

**Adoption Agreement to the
Education Service Center (ESC) Region 10
457 Cooperative Master Plan**

This Adoption Agreement and the provisions of the amended and restated Education Service Center Region (ESC) 10 457 Cooperative Master Plan have been approved by Education Service Center Region 10 (“ESC Region 10”) for all public school districts and charter schools serviced by Region 10 and other governmental agencies, subject to the approval of ESC Region 10. By executing this Adoption Agreement, the Employer hereby adopts:

- a) the amended and restated Education Service Center (ESC) Region 10 457 Cooperative Master Plan Document (“Plan”) integrated with the provisions selected in this Adoption Agreement;
- b) the ESC Region 10 457 Cooperative and Master Plan Trust Agreement (“Trust”); and
- c) the Agreement for Administrative Services, pursuant to Section 2.4 of the Trust.
- d) The Agreement To Waive Fees And Disclosure Of Fee Waiver as included in Section VII herein.

The Employer is bound by said documents to the extent permitted by the laws of the State of Texas and Applicable Law, without limitation including the Internal Revenue Code. To the extent the context dictates, the definitions in the Plan apply to this Adoption Agreement.

NOW THEREFORE, the Employer hereby selects and adopts the following Plan provisions:

**Section I
General**

- 1.1 FULL NAME OF PLAN: Education Service Center (ESC) Region 10 457 Cooperative Master Plan for (*Name of District*): Hidalgo County
- 1.2 EFFECTIVE DATE OF PLAN: _____
(The Effective Date may not be earlier than the first day of the Plan Year in which the Employer executes the Adoption Agreement. If this Adoption Agreement amends and restates an existing Plan, the above Effective Date is the original Effective Date of the Plan, and this amendment and restatement shall be effective as of the date this Adoption Agreement is executed.)
- 1.3 RESTATEMENT DATE OF PLAN (*If applicable*): October 1, 2025
- 1.4 NAME OF EMPLOYER (*See Section 1.13 of the Plan*):
Hidalgo County

ADDRESS: (Street): 100 North Closner

(City, State, Zip Code): Edinburg, Texas 78539

(Phone Number): 956-318-2626

1.5 EMPLOYER TAX IDENTIFICATION NUMBER: 1-74-6000717-6

1.6 EMPLOYER FISCAL YEAR means the 12 consecutive month period commencing on (month, day) January/1 and ending on (month, day) December/31.

Section II Compensation

2.1 COMPENSATION - Unless exclusions are set forth below, Compensation for any Participant means the Participant's Compensation as that term is defined in Plan Section 1.8. However, the following amounts, if any, are excluded from the definition of Compensation:

Section III Eligibility

3.1 ELIGIBILITY - Each Employee of the Employer will be eligible to participate in the Plan unless he or she is excluded under an option selected below. The categories of Employees selected below shall NOT be eligible to participate in the Plan (*check any one or more of the following*):

- No exclusions
- Full-time Employees. Full-time is defined in accordance with the rules of TRS
- Part-time Employees. Part-time is defined as an Employee who is regularly scheduled to work less than 20 hours per week
- Hourly paid Employees
- Salaried Employees
- Independent Contractors
- Other (*be specific*): _____

**Section IV
Contributions**

4.1 ROTH CONTRIBUTIONS (*See Sections 1.24 and 3.2 of the Plan*) - The Employer (*check one*):

will

will not

allow Roth Contributions.

4.2 CATCH-UP CONTRIBUTIONS (*See Sections 3.3(b), (c) and (d) of the Plan*) - The Plan permits Age 50 Catch-Up Contributions. The Plan (*check one*):

will allow

will not allow

Special Catch-Up Contributions (*which are extra contributions for the last three years prior to retirement*).

4.3 RESTRICTIONS ON FREQUENCY OF MODIFICATION OF SALARY REDUCTION AGREEMENT - A Participant may modify or revoke a Salary Reduction Agreement, or file a new Salary Reduction Agreement following a prior revocation, on any payroll date unless otherwise specified below. However, such modification, revocation or new Agreement must be made in advance of the effective date of such election. Any restrictions on frequency of modifying the Salary Reduction Agreement are as follows:

4.4 AUTOMATIC ENROLLMENT (*See Section 3.1(b) of the Plan*) - The Employer (*check one*):

will

will not

provide for automatic enrollment of Employees.

