**RESOLUTIONS FOR AMENDMENTS**
**TO BYLAWS**
**JOINT SESSION OF BOARD-COUNCILS ON 12 SEPT 2026**

1. **RESOLUTION 09-2026-1**

**Introduction:** Recommended amendment is to add a new Article to the Constitution, i.e. **Article VIIA Real Estate and Trust Assets,** and move trust requirements into the Constitution from policies, i.e. moving up the hierarchy of authority, making it a fundamental provision that is harder for future boards to ignore and change. This change protects tax-exempt status, asset dedication, institutional continuity and waqf integrity- a protective provision against takeover attempts by other factions or sects within the broader Islamic tradition. **Recommended amendments are shown in the red text**. Renumber subsequent Articles in the Constitution.

**IT IS RESOLVED TO add a new Article VII A Real Estate and Trust Assets to the Constitution to read as follows:**

A. Ownership and Title: All real property currently owned or hereafter acquired by Islamic Society of Greater Houston (hereafter, 'ISGH', 'the Society', or 'the Organization") without encumbrance of any kind, or donated to ISGH [(except the real property held under endowment pursuant to Constitution Article VII (B)] shall be held in trust (*waqf)* by the North American Islamic Trust (hereafter, 'NAIT'), a non-profit corporation and *Waqf* serving the Muslim community and shall hold legal title in the best interests of ISGH, the Beneficiary, in accordance with the Declaration of Trust between ISGH and NAIT dated 10/6/1988 (hereafter, 'the Declaration of Trust' or 'Trust Agreement'). The Board of Directors (hereafter, 'BOARD') is authorized and directed to execute any and all deeds, trust agreements, or other instruments necessary to vest title in NAIT as Trustee. ISGH shall in accordance with the Declaration of Trust retain all incidents of ownership except legal title, the right to change property status, or place encumbrance of any kind on real property held in trust (*waqf)*. ISGH shall also retain all beneficial ownership rights and control consistent with maintaining its tax-exempt status. ISGH shall manage said real property in a manner such that the legal title held by the Trustee, NAIT, shall remain free from any and all liens and encumbrances that may arise from ISGH's use, management, operations and maintenance as set forth in the Declaration of Trust.

B. ISGH BOARD Authority and Policies: While legal title is held by NAIT in trust *(waqf*), the BOARD, shall be responsible for the preservation, management use, for purposes set forth in paragraph 4.A of Declaration of Trust, of all real property including operation, and maintenance subject to the terms of the Declaration of Trust. The BOARD shall develop, within ninety days of acquisition, and maintain written policies to manage the daily use and upkeep of such real property. Policies shall address, among other things: (a) permissible uses consistent with exempt purposes; (b) maintenance standards, and (c) approval processes for non-routine decisions. All real property in trust with NAIT shall be insured with property and liability coverage at replacement cost and with coverage limits adequate to protect ISGH's beneficial interest and NAIT's legal interest. Insurance policies shall name ISGH and NAIT as insured, and all proceeds of such policies be payable to NAIT in trust, as the Trustee, in accordance with the Declaration of Trust.

C. Restriction on Alienation: No real property (including any portion thereof or any interest therein) held in trust by NAIT as Trustee with ISGH as the Beneficiary under the Declaration of Trust shall be sold, conveyed, assigned or alienated without:

i. A two-thirds (2/3) majority approval of the BOARD (at least six affirmative votes) at a duly called meeting, regular or special, where a quorum is present and the intent to act upon such matter and the reasons therefor have been given in the notice; by a two-thirds (2/3) majority affirmative vote of elected officials entitled to vote in a joint session of BOARD and COUNCILs (the term 'COUNCIL' shall have the same meaning as defined in ISGH Constitution and Bylaws), present in person at a duly called meeting, regular or special, where quorum is present and the intent to act upon such matter and the reasons therefor have been given in the notice; and an affirmative vote of at least four fifth (4/5) majority of General Body in General Assembly present in person at a duly called meeting, regular or special, where quorum is present and the intent to act upon such matter and the reasons therefor have been given in the notice. If quorum is not present, the approval of General Body shall be obtained through a referendum pursuant to Bylaws Article IX Sec 8.

ii. Failure to obtain required approval, specified in C1 herein above, at any stage, shall terminate the proposed action.

iii. Upon obtaining required approvals specified in C.1 hereinabove, the BOARD shall notify NAIT and provide the documentation as required by the Declaration of Trust. NAIT shall execute documents as Trustee in accordance with the Declaration of Trust.

iv. In cases of government condemnation, court order, or emergency requiring immediate action to protect the organization, ISGH may take only those temporary actions necessary to preserve the asset or comply with a court order, provided that no permanent alienation of title occurs without the process in C.1.

v. In cases of damage or destruction of real property or any part thereof under the trust, ISGH and NAIT shall, in accordance with the Declaration of Trust, mutually agree on replacement, repair, restoration or any other disposition.

vi. In case of condemnation of real property or any part thereof, compensation shall be held in trust and any use of such compensation funds shall be made by mutual agreement between ISGH and NAIT as prescribed in the Declaration of Trust with NAIT.

vii. To the extent the Declaration of Trust with NAIT requires NAIT consent, such consent shall be obtained by ISGH on matters related to Repairs and Alternations, Destruction, and Condemnation in accordance with Paragraphs 10 D, 10 I and 11 respectively of the Declaration Trust. ISGH shall cooperate and collaborate with NAIT on matters related to obtaining tax-exemption as set forth in Paragraph 10 H of Declaration of Trust.

D. The holding of real property without encumbrance of any kind in trust with NAIT as Trustee for the benefit of Muslim community at large of Greater Houston as set forth in Paragraph 1 of Declaration of Trust is a fundamental condition of this Society's existence. Any action to withdraw property from this trust shall be deemed a Fundamental Action requiring notice and members approval in paragraph C.1 hereinabove.

E. All real property acquired without encumbrances of any kind [(except the real property held under endowment pursuant to Constitution Article VII (B)] shall be conveyed to NAIT to hold in trust (*waqf*) as the Trustee and ISGH as the beneficiary in accordance with the Declaration of Trust, within ninety (90) days of acquisition, or one hundred twenty (120) days for donated real property.

   1) The General Secretary shall provide a written status report to the BOARD and the COUNCILs every sixty (60) days following the acquisition of any real property, confirming the progress of the deed transfer and title documentation.

