

**RESIDENTIAL DONATION-IN-TRUST
AGREEMENT BETWEEN THE NORTH
AMERICAN ISLAMIC TRUST, NAIT, AND
-----, HUSBAND AND WIFE,
DATED OCT __ , 2003**

**RESIDENTIAL DONATION-IN-TRUST AGREEMENT
BETWEEN THE NORTH AMERICAN ISLAMIC TRUST,
NAIT, AND _____, HUSBAND AND WIFE,
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WHEREAS _____ and _____, hereinafter called the Donor, own the house on _____, _____ and desire to donate it to NAIT, a non-profit religious organization, under the conditions stipulated in this agreement;

And,

WHEREAS the North American Islamic Trust, NAIT, a non profit organization registered and tax-exempt under 501-c-3 of the IRS Code, hereinafter called the Beneficiary, accepts this donation and intends to honor the desire of the Donor and their conditions as given in this agreement;

The Donor and the Beneficiary agree to the following:

- 1 The Donor, _____ and _____, husband and wife, presently residing at _____, _____, with full legal and mental capacity and on their free will hereby donate the real estate property described as:

to the North American Islamic Trust, NAIT, an Indiana non-profit Corporation presently housed at 745 McClintock Drive suite 114, Burr Ridge, IL 60527, for the purpose and in accordance with the conditions mentioned in this Agreement.

- 2 This real estate property shall be used by NAIT strictly as a revolving permanent asset for granting interest-free loans to help in the construction and/or procurement of infrastructure needed of the Islamic schools and other Islamic social services organizations in North America under the Fund specially established for this purpose within NAIT and called the "Islamic Educational and Social Services Infrastructure Fund, IESSIF." This donation-in-trust (Waqf) is established in accordance with the teaching and regulations of Waqf as known in the Islamic Shari'ah (Law) and it is to be governed always and at all times by the spirit, rules and teaching of the Islamic Shari'ah. NAIT as

well as all other persons shall have any right to change or alter any thing in this document, As God said: "If any one changes the bequest after hearing it, the guilt shall be on those who make the change. For Allah hears and knows all things" [The Qur'an, 2: 181]. This donation-in-Trust (Waqf) is permanent and irrevocable. Its asset must be preserved until the Day when God resurrects all men and women.

- 3 The Donor and the Beneficiary have neither power nor authority of disposing of the assets of this donation-in-trust or any and all of its capital gains and revenues except in accordance with this Agreement and its objectives. The property of this Donation in trust cannot be mortgaged, put as collateral, forsaken, or disposed of in any manner by the Donor or the Beneficiary or any other persons. This property or its replacement remains as an Islamic Waqf (Endowment/Trust) in the hands of the Beneficiary. Any commitment, obligation or contract made to the contrary of this clause shall be null, void and invalid.
- 4 The Donor, _____ and _____, severally and/or jointly, and the surviving one of them shall have full and uncontested rights to the usufruct of this donated property including the right to use it as a residence for themselves and whoever they please and/or as a source of income during their lifetime until the surviving one of them dies.
- 5 After the expiry of both _____ and _____, any or all below-the-age-of-25 child/children the last-Donor-to-die leaves behind shall have the same rights her/his parent enjoyed until she/he completes the age of 25 years.
- 6 The Donor and any child under the age of 25 who may benefit from the usufruct of the donated property may, at her/his own will and desire, surrender to NAIT the right to usufruct at any time she/he may decide to do so.
- 7 NAIT is not permitted to rent/lease or sell this property under any circumstances as long as there are rights on it to the Donor or the Donor's children. However NAIT and the Donor or their benefiting child/children may agree in writing to sell this property for the purpose of replacing it with another property. In such case the usufruct rights shall be transferred to the new property in its entirety. Any shortage in price between the two properties shall be paid by the Donor or their benefiting children and any amount left over after the purchase of the new property shall be kept by NAIT as an endowment/trust fund for the IESSIF to be used as mentioned in Section 2 of this Agreement.
- 8 Upon the expiry of the rights mentioned in Sections 4 and 5 or their surrender to NAIT as mentioned in Section 6 of this

Agreement, NAIT shall sell the property at any price NAIT, at its own discretion, considers appropriate. Within 30 days of the actual receipt of the sale proceeds, NAIT shall distribute one half of the net proceeds of the sale to the surviving children and the surviving descendents from deceased children of the Donor according to the formula and instructions given in Exhibit A that is attached to and made an intrinsic part of this Agreement.