If automatic enrollment is selected, the Employer will automatically enroll (*check one*):

new eligible Employees

all eligible Employees (new and current)

Also if automatic enrollment is selected, then the automatic contribution will be (*check one*):

- An amount equal to 3% of the Participant's Compensation will be deducted from the Participant's pay and contributed to the Trust
- The following amount will be deducted from the Participant's Compensation and contributed to the Trust (*choose one*):
 - _____% of Compensation
 - 3% of Compensation for the Participant's first Plan Year of participation, increasing 1% each Plan Year up to a maximum of 6%
 - Other (*cannot be less than 3% nor more than 10% of the Participant's Compensation*): _____

Under such rules that the Employer establishes, Participants may cease future automatic contributions to the Plan at any time. Only contributions made during the first 90 days of automatic enrollment are eligible for refund to the Participant if the Participant desires to not participate after being automatically enrolled.

Section V
Unforeseeable Emergency Distributions

5.1 UNFORSEEABLE EMERGENCY DISTRIBUTIONS (*See Sections 1.32 and 5.4 of the Plan*) - Unless selected below, the Employer will permit Unforeseeable Emergency Distributions as permitted under the Internal Revenue Code and the Plan.

- The Employer wishes to review requests for unforeseeable emergency distributions in the following manner:

Section VI
Employer Contributions

6.1 EMPLOYER CONTRIBUTIONS SHALL:

- Not be made under the Plan
- Shall be made to the Plan as follows

6.2 VESTING OF EMPLOYER CONTRIBUTIONS:

If Employer Contributions are to be made to the Plan, such Contributions and earnings thereon shall be vested as follows:

- Contributions are 100% fully vested
 - Other (*be specific*): _____
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Section VII
Loans to Participants

7.1 LOANS – The number of loans per participant that can be outstanding from the Plan at one time will be limited to 2 unless otherwise described below (*All loans will be made in accordance with the Plan and laws and regulations in effect at the time the loan is made*)

- Other (*be specific*): _____

Section VIII
Agreement To Waive Fees And Disclosure of Fees Waiver

HUB Investment Partners (“HUB”) will be the investment advisor for the Plan Sponsor’s 457(b) Deferred Compensation Plan (the “Plan”) offered through Education Service Center Region 10 when the assets of the Plan are moved to the ESC Region 10 457(b) Education Service Center (ESC) Region 10 457 Cooperative Master Plan and Trust (the “Trust”). TCG Administrators, LP will be the third party administrator for the Plan.

The Plan is a governmental plan as defined by the Internal Revenue Code and the Employees Retirement and Income Security Act of 1972 (“ERISA”) and, thus, is exempt from Title I of ERISA.

HUB is currently paid an advisory fee of .0025 (25 basis points) of Plan assets. TCG Administrators is currently paid an administration fee of \$22.00 per participant per year and .0025 (25 basis points) of Plan assets, plus a fee of .0010 (10 basis points) of Plan assets to cover trustee fees.

The Plan’s assets are currently with a Financial Institution (“Prior Financial Institution” and “Name of Institution”) that will deduct a penalty and/or fee when the assets are moved to the Trust. HUB hereby agrees to waive the Advisory fee as described herein each month pro rata until the fees waived equal the penalty and/or fee assessed by the Prior Financial Institution.

If the Plan Sponsor removes the Plan assets from the Trust prior to the end of the month in which HUB Investment Partners have waived fees equal to the penalty and/or fee assessed by the Prior Financial Institution, then the Plan assets will be deficient by the amount of the fees not waived by HUB and such deficiency will be deducted from the Plan assets prior to the distribution.

By signing this Adoption Agreement, Employer acknowledges this disclosure and agreement to the waiver of fees subject to the restrictions herein.

Execution and Adoption

By executing this Adoption Agreement, the Employer hereby adopts and agrees to be bound by its terms, the Plan, the Trust and the Agreement for Administrative Services. The Employer understands and agrees that these documents may be amended from time to time without the consent of the Employer.

EMPLOYER: Hidalgo County

Signature: _____

Name: _____

Title: _____

Date: _____