   2) If the conveyance is not completed within the timeframes specified in this Section, the General Secretary shall issue a "Notice of Non-Conveyance" to the BOARD and the COUNCILs within five (5) business days of the deadline. Following such notice, the BOARD shall have a thirty (30) day Cure Period to execute the necessary instruments to vest title in NAIT.

   3) The BOARD's failure to execute such conveyance within the Cure Period shall be considered a material breach of fiduciary duty. In such an event, a voting member shall have the right to petition a court of competent jurisdiction for specific performance to compel the conveyance, and the BOARD members responsible for the delay may be subject to removal for cause.

F. Consistent with Constitution Article VIIB, and in accordance with the fiduciary duty of obedience, any Endowment Fund assets (real property and funds including principal) held by the Society shall be deemed permanently restricted. In the event of dissolution, these assets shall transfer to the Successor Trustee (NAIT) to be held in a segregated account for the original named beneficiary, as protected by Texas Property Code Chapter 163.

G. In the event the Declaration of Trust with NAIT is terminated for any reason, or dissolution of NAIT, legal title(s) of all real property placed by ISGH and held in trust shall revert to ISGH, the Beneficiary, in accordance with the Declaration of Trust. The BOARD shall, with the same approval process required in Section C.1, designate a successor trustee that is a 501(c)(3) organization with the same or substantially similar purposes.

H. No real property (including any part thereof) sale, conveyance, lease for five or more years (including renewals and extension options) encumbrance of any kind, or acquisition shall be approved if one or more BOARD members, COUNCIL members, or their immediate family members, affiliates or associates have a financial interest, or if the transaction involves any entity in which such person is a managerial official or a member or has financial interest, unless such interest is fully disclosed and the interested party recuses himself from all deliberations and votes, and independent valuation and determination that the terms are at least favorable as market rates. The terms, 'affiliates' and 'associates' shall have the meaning as defined in TBOC §1.002 and §1.002(2) respectively.

I. The BOARD shall provide an annual report to the General Body listing all real property held in trust, including acquisitions, dispositions, and transactions approved, if any, under the BOARD authority during the preceding year.

J. Without prejudice to the other provisions of this Article, the BOARD shall have the authority to approve lease of a real property (including any part thereof) owned by ISGH, or real property under trust with NAIT (subject to prior approval of NAIT), at fair market value, for a period less than five (5) years (without automatic renewal or extension options) by passing a resolution with two-thirds (2/3) majority (at least six affirmative votes) at a duly called meeting, regular or special, where a quorum is present and the intent to act upon the matter and the reasons therefor have been given in the notice.

2. **RESOLUTION 09-2026-2**

**Introduction:** Recommended amendments to the **Constitution Article VII Dissolution** are designed to rectify several gaps in the existing Article VII Dissolution which has several residual gaps: Not anchored with the governing statute TBOC §22.304, an outdated reference to the Internal Revenue Code of 1954 (superseded by the Tax Reform Act of 1986), no NAIT trust treatment, no TUPMIFA/Institutional Funds treatment, no claimant notice procedures, and board-only distribution with no member vote mechanism – all of which create legal and execution risks in an actual dissolution scenario.

Recommended amendments, shown below in the red and cross-outs, provide: 1. Comprehensive coverage of reversion clauses, grants, bequests, and donor-restricted assets, with an appropriate court fallback for ambiguous conditions., 2. Institutional Funds are properly characterized as donor-restricted asset and accurately states that such funds are not available to satisfy general operating liabilities, 3. Sophisticated and legally accurate treatment of ISGH's NAIT trust relationship, addresses the no private inurement requirement that is consistent with Certificate of Formation Article. Four (g)(2) and IRC §501(c)(3), 4. With carve-outs for pre-dissolution compensation, reimbursement, and arm's-length transactions that are appropriately scoped, 5. Practical, workable definition of "substantially similar purposes" anchored in ISGH's specific mission with a NAIT/court consultation fallback as a prudent safety valve, 6. Geographic preference, and 7. With procedures in TBOC 11.054 and 11.055 that are statutory prerequisites to final asset distribution.

**IT IS RESOLVED TO amend Constitution Article VII Dissolution to read as follows:**

**~~Constitution Article VII Dissolution~~ Constitution Article VII Dissolution and Asset Application**

~~In the event of the dissolution of ISGH, the BOARD shall, after paying, discharging, satisfying or a making provision for the payment of all the liabilities of the ISGH, dispose of all of the assets of the ISGH, exclusively for the purposes of the ISGH in such manner, or to such organization or organizations organized and operated exclusively for Islamic~~

~~(religious, charitable, educational or scientific) purposes, as shall at the time qualify as an exempt organization or organizations, under Section 501(C)(3) of the Internal Revenue Code of 1954 (or corresponding provision of any future United States Internal Revenue law), as the BOARD shall decide.~~

~~Any such assets not so disposed of shall be disposed of by the District Court of any county in which the principal office of the ISGH is located, exclusively for such purposes or to such organization or organizations as said Court shall determine, which are organized and operated exclusively for such purpose.~~

**Article VII Dissolution and Asset Application**

In the event of dissolution, winding up or other termination of ISGH's existence, after all liabilities and obligations of ISGH are paid, satisfied and discharged in accordance with the Distribution Plan adopted by the members pursuant to TBOC Chapter 11 and in conformity with TBOC §22.305, the property of ISGH shall, subject to the requirements in paragraph (8) of this Article, be applied and distributed as follows:

1. Property held by ISGH subject to a condition, restriction, or trust requiring return, transfer, or conveyance upon dissolution, winding up or cessation of ISGH's operations shall be returned, transferred, or conveyed in accordance with that requirement, including: (a) Property donated with express reversion clauses or conditions subsequent; (b) Grants or bequests requiring return if ISGH ceases operations; (c) Property held in trust for specific purposes that cannot continue; and (d) Assets subject to donor restrictions requiring transfer to specific organizations upon dissolution. If the condition or restriction is ambiguous or the designated recipient no longer exists or no longer qualifies under the condition, the property shall be distributed as directed by a court of competent jurisdiction in a manner consistent with the donor's intent and ISGH's exempt purposes.

   1.1 Institutional Funds governed by Texas Uniform Prudent Management of Institutional Funds Act ("TUPMIFA") shall be distributed in accordance with their applicable gift instruments and TUPMIFA and not used to pay off general operating liabilities.

2. All interest in real property held in trust by North American Islamic Trust (NAIT) as Trustee with ISGH as the Beneficiary shall be addressed as follows:

   a) Unless the Distribution Plan adopted by members of ISGH, in conformity with TBOC §22.305, expressly provides otherwise, such property shall remain with NAIT as trustee to be used exclusively for the same or substantially similar religious, charitable, and educational purposes as ISGH, in accordance with NAIT's governing documents and the Declaration of Trust between ISGH and NAIT.
   b) The plan of distribution may provide for transfer of ISGH's beneficial interest in such property to one or more Islamic organizations that qualify as exempt under IRC§ 501(c)(3) or described by IRC§ 170 (c)(1) or (2), are organized and operating exclusively for the same or substantially similar religious, charitable, and

educational purposes as ISGH, are willing to accept the property that is under trust with NAIT as the trustee or to receive a conveyance directly from NAIT upon written notification from ISGH.

c) Nothing in this provision shall require NAIT to convey legal title to any third party. ISGH may only transfer its beneficial interest in such property, subject to NAIT's rights and obligations as the trustee.

d) Distribution of beneficial interests in real property or any part thereof held by NAIT shall be governed by and subject to the terms of the Declaration of Trust between ISGH and NAIT, and in the event of any conflict between this Article and the Declaration of Trust, the Declaration of Trust shall control as the governing instrument for such real property.

3. All assets other than real property shall be distributed, to one or more Islamic organizations exempt under IRC§ 501(c)(3) or described by IRC§ 170 (c)(1) or (2), pursuant to the plan of distribution adopted by members of ISGH under TBOC Chapter 11 that will best accomplish the same or substantially similar religious, charitable and educational purposes of ISGH as stated in the Certificate of Formation, in conformity with TBOC §22.304. Assets subject to this subsection include but are not limited to: cash, bank accounts, investment accounts, vehicles, equipment, furnishings, inventory, intellectual property, books and religious materials, prepaid expenses, and any other tangible or intangible personal property. In implementing the distribution of assets under the plan of distribution approved by the members in conformity with TBOC §22.305, the BOARD shall: (i) Honor any donor restrictions on specific assets or funds; (ii) Give preference to Islamic organizations for religious materials, Qurans, prayer items, and other items specific to Islamic practice; (iii) Satisfy any liens or encumbrances on assets before distribution; and (iv) Consider practical factors including geographic location, capacity to utilize assets, and alignment with ISGH's specific programs and services.

4. Property remaining, after aforementioned distribution of property under the plan of distribution adopted by ISGH, shall be distributed by a district court of competent jurisdiction in Harris County, Texas, which shall determine the manner of distribution of such remaining assets to one or more Islamic nonprofit organizations exempt under IRC§ 501(c)(3) or described by IRC§ 170 (c)(1) or (2), which are organized and operated for same or substantially similar purposes as ISGH (religious, charitable and educational) in a manner that will best accomplish the purposes of ISGH as stated in the certificate of Formation, in conformity with TBOC §22.304.

5. In no event shall any assets of ISGH, upon dissolution or otherwise, inure to the benefit of, or be distributed to, any member, director, or officer. Payments shall be limited to: (a) owed amounts to non-officer employees, or third-party contractors or vendors for services rendered prior to dissolution, (b) reimbursement for legitimate, preapproved out-of-pocket expenses properly incurred prior to dissolution, and (c) arms-length transactions entered into in the ordinary course of operations.

6. For purposes of TBOC §22.304 and this Article, 'substantially similar religious, charitable, and educational purposes' means purposes that: (i) Serve the Muslim community's religious, educational, and charitable needs; (ii) Include operation of mosques, Islamic schools, community centers, or related religious facilities; or (iii) Advance Islamic education, dawah (outreach), charitable services, or other purposes consistent with ISGH's mission as determined by the BOARD in consultation with NAIT or, if necessary, by a court of competent jurisdiction. This definition shall be read consistently with the purposes of ISGH as stated in the Certificate of Formation, as amended from time to time.

7. In selecting recipient organization(s), mentioned in aforementioned paragraphs 2,3, and 4, preference should be given to organizations located in the Greater Houston area serving the Muslim community, provided such organizations meet all other requirements of this section and are acceptable to the Trustee (NAIT) as a successor beneficiary.

8. Prior to commencement of any distribution, ISGH shall: (1) provide written notice to all known existing claimants pursuant to TBOC §11.054 with a minimum of 120-day period to present their claims, (2) publish notice in a newspaper in the county of the registered office allowing time for unknown claimants to present their claims, pursuant to TBOC §11.055, and (3) confirm all known claims have been resolved or adequately addressed.

3. **RESOLUTION 09-2026-3**

**Introduction:** Recommended amendments to the **Constitution Article IX Amendments** is to address structurally restrictive language of Section 2 which prevents even amendments initiated by members or a majority of COUNCILs to reach the General Body unless approved by two-thirds of the BOARD giving it veto power over member-initiated amendments, which is inconsistent with the spirit of Section 1. Suggested changes: (a) bring Article IX in line with the Certificate of Formation and Texas Business Organizations Code; (b) clarify the amendment process and, adjust the unrealistic and difficult to achieve 33% quorum for a large organization with 3,000+ members. The existing quorum is forcing ISGH to fall back on "referendum" as a critical safety valve to prevent governance paralysis. As a matter of abundant precaution, proposed threshold of 1/5$^{th}$ quorum for members is twice larger than the 1/10$^{th}$ specified under TBOC. Recommended amendments are shown in cross-outs and red text.

**IT IS RESOLVED TO amend Constitution Article IX Amendments to read as follows:**

"Section 1: Amendment
~~Amendments to the Constitution may be made through the approval of a Resolution of Amendment by two-third majority vote of eligible voting members in a meeting, where quorum is present. The quorum for amendment to the Constitution shall be one-third (1/3$^{rd}$) of all eligible voting members.~~

The Bylaws in the Constitution (also referred to as Bylaws Part I - Constitution ") may be amended, altered, repealed or new bylaws adopted, by a two-thirds (2/3) majority affirmative vote of eligible voting members of the Society attending a duly called meeting, whether regular or special, of the General Body, at which quorum is present, and, the intent to act upon such matter and the reasons therefor have been given in the notice. The quorum for consideration and approval of amendments shall be one-fifth (1/5th ) of all eligible voting members of the Society.

Upon adoption of the proposal for amendment by the required majority affirmative vote of General Body in accordance with Article IX Section 1, it shall become effective on the date specified therein, or if no effective date is specified, immediately upon adoption. No approval, ratification, or prior action by the BOARD, any COUNCIL or any other body shall be required as a condition precedent to the consideration or approval of an amendment by eligible voting members of the Society, except as expressly set forth in the Constitution.

A proposal for amendment may be initiated in accordance with the Constitution Article IX, Section 2, and shall be presented for consideration and vote at the General Assembly.

Section 2: ~~Resolution of Amendment~~ Proposal for Amendment

A proposal for amendment can be submitted ~~to the BOARD~~ by any one of the following:

A. Majority of Area Representatives and Associate Directors of all COUNCILs.
B. Ten Percent (10%) of all eligible voting members of the Society, or
C. ~~Initiated in~~ the BOARD

~~Upon approval by two-third majority vote of all members of the BOARD, the proposal for amendment is elevated to the level of Resolution of Amendment. It is then presented for ratification before it is submitted to the General Body for final approval~~.

A proposal for amendment initiated by the BOARD shall be approved by an affirmative vote of two-thirds (2/3rd) majority of all members of the BOARD at a duly called meeting, regular or special, where a quorum is present and the intent to act upon such matter and the reasons therefor have been given in the notice.

A proposal for amendment initiated pursuant to this Section by those in group A or B hereinabove shall be submitted in a manner prescribed by policy to the General Secretary of the Society, and shall be placed on the agenda for consideration by the eligible voting members at a meeting, regular or special, of the General Body, provided that notice and quorum requirements set forth in the Bylaws are met.

The BOARD shall, within fifteen (15) days of the submission of a proposal for amendment by those in group A or B above, review and provide non-binding recommendation or commentary prior to its submission to the General Body; however, no approval, ratification, or action by the BOARD shall be required as a condition precedent to submission of a proposal for amendment to the eligible voting members for consideration or approval. Failure of the BOARD to review or comment on a proposal for amendment shall not delay or invalidate submission of the proposal for amendment to the General Body. Approval of an amendment to the Constitution shall be made in accordance with Article IX, Section 1.

4. **RESOLUTION 09-2026-4**

**Introduction:** Recommended amendments to **Constitution Article II** are designed to reflect a comprehensive profile of ISGH by restating its' purposes and adding the organization's mission and vision statements as well as its' core values. Proposed changes meet applicable legal standards under Texas Tax Code §11.18 and 11.20, and IRC§ 501(c)(3) for tax-exempt nonprofit religious, charitable and educational organization, while maintaining authentic Islamic identity, preserving "Iqamatu-d-deen" in appropriate context, making mission accessible to all stakeholders, eliminating IRS compliance concerns, showing community benefit, providing measurable vision, differentiating through specificity and flexibility for different audiences. Recommended amendments are shown below in red text and cross-outs.

**IT IS RESOLVED TO amend Constitution Article II to be read as follows:**

ARTICLE II - ~~OBJECTIVES AND PURPOSES~~,

~~Section1: The objective of ISGH is Aqamat-e-Deen (establishment of the Islamic System of life) Section 2: ISGH is organized for religious, charitable and educational purposes. Section 3: ISGH shall provide religious and social services to all Muslims, render help to any persons of similar persuasion in adapting to the culture of the Houston area, and to provide channels of understanding and communication between Muslims and the Houston community in general. Section 4 ISGH shall engage in Al-Dawah (propagation of Islam) C. 1 Section 5. ISGH shall organize activities and provide opportunities for the spiritual training of its members in accordance with the teachings of the Quran and traditions of Prophet Muhammad (p.b.u.h.).~~

ARTICLE II - PURPOSES, MISSION, VISION AND CORE VALUES

Section1: **Purposes**:

(a) As a Texas nonprofit corporation, ISGH is organized primarily for religious, charitable, educational and scientific purposes within the meaning of Section 501(c) (3) of the Internal Revenue Code (IRC), including for such purposes as making distributions to organizations that qualify as exempt organization under IRC Section 501(c) (3) or described in Section 170(c)(1) or (2), Internal Revenue Code.

(b) ISGH shall establish and operate mosques for regular religious worship, provide: religious services, charitable assistance to the needy families; educational programs that are open to all and promote spiritual development of individuals guided by the teachings of the Quran and traditions of Prophet Muhammad (p.b.u.h.); and, channels for interfaith partnerships with communities of all faiths in Greater Houston.

(c) ISGH shall engage in any and all lawful activities incidental to the foregoing purposes, except as otherwise restricted herein, in its Certificate of Formation, or prohibited under TBOC Chapter 22 or Chapter 2. Such lawful activities shall include, but not be limited to, the acceptance of contributions from individual donors and private sector, whether financial or in-kind contributions.

Section 2: **Mission (What We Do)**

ISGH serves the Greater Houston community by operating mosques for worship, providing charitable assistance to those in need, and offering educational programs rooted in Islamic values that develop spiritually grounded and socially responsible individuals.

Section 3: **Vision (Where We Are Going)**

To be Greater Houston's leading Islamic organization, recognized for spiritual vitality, educational excellence and generous service and building bridges across all communities.

Section 4: **Core Values**

- Iqamatu-d-Deen: We strive to practice and teach Islam as the complete way of life, guiding our community to live its principles in every aspect of life.
- Ibadah (Worship): We provide welcoming spaces for congregational worship and spiritual growth
- Ilm (Knowledge): We pursue educational excellence in Islamic and contemporary learning
- Ihsan (Excellence): We deliver services with compassion, dignity, and highest quality
- Sadaqa and Zakat (Charity): We serve those in need through Islamic charitable practices
- Ummah (Community): We build strong Muslim community, promote understanding through dawah and interfaith engagement, while blessing all our neighbors

5. **RESOLUTION 09-2026-5**

**Introduction:** Recommended amendments are to add **a new Constitution Article VII (B) Management and Protection of Endowment Funds** to protect these donor-restricted funds from being mixed-up with unrestricted funds or assets and used to pay-off general liabilities or diverted during the winding up process by legally 'fencing off' the Endowments from general operating funds of ISGH. The Article ensures that endowment money follows the mission even if the organization itself ceases to operate, by transferring to a similar successor organization who must comply with the same rules. Recommended amendments are shown in the red.

**IT IS RESOLVED TO amend Constitution Article VII (B) Management and Protection of Endowment Funds to be read as follows:**

**Constitution Article VII (B) Management and Protection of Endowment Funds**

**Section 1. Permanent Restriction.** All assets held within an Endowment Fund of any existing ISGH Masjid Endowment Fund or any future endowment funds shall be donor-restricted and designated as permanent endowments. The assets of said Endowment Funds as well as assets of any other future donor-restricted endowment funds created within ISGH shall be managed and invested in accordance with the Texas Uniform Prudent Management of Institutional Funds Act (TUPMIFA).

**Section 2. Protection Upon Dissolution.** In the event of dissolution, or winding up of ISGH:

1. Segregation of Assets**:** Assets of aforementioned Endowment Funds shall be kept separate from each other Endowment Fund, and from the general operating assets of ISGH and shall not be used to satisfy general corporate debts or liabilities, except as specifically permitted by their respective original gift instruments or Texas law.
2. Successor Trustee**:** The BOARD shall transfer the entirety of these Endowment Funds to NAIT hold as the Trustee under Declaration of Trust, or in the event of termination of Declaration of Trust or dissolution of NAIT, to another IRC§501(c)(3) nonprofit organization with the same or similar Islamic mission (religious and charitable and educational) as the trustee.
3. Adherence to Terms: Any successor entity receiving these real assets and funds as the trustee must agree in writing to abide by the original terms and restrictions of the Endowment Agreements, ensuring the continued distribution of income to the intended beneficiaries.

**Section 3. Preservation of Intent.** Any and all transfers of assets of an Endowment Fund of the Masjid shall be executed in a manner that preserves the *Sadaqa Jariyah* (continuous charity) intent of the original donors of the respective Endowment Fund.

6. **RESOLUTION 09-2026-6**

**Introduction:** Recommended amendments to **Bylaws, Article VII Section 7 Paragraph E** are intended to update and bring it in line with the change in the term of office Area Representative from one (1) to two (2) years in Constitution Article V Section 5 in December 2025. Recommended amendments are shown below in red text and cross-outs.

**IT IS RESOLVED TO amend Bylaws Article VII Section 7, Paragraph E to read as follows:**

Upon a vacancy in a Council of Representatives, the Associate Director shall, within fifteen (15) days, nominate and the COUNCIL, by a majority vote of the elected Area Representatives of that Islamic Center, shall, within 15 days of nomination appoint an eligible candidate for the remainder of the year. If the position becomes vacant in the first year of its term, it shall become eligible for election at the end of that year for a one-year term. If the position becomes vacant during the second year of a two-year term, the term of the interim Area Representative shall conclude at the end of the current operational year, and the position shall be placed on the ballot at the next election for a full two-year term.

7. **RESOLUTION 09-2026-7**

**Introduction:** Recommended amendment to **Bylaws, Article IX Meeting, Section 6 Paragraph C** proposes to incorporate additional text to reflect a more meaningful and realistic minimum threshold in cases where Islamic Centers have less than nine Area Representatives (some ICs have only four). Recommended amendments are shown in red text below.

**IT IS RESOLVED TO amend Bylaws Article IX Section 6, Paragraph C to read as follows:**

Section 6: Special Meetings

C. Special meetings of any COUNCIL may be called at any time (a) by the Associate Director, or (b) upon the request of one-third of the Area Representatives for Islamic Centers having more than six (6) Area Representatives or upon the request of at least three (3) Area Representatives for Islamic Centers having six (6) or less Area Representatives whichever is greater, ~~of that particular Islamic Center,~~ upon 48- hour notice.

8. **RESOLUTION 09-2026-8**

**Introduction:** Recommended amendments to **Bylaws, Article IX Meetings, Section 7 Quorum A** are designed to adjust the unrealistic and difficult to achieve 25% quorum for a large organization with 3,000+ members. The existing quorum is forcing ISGH to fall back on "referendum" as a critical safety valve to prevent governance paralysis. Suggested changes avoid operational delays, aid efficient governance and, keep it consistent with the Constitution Article IX Amendments. As a matter of abundant precaution, proposed threshold of $1/5^{th}$ quorum for members is twice larger than the $1/10^{th}$ specified under TBOC. Recommended amendments are shown in cross-outs and red text.

**IT IS RESOLVED TO amend Bylaws Article IX Section 7 Quorum A to read as follows:**

"Section 7: Quorum A.
~~One-fourth~~ One-fifth of the eligible voting members shall constitute a quorum at any General Assembly regular or special meeting ~~for matters other than amendments to the Constitution."~~

9. **RESOLUTION 09-2026-9**

**Introduction:** Recommended amendments are designed to **add a new paragraph E** to **Bylaws, Article VII Section 4** to prevent hopping between one elected position to another, minimize vacancies, avoid cumbersome process of filling vacancies either by appointment or election for a year, and enhance the integrity of the election process. Recommended amendments are shown in red text.

E. No elected incumbent BOARD Member serving in the first year of his or her two-year office term for the first time shall be nominated or be eligible to seek election for a different position on the BOARD. Likewise, no elected incumbent Associate Director serving in the first year of his or her two-year office term for the first time shall be nominated or be eligible to seek election for a position on the BOARD.

10. **RESOLUTION 09-2026-10**

**Introduction:** Recommended amendments to **Bylaws, Article XII Contracts and Conveyances Sections 1, 2, and 3, and the addition of new sub-paragraphs D, E, F, G and H to Section 4** are designed to provide clearer guidance regarding binding effect of approved transactions, signature authority, officer duty to execute documents properly approved transactions that may not be refused based on personal disagreement; and , precludes potential for individual veto power and operational delays inconsistent with efficient governance. Recommended amendments are shown in cross-outs and red text.

Section 1:
No sale, conveyance, or assignment, of any real estate (including any portion thereof or any interest therein) owned by the ISGH or the assignment of any leasehold interest owned by the ISGH, or the execution of a lease for a term of more than five (5) years (including any renewal or extension options), by ISGH as lessor shall be made unless approved by an affirmative vote of two-thirds majority: of the BOARD (at least six affirmative votes); and of the Joint Meeting of the BOARD-COUNCILs; and by an affirmative vote of four-fifth majority of the General Body at duly called and constituted meetings, regular or special, and the intent to act upon such matter with specific reasons therefor have been given in the respective notices calling such meetings, in accordance with applicable provisions of ~~ARTICLE IX Section 7~~ the Constitution and the Bylaws.. Failure to obtain required approval at any stage shall terminate the proposed action. Notwithstanding the foregoing, transactions of real property held in trust by NAIT, its successors or other trustees for ISGH benefit shall be subject to ISGH Constitution Article VIIA.

Section 2:
Any lease for a term of five (5) years or less (including any renewal or extension options) of any real estate (including any portion thereof or any interest therein) or personal property may be negotiated and executed by the President when authorized by an affirmative vote of two-thirds majority of the BOARD (at least six affirmative votes) at a duly called and constituted meeting, regular ~~meeting~~ or ~~at a~~ special, ~~meeting of which all the members of the BOARD have been notified as prescribed hereinbefore, specifying the specific transaction~~ and the intent to act upon such matter with specific reasons therefor have been given in the notice calling such meeting.

Section 3:
~~No sale, conveyance, assignment, or lease of real estate or personal property approved by the General Body or the BOARD shall become effective and binding on ISGH until all relevant contract documents for the transaction are signed by the President (or in his absence by the Vice President) and attested by the General Secretary of the ISGH.~~

a) Upon approval of a real estate transaction as required by these Bylaws, the President, or in the President's absence or inability to act, the Vice President, shall have authority to execute all contracts, deeds, leases, and other documents necessary to effectuate the transaction on behalf of ISGH.

b) The General Secretary shall prepare and certify a resolution evidencing the BOARD's or General Body's approval, which resolution shall be delivered to the executing officer and, if requested, to the other party to the transaction or their title company.

c) The General Secretary may attest to the signature of the President or Vice President on significant transactions, but such attestation shall not be a condition of the transaction's validity or enforceability.

d) Once approved by the BOARD or General Body as required by these Bylaws and executed by an authorized officer, the transaction shall be binding upon ISGH, subject only to any contingencies or conditions stated in the transaction documents themselves.

e) Officers with conflicts of interest in transactions shall not execute documents for such transactions; alternate signatories shall be designated by the BOARD with an affirmative vote of two-third majority of the BOARD (at least six affirmative votes) at a duly called and constituted meeting and the intent to act upon such atter has been given in the notice.

f) Officers designated to execute documents have a duty to do so promptly. Officers shall execute within ten (10) business days or for time-sensitive transactions sooner. Officers may not refuse execution based on personal disagreement with properly approved transactions. Officers may decline execution only if legal counsel advises the transaction violates law, the documents differ materially from what was approved, required approvals were not obtained, or fraud is discovered. Officers declining execution must notify the BOARD in writing within two (2) business days. Improper refusal shall be grounds for removal and the BOARD may designate an alternate signatory by two-thirds (2/3) vote.

g) The President shall be deemed unavailable if physically absent and unable to execute within required timelines, incapacitated, unreachable within forty-eight (48) hours, conflicted, or the office is vacant. If both President and Vice President are unavailable, the BOARD may designate an alternate signatory by two-thirds (2/3) vote.

Section 4:

A. No transfer, conveyance, loan or assignment of cash funds in excess of $20,000 but less than $50,000, or personal property with a fair market value in excess of $20,000 but less than $50,000 shall be made in any twelve-month period, to any person or entity unless approved by the Joint Shura-COUNCILs in accordance with the provisions of Article IX Section 1A, or Section 2 subsequent to the express approval of at least a two-third majority of the ~~full Board~~ BOARD (at least six affirmative votes).

B. No transfer, conveyance, loan, or assignment of cash funds in excess of $50,000 or personal property with a fair market value in excess of $50,000 shall be made in any twelve-month period, to any person or entity unless approved by the General Body in accordance with the provisions of Article IX Section 1B or Section 7A subsequent to the express approval of at least a two-third majority of the ~~full~~ BOARD (at least six affirmative votes).

C. The foregoing subsections A and B will not apply to the payment of goods and services duly contracted for and received by ISGH. Approvals specified in foregoing subsections, A and B shall be made at duly called and constituted meetings, regular or special, and the intent to act upon such matter with specific reasons therefor have been given in the respective notices calling such meetings in accordance with the provisions of these Bylaws. Failure to obtain required approval at any stage shall terminate the proposed action.

D. The foregoing subsections A and B will not apply to relief funds specifically collected by ISGH and earmarked and designated for a bona-fide charitable organization for emergencies arising from natural disasters, when such collection and designation has been expressly approved by at least a two-third majority of the ~~full~~ BOARD (at least six affirmative votes).

E. The holding of real property in trust with NAIT is a fundamental condition of this Society's existence. Any action to withdraw property from this trust therein shall be deemed a Fundamental Action requiring notice and members approval in paragraph C.1 hereinabove.

F. All real property acquired without encumbrance of any kind shall be conveyed to NAIT, to hold in trust *(waqf)* as the Trustee and ISGH as the Beneficiary in accordance with the Declaration of Trust, within ninety (90) days of acquisition, or one hundred twenty (120) days for donated real property, as set forth in the Bylaws Part-I (Constitution) Article VIIA. The BOARD shall ensure proper deed and title documentation. The BOARD shall conduct appropriate due diligence prior to acquisition.

K. Leasehold interests where ISGH is tenant and non-possessory easements and real property in ISGH name held briefly for resale within twelve (12) months or real property owned by ISGH with encumbrance shall not be conveyed to NAIT to hold in *trust (waqf).*

L. In the event the Trust relationship with NAIT is terminated for any reason, the BOARD shall, with the same approval process required in Section C.1, designate a successor trustee that is an Islamic 501(c)(3) organization with the same or substantially similar purposes.

M. No real property (including any part thereof) sale, conveyance, lease for five or more years (including renewals and extension options), encumbrance of any kind, or acquisition shall be approved if one or more BOARD members, COUNCIL members, officers, employees, or their immediate family members, affiliates, or associates have a financial interest, or if the transaction involves any entity in which such person is a managerial official or a member or has a financial interest, unless all of the following conditions are met:(a) The conflict of interest is fully disclosed in writing to the BOARD prior to any vote or action; (b) The interested party recuses themselves from all deliberations and voting regarding the transaction; (c) An independent appraisal or valuation is obtained; (d) The transaction is determined by independent members of the BOARD to be in ISGH's best interest and on terms at least as favorable as market rates or could be obtained from an unrelated third party; and (e) The transaction and the conflict of interest are disclosed in the next report to the COUNCILs and General Body.

N. The BOARD shall provide an annual report to the General Body listing all real property held in trust, including acquisitions, dispositions, and any transactions approved, if any, under the BOARD authority during the preceding year.

11. **RESOLUTION 09-2026-11**

**Introduction:** As non-profit regulations and organizational complexity grow, we need our governing bylaws to reflect modernized, best-practice non-profit governance standards required under TBOC and IRC 501(c)(3). This recommended amendment to **add a new Section 6 Board Responsibilities,** to **Bylaws Article III Majlis-e-Shura,** is structured as a clear, accessible reference guide for Board members, particularly those serving on a non-profit governing body for the first time, recognizing that ISGH's scope, scale, and operational complexity require informed governance. By defining active fiduciary oversight in plain, actionable terms, this provision empowers every director with the knowledge and tools needed to discharge their duties with confidence, clarity, and full legal protection.

It safeguards the community's trust (*Amanah*), protects charitable assets, and ensures the Executive Body and Board operate in complete transparency and alignment. It covers areas such as (a) Legal & Fiduciary Risk Management, (b) Sets Expectations for Preparation, (c)Protection of Donors & Tax-Exempt Status, (d) The Executive Body (EB) & Board Harmony, (e) Governance Roadmap: (i) Serves as an On-Demand Practical Guide, (ii) Removes Ambiguity and Builds Board Confidence, and (iii) Normalizes Best Practices as Standard Operating Procedure

**Recommended amendment/new Section 6 Oversight is shown below in red text.**

"Section 6: Board Fiduciary Governance

In addition to discharging duties and responsibilities specified elsewhere in these Bylaws, the BOARD, as a collective body, and its members shall provide oversight over ISGH affairs as is required of them under ISGH Constitution and Bylaws, and the applicable law. To assist the Directors, the following non-exhaustive list illustrates specific actions through which Directors satisfy their duties of care, loyalty, and obedience, and related fiduciary obligations:

(a) Attending and engaging in BOARD meetings regularly and preparing in advance by reviewing agendas, minutes, and financial reports;
(b) Asking EB probing questions about operations, budgets and programs and following up on responses received to ensure transparency, proper use of charitable assets, and informed decision making. This is a duty of inquiry and follow-up, not a warranty of any particular result;
(c) Requesting and reviewing timely reports from EB and raising concerns when a report appears inaccurate or incomplete; this subsection is satisfied by the Board's diligence in seeking and reviewing such reports, and does not make the Board a guarantor of the accuracy of information supplied by EB;
(d) Documenting dissent or concerns in meeting minutes when disagree with BOARD decisions, to show active care and avoid liability for collective decisions;
(e) Acting solely in ISGH's best interests, placing them above personal interests;
(f) Disclosing in advance any personal or financial interests related to BOARD actions;
(g) Recusing themselves from votes or discussions where conflict of interest exists;
(h) Maintaining confidentiality to protect ISGH's trust and reputation;
(i) Obey governing documents and applicable law to ensure that all actions align with ISGH's religious, charitable and educational purposes, and comply with legal and regulatory obligations including IRC501(c)(3) requirements;
**(j)** Reviewing and participating in BOARD's approval of financials and budgets; and,

(k) Evaluating organizational risks, leadership performance, and compliance structures.

Subsections (f), (g), and (j) shall be implemented consistent with ISGH's conflict-of-interest and financial-review policies as adopted and amended from time to time. Nothing in this Section 6 alters the standard of care applicable to Directors under the Texas Business Organizations Code, expands the scope of any duty otherwise imposed on Directors under these Bylaws or applicable law, or creates a private right of action for any ISGH member or third party.

12. **RESOLUTION 09-2026-12**

**Introduction:** Recommended amendment to **Bylaws, Article VII Section 5 Paragraph D** are designed to address the deficiency of a process to resolve a tie in a special (run-off) election held for an elective position. These changes preclude unauthorized and inconsistent resolution of a tie when such cases occur, and sets uniform standards across both Director and Area Representative positions, establishing clear oversight and transparent public procedures for resolving tied elections. By restricting the selection exclusively to the tied candidates, the amendment aligns with the fundamental principle of voter intent. Recommended amendments are shown in red text.

D. In the event that no candidate receives a plurality of the votes cast for an elective position, or if the Election Commission is unable to ascertain the result with clear probability, it shall declare the election for that position null and void and the BOARD shall announce a special election for that position to be held within thirty days. In the event the Election Commission has been dissolved or its term has ended, a special Election Commission shall be appointed by the BOARD to conduct the special election in accordance with the guidelines prepared by the BOARD. If in the special election (i.e. run-off) no candidate receives plurality of the votes cast, or if the Election Commission is unable to ascertain the result with clear probability, the Election Commission shall promptly notify the BOARD accordingly.

If the special (run-off) election was held for the position of director then, such vacancy shall be filled by the BOARD from among the tied candidates in that run-off election for a period not exceeding one year or until the next election cycle, whichever is less, by passing a BOARD resolution with an affirmative vote of at least six members at a duly called regular or special meeting the notice for which has been given. If run-off election was for an Area Representative position, then such Area Representative shall be elected from among the tied candidates in that run-off election by the Islamic Center COUNCIL by passing a resolution with an affirmative vote of two thirds majority of Area Representatives in office or at least three Area Representatives in office, whichever threshold is greater, at a duly called regular or special meeting, the notice of which has been given. In the event the BOARD or COUNCIL is unable to achieve the required affirmative voting threshold to select a candidate within fourteen (14) days of notification, or if the voting results in a tie between the candidates, the selection shall be determined by drawing lots conducted publicly by the President for a Director position, or the Associate Director of the COUNCIL for an Area Representative position.

13. **RESOLUTION 09-2026-13**

**Introduction:** Recommended amendments to **Bylaws, Article VII Section 7 Vacancy, Paragraph A** are designed to fill the gap in the provision and provide clarity and preclude misinterpretation of the nature residency requirement. Recommended amendments are shown below in red text.

Article VII Section 7: Vacancy

A. A person can hold only one elected office of ISGH at any given time. A vacancy on the BOARD or in Council of Representatives of an Islamic Center or that of an Associate Director may exist at the occurrence of death, resignation, forfeiture or due to removal from the position, or due to loss of membership rights, or due to disqualification under Article VII, Section 4 A (v), or under Article VII, Section 4 (vi) subsections (a), (b) and (c); or when he or she ceases to be a resident and eligible voting member of the area from which he or she was elected; or when he or she becomes an employee of ISGH or any of its subsidiaries; or due to catastrophic illness which permanently and continuously incapacitates and prevents from performing the duties of the elected office; or when he or she as a newly elected official refuses or otherwise fails to take the prescribed oath of office. For avoidance of doubt, the phrase, "… when an incumbent ceases to be a resident and eligible voting member of the area from which he or she was elected…" must be understood in the context that the requirement to be a resident of the Greater Houston area, Zone, and area zip codes applicable to at-large Board members, Zonal Directors, and Associate Directors/Area Representatives respectively, is an ongoing requirement and must be met for the entire duration of the office term of an incumbent from the time he or she is elected or appointed, as the case may be.

14. **RESOLUTION 09-2026-14**

**Introduction:** Recommended amendments to **Bylaws, Article VIII Committees, Section 2 listing of Audit Committee** are designed be consistent with new Section 7 Audit Committee. The remaining text of Section 2 will remain unchanged. Recommended amendments are shown in cross-outs.

| **COMMITTEE** | **REPORTING TO** |
|---|---|
| ~~A. Audit~~ | ~~Executive Body~~ |

15. **RESOLUTION 09-2026-15**

**Introduction:** Recommended amendments to **Bylaws, Article VIII Committees** are designed to add a **new Section 7 Audit Committee** to provide independent oversight of ISGH financial reporting and audit functions. Recommended amendment is shown below in red text.

"**Section 7: AUDIT COMMITTEE**

1. The BOARD shall establish the Audit Committee at the BOARD level as a standing committee reporting to the full BOARD. It will be advisory in nature and shall not have

the authority of the BOARD. Its primary purpose is to assist the BOARD by providing independent oversight of ISGH's financial reporting process and audit functions.

2. The Audit Committee shall: (1) recommend, including selection, retention, and compensation, to the BOARD for appointment of an independent outside CPA firm as auditors of ISGH; (2) ascertain independence of auditors from ISGH management; (3) negotiate auditor's compensation (including pre-approval of any non-audit services like tax consulting to ensure no conflict of interest exists), (4) serve as a focal point for communications between the BOARD and the auditors, (5) review the scope and general extent of the examination performed by the auditors prior to each year's audit, (6) review financial statements upon completion of the audit with the Treasurer and the independent auditors; (7) meet with the auditors to discuss any "critical audit matters", disagreements with management, or difficulties encountered during the audit; (8) review significant accounting policies to ensure that "restricted" and "temporarily restricted" contributions and donations are tracked and spent only for those purposes. (9) periodically review ISGH's system of internal controls that ensure accuracy of financial statements, and compliance with laws and regulations; and, (10) ensure that all BOARD members and key employees have signed their respective confidentiality agreement, and annual conflict of interest disclosure statement.

3. The Committee shall be composed of a Chairperson and up to six members. Members shall be financially knowledgeable and have no relationship that may interfere with the exercise of their independence vis a vis ISGH management. At least three (3) but up to five (5) Zonal Directors, who as independent and non-executive directors with no role in daily operations, shall serve on the Committee, when appointed by the BOARD, for the duration of their respective office terms. In addition to the appointed Zonal Directors, the BOARD shall appoint at least up to two outside, independent accounting or financial professionals for a two-year term, and who may be reappointed for additional two-year terms. Members who are not members of BOARD shall serve no more than three two-year terms. The Chairperson shall be designated annually by the BOARD. No member of Executive Body, officer or employees of ISGH, its' subsidiaries, and board members of subsidiaries will be eligible to serve on the Committee. The BOARD may remove any member from the Audit Committee at any time with or without notice. The Audit Committee shall meet at least quarterly, with additional meetings as necessary."

16. **RESOLUTION 09-2026-16**

**Introduction:** Recommended amendments to **Bylaws, Article VII Section 7 Vacancy, Paragraphs B and C** are designed to address the vacancies on the BOARD, and concurrently provide clarity to preclude misinterpretation. Recommended amendments are shown below in red text.

B. Upon a vacancy of an elected office of the BOARD (except that of the President), the Board by a majority affirmative vote of the remaining directors (at least five ) shall, within 30 days of vacancy, appoint an eligible candidate to that position for the remainder of the year, at a duly called and constituted meeting, regular or special, and the intent to act upon such matter has been given in the meeting notice, If the position of the President becomes vacant, the Vice President shall perform the duties of the President as specified in the Bylaws Article IV Section 3 for the remainder of the year. The Vice President shall, however, continue to have only one vote on the BOARD. If a vacancy is created because a sitting Board member is elected to a different position, such vacancy shall take effect on the date the member assumes the new office, and shall be filled by the Board in office at the time the vacancy takes effect pursuant to this Sub-section for the remainder of the year, and the position shall become eligible for election at the end of the year."

C. If a position on the BOARD (including that of the President) becomes vacant in the first year of its term, that position shall become eligible for election at the end of that year for one year. If the position becomes vacant during the second year of a two-year term, the term of the interim director shall conclude at the end of the current operational year, and the position shall be placed on the ballot at the next regular annual election for a full two-year term to maintain the staggered class schedule.

17. **RESOLUTION 09-2026-17**

**Introduction:** Recommended amendment to **Bylaws, Article VII Section 7 Vacancy is to add a new paragraph H** to define key terminology used in Section 7B, 7D and 7E and provide clarity and preclude misinterpretation. Recommended amendments are shown below in red text.

H. The term 'eligible candidates' used to fill in vacant positions pursuant to Article VII Section 7B, 7D, and 7E shall mean candidates who meet the qualifications set forth for the respective position in the Constitution and Bylaws.