance review.

For high-trust roles, a conviction involving fraud, theft, embezzlement, bribery, identity misuse, money laundering, sanctions/export violations, cyber intrusion, misuse of confidential information, or fiduciary misconduct requires heightened job-related review. It is not an automatic company-wide ban unless applicable law requires exclusion.

9. Required Restrictions and Exceptions

RADIX may exclude or restrict a person when a controlling law, license, government contract, insurance rule, security-clearance standard, or customer-site requirement lawfully requires it. Legal/Compliance must confirm the authority and scope before reliance.

33. The restriction must be role-specific, not applied company-wide unless the law requires that result.
34. RADIX will consider any available waiver, appeal, bonding, supervision, reassignment, or license-restoration process when practical.
35. Examples requiring specialized review may include federally insured financial institution restrictions, insurance-industry restrictions, transportation/security credentials, controlled substances, firearms, vulnerable-person services, export controls, and government security requirements.
36. False statements or material omissions may be considered separately from the underlying record, but only after the applicant is given an opportunity to explain and HR assesses whether the question was lawful and clear.

10. Federal Compliance Requirements

10.1 Title VII and EEOC Criminal-Record Guidance

RADIX prohibits disparate treatment based on race, color, religion, sex, national origin, or another protected status. Criminal-history screens must be job-related and consistent with business necessity. HR will use targeted screening and individualized assessment instead of blanket exclusions whenever legally permitted.

10.2 Fair Credit Reporting Act (FCRA)

When RADIX uses a third-party consumer reporting agency for employment screening, HR must follow the FCRA and applicable state law, including:

37. provide a clear, conspicuous, stand-alone disclosure before obtaining the report;
38. obtain the applicant's written authorization;
39. certify permissible purpose and compliance to the screening provider;
40. before adverse action, provide a pre-adverse-action notice, a copy of the report, and the CFPB Summary of Rights;
41. allow a reasonable period for review and dispute before the final decision (RADIX standard: at least five business days unless counsel approves another period); and

42. if final adverse action is taken, provide the required notice, screening-company contact information, and dispute rights.

10.3 Federal Fair Chance Act / Federal Contract Work

For positions related to covered federal contract work, RADIX will not request criminal-history information before a conditional offer except where a statutory exception applies. Contract-specific clauses and agency instructions must be reviewed before recruiting for covered work. This company-wide policy adopts the post-offer timing rule as the ordinary standard even when the federal contractor rule is not independently applicable.

10.4 Work Opportunity Tax Credit (WOTC)

Status as of May 15, 2026: The IRS states that WOTC does not apply to employees who begin work after December 31, 2025, and Form 8850 is no longer in use. RADIX will not advertise, accrue, or claim a WOTC for a 2026 start date unless Congress reauthorizes the credit and the company tax professional confirms eligibility.

If WOTC is reauthorized, HR and Tax will activate a controlled pre-screening process, observe all offer-date and filing deadlines, obtain state workforce certification, prevent wage double counting, and retain supporting documentation. No outdated Form 8850 may be used without current tax confirmation.

10.5 Federal Bonding Program

HR may seek free fidelity bonding for an eligible new hire who presents a bondability barrier, including an eligible person with a criminal record. Current federal materials describe coverage for the first six months of employment at no cost to the employer or employee. Bonding protects against specified dishonest acts; it is not general liability insurance, workers' compensation, performance insurance, or a substitute for supervision and internal controls.

11. Texas Addendum

11.1 Texas Workforce and Bonding Resources

43. Texas Workforce Commission Fidelity Bonding: HR may coordinate with TWC/Workforce Solutions for an eligible hire.
44. Workforce Solutions and WIOA: local boards may provide recruiting, candidate support, and negotiated on-the-job training assistance, subject to local eligibility and funding.
45. Self-Sufficiency Fund: eligible training partners may seek project grants for credential-based training and placement; published program materials state projects may receive up to \$500,000.
46. Skills Development Fund: eligible public training partners may seek customized training grants for new or incumbent full-time W-2 workers; published materials state up to \$500,000 for a business partnership project and an average per-trainee cost of \$2,400.

47. Skills for Small Business: potentially available only if the particular RADIX employing entity meets the program's fewer-than-100-employees requirement and all other current criteria.

11.2 Texas Liability and Screening Controls

Texas Civil Practice and Remedies Code § 142.002 generally limits claims based solely on evidence that an employee has a conviction, but the protection has important exceptions. It does not protect decisions involving substantially similar prior offenses, specified serious or sexually violent offenses, or foreseeable fiduciary misuse where a relevant fraud or property offense was known. RADIX will therefore document job duties, relevance, supervision, and financial controls rather than relying on the statute as blanket immunity.

Third-party background reports for Texas positions must also comply with the FCRA and applicable Texas consumer-reporting restrictions. HR will use an approved screening provider and obtain Legal review before expanding lookback periods or using records that may be sealed, expunged, non-conviction, or otherwise restricted.

12. Florida Addendum

12.1 Florida Workforce and Bonding Resources

48. Florida Federal Bonding Program: current Florida materials describe bonds in \$5,000 units for six months at no cost to the applicant or employer, subject to eligibility and program approval.
49. CareerSource Florida / local workforce boards: may provide candidate referrals, reentry services, training, and locally negotiated WIOA on-the-job training reimbursements.
50. WIOA On-the-Job Training: published Florida materials describe reimbursement commonly up to 50% and, when applicable criteria or waivers are satisfied, up to 75% of participant wages; the local board controls the actual agreement.
51. Incumbent Worker Training: eligible for-profit small businesses may receive reimbursement of up to 75% of approved training costs under current CareerSource Florida materials.
52. Reentry Employment Opportunities and local supportive services: may assist eligible participants with training, placement, case management, and wraparound services; these benefits generally support the individual or local project and are not guaranteed cash subsidies to RADIX.

12.2 Florida Negligent-Hiring Presumption

Florida Statutes § 768.096 provides a presumption against negligent hiring in specified intentional-tort cases when the employer conducts a qualifying preemployment investigation and the investigation does not reasonably demonstrate unsuitability. The statute identifies a criminal background investigation and also references reasonable efforts regarding former employers/references, a conviction and intentional-tort questionnaire, a relevant authorized driver-record check, or an interview. HR and Florida

employment counsel must approve the exact workflow used to seek this presumption, including the timing and form of post-offer questions and the required Florida Crime Information Center check.

13. Incentive and Funding Administration

All incentives are eligibility-based, funding-dependent, and subject to agency approval. They are not entitlements and must never be represented as guaranteed savings.

Program	2026 status	Owner	Control
Federal WOTC	Inactive for post-12/31/2025 starts as of 9/2/2026	Tax	Do not use Form 8850 or accrue credit unless reauthorized and confirmed.
Federal Bonding	Active, eligibility-based	HR / Risk	Apply through state/local bonding contact after a bona fide job offer and start date are established.
Texas Fidelity Bonding	Active, eligibility-based	Texas HR	Coordinate with TWC/Workforce Solutions.
Texas training grants	Competitive / partner-based	HR / Training / Finance	Use eligible college, board, or nonprofit partner; obtain written award before incurring restricted costs.
Florida Bonding	Active, eligibility-based	Florida HR	Coordinate with CareerSource/FloridaCommerce program contact.
Florida OJT / IWT	Local/competitive, funding-dependent	Florida HR / Training / Finance	Execute written agreement before the reimbursable activity begins.

Required controls:

53. obtain written eligibility and award confirmation before recognizing a receivable or tax benefit;
54. ensure the applicant's voluntary disclosures are used only for the authorized program and protected from unnecessary access;
55. do not charge the employee for bonding, screening, or grant administration unless expressly lawful and approved;
56. do not use the same wages or training costs for multiple incentives when prohibited;
57. retain applications, approvals, payroll evidence, invoices, attendance, certifications, and correspondence for the required period;
58. record restricted grant funds and reimbursements under Finance-approved accounting codes; and
59. report suspected fraud, duplicate funding, false certification, or misuse immediately to Compliance.

14. Onboarding, Retention, and Advancement

60. A confidential HR point of contact will help the employee resolve onboarding documentation or workforce-program issues.

61. Where job-related, RADIX may use a written 30/60/90-day onboarding plan with clear performance, access, training, and conduct expectations.
62. Supervisors will provide scheduled feedback and will not disclose a person's record to coworkers or clients without a legitimate legal or operational need.
63. Program participants remain eligible for promotion, training, compensation review, and benefits on the same standards as similarly situated employees.
64. Any access restriction will be reviewed periodically and removed when it is no longer necessary, legally required, or supported by documented risk.
65. Participation is not a guarantee of continued employment and does not alter lawful at-will employment unless a signed agreement expressly states otherwise.

15. Confidentiality and Records

66. Background reports and individualized-assessment records are confidential personnel records stored separately from general hiring files with role-based access.
67. Criminal-history information will not be entered into deal boards, general CRM notes, shared drives, public profiles, marketing materials, or ordinary supervisor files.
68. Consumer reports will be disposed of securely in compliance with the FCRA Disposal Rule and the company retention schedule.
69. Aggregate program metrics may be reported without identifying individuals unless disclosure is authorized or legally required.

16. Complaints, Non-Retaliation, and Corrections

Applicants and employees may report premature criminal-history inquiries, inaccurate records, confidentiality concerns, inconsistent treatment, retaliation, or incentive misuse to HR or Compliance. RADIX prohibits retaliation for a good-faith report, background-report dispute, or lawful participation in this process. HR will investigate and correct substantiated errors.

17. Training, Audit, and Review

70. Hiring personnel must complete training before making criminal-history-related decisions and annually thereafter.
71. HR will annually sample decisions for timing, consistency, documentation, adverse-action compliance, and impact indicators.
72. Finance will reconcile reimbursements, grants, and tax benefits to source documentation.

73. Legal/Compliance will review this policy annually and after material legal, contracting, licensing, insurance, or program changes.
74. RADIX may adopt a more protective applicant standard where lawful.

18. Approval and Policy Administration

Control	Entry
Approved by	_____
Title	_____
Approval date	_____
Effective date	_____
Next review date	_____
Policy version	1.0

Appendix A - Individualized Assessment Worksheet

Complete only when a potentially disqualifying record is identified. Attach supporting documents and retain in the restricted background file.

Assessment item	Documentation
Applicant / employee	_____
Position / location	_____
Conditional offer date	_____
Report reviewed / source	_____
Record accuracy confirmed?	Yes / No / Disputed / Additional review required
Nature and gravity	_____ _____
Time elapsed	_____
Job duties and risk nexus	_____ _____
Rehabilitation / references	_____ _____
Comparable work since conduct	_____
Available safeguards	_____ _____
Legal or license restriction?	No / Yes - authority: _____
Assessment result	Proceed / Proceed with controls / Alternate role / Pre-adverse action
Decision-makers / date	_____

Appendix B - Incentive Screening Checklist

- ☐ Employment decision is independently justified and not conditioned on receiving an incentive.
- ☐ Employee work state and employing RADIX legal entity confirmed.
- ☐ Federal Bonding eligibility screened; job offer and start date documented.
- ☐ WOTC status checked on the current IRS page; no Form 8850 used while inactive.
- ☐ Local Workforce Solutions or CareerSource board contacted for OJT/reentry services before training begins.
- ☐ Training-grant eligibility, written agreement, approved costs, and reimbursement rate confirmed.
- ☐ No prohibited double counting of wages or costs.
- ☐ Privacy notice/authorization obtained for any program-specific personal information.
- ☐ Finance coding, responsible owner, reporting deadlines, and retention period established.

Appendix C - FCRA Adverse-Action Checklist

- ☐ Confirm the decision relies in whole or in part on a third-party consumer report.

- ☐ Verify identity match, disposition, completeness, and legal reportability.
- ☐ Complete individualized assessment and internal approval.
- ☐ Send pre-adverse-action notice.
- ☐ Provide a complete copy of the consumer report.
- ☐ Provide the current CFPB Summary of Your Rights Under the FCRA.
- ☐ Allow the RADIX standard review period of at least five business days, absent counsel-approved circumstances.
- ☐ Review any dispute, correction, or additional information before final decision.
- ☐ If adverse action remains, send final adverse-action notice with all required screening-company and dispute information.
- ☐ Document the final decision and securely retain/dispose of records under the retention schedule.

Appendix D - Authorities and Program Links

Verified through May 15, 2026. Government programs, funding, forms, and guidance may change. HR/Legal/Tax must confirm current requirements before each use.

Federal

[IRS - Form 8850 Is No Longer in Use](#) - Current IRS notice that WOTC does not apply to employees beginning work after December 31, 2025.

[IRS - Work Opportunity Tax Credit](#) - Historical rules, targeted groups, and current authorization information.

[U.S. Department of Labor - Federal Bonding Program](#) - Free first-six-month fidelity bonding, subject to eligibility.

[EEOC - Consideration of Arrest and Conviction Records Under Title VII](#) - Green factors, targeted screens, and individualized assessment guidance.

[FTC - Background Checks: What Employers Need to Know](#) - FCRA disclosure, authorization, and adverse-action requirements.

[41 U.S.C. § 4714 - Federal Contractor Criminal-History Inquiry Timing](#) - Conditional-offer timing for covered contract-related positions and exceptions.

Texas

[Texas Workforce Commission - Employer Services for Second Chance Individuals](#) - Employer recruiting, bonding, and training resources.

[Texas Workforce Commission - Fidelity Bonding](#) - Texas access point for fidelity bonding.

[Texas Workforce Commission - Self-Sufficiency Fund](#) - Credential-based training grant partnerships.

[Texas Workforce Commission - Skills Development Fund](#) - Customized training grant partnerships.

[Texas Civil Practice and Remedies Code Chapter 142](#) - Liability rules for hiring certain employees; confirm current official text with counsel.

Florida

[FloridaCommerce - Federal Bonding Program](#) - Florida bonding access and current coverage description.

[CareerSource Florida - Training Grants](#) - Incumbent worker and local training resources.

[CareerSource Florida - Business Services](#) - Local workforce, recruiting, training, and reentry resources.

[Florida Statutes § 768.096](#) - Employer presumption against negligent hiring under specified conditions.

END OF POLICY