- 9 During the period required to satisfy Sections 4 and 5 of this Agreement, the Donor and the Donor's benefiting children shall be required to take full charge and responsibility of maintenance, insurance, taxes and any and all other normal and customary expenses necessary to keep the property usable and free of obligations to any outsider or any third party. In case they do not take such charge and responsibility, NAIT has the right to pay for what is needed and come back on the occupant of the property for reimbursement of the paid amount in full plus additional 10% as a compensation for its administrative expenses. If such dues are not paid within six months NAIT has the right to evict the occupant, consider the rights to usufruct expired by the act of failing to undertake the responsibilities attached to them and activate Section 8 of this Agreement. Under all circumstances any unpaid charges/dues shall be deducted from the share of the Donor's children from the sale proceeds.
- 10 If the IESSIF of NAIT ceases to exist, this donation-in-trust must be transferred to NAIT itself as an Islamic Waqf (trust) whose principal must be invested and only its revenue may be used for the religious objectives of NAIT. Should NAIT itself ceases to exist the principal of this donation-in-trust and any revenues due to it must be transferred to any Islamic organization that replaces or succeeds NAIT and if this is not feasible the principal and revenues of this donation-in-trust must be transferred to any Islamic organization in Southern California to be used as an Islamic Waqf (trust) whereby only the revenues can be spent on the religious objectives of the organization while the principal is kept intact.
- 11 Should any disagreement, conflict or dispute arises with regard to this Agreement, interpretation of its Sections, distribution of its sale proceeds and/or revenues, its beneficiaries, its management, or any other matter that relates to it in any way or manner, the Board of Trustees of NAIT, its successor or the Islamic organization to which this donation is transferred shall be the only and sole arbitrator and its decisions shall be final, uncontestable and binding to all parties and in all courts.

12 This Agreement is to be considered as one unit consisting of twelve Sections and an Exhibit A in seven pages. On this the Donor and the Beneficiary fix their signatures on each and every page and on the last page along with witnesses and public notary. The parties pledge to take all necessary steps to implement it in good faith including the Warranty Deed to transfer the property, for no consideration, to the name of NAIT.

This Agreement is made in two original copies: one for each party.

Date

The Donor	The Beneficiary
----- and	North American Islamic Trust (NAIT), an Indianan Corp.
Address	Address
-----	745 McClintock Drive suite 114,
-----,	Burr Ridge, IL 60527
Signatures	Signature and Position
.....
Witness	Witness
Name	Name
.....
Address	Address
.....
.....
Signature	Signature
.....

Notary Public
Name
Address
.....
.....
Signature
.....
Expiration of Commission

Notary public seal

EXHIBIT A

TO THE
AGREEMENT OF DONATION-IN-TRUST BETWEEN THE NORTH
AMERICAN ISLAMIC TRUST, NAIT, AND _____ AND
_____, HUSBAND AND WIFE

**THE DISTRIBUTION OF THE PAYMENT TO THE _____'S
CHILDREN UPON THE SALE OF THE PROPERTY DONATED-IN-TRUST
AS PER SECTION 8 OF THE AGREEMENT**

1 _____ and _____, hereby declare
and announce that at the time of signing the
Agreement they have _____ children who are:
_____ born _____, 19____; _____
born _____, 19____; _____ born _____
_____, 19____; _____ born _____, 19____;
_____ born _____, 20____; AND _____
_____ born _____, 20____.

2 The payment by NAIT must be distributed to our
children as follows:

2.a Sons should be given equal shares, and daughters
equal shares, and to a son twice as much as to a
daughter.

2.b Children who die before the death of the last-to-
die of _____ and _____ but
they are survived by grandchildren shall be
counted in the distribution as if they were alive
and their shares shall be distributed to their
children on the basis of a male gets twice as
much as a female provided the total distribution
to all grandchildren shall not exceed one third
of the total amount due for distribution. If the
total distribution to all grandchildren exceeds
one third, only one third shall be distributed to
all grandchildren in proportion to their
calculated shares. And the remaining two thirds
shall be distributed to the surviving children
only in accordance with the rule of (2.a) above.

2.c Great grandchildren from deceased children and
deceased grand children of ours should be given
the shares of their deceased parents according to
the same rule mentioned in Section (2.b). Their
shares should also be included in the one third
maximum.

2.d Grand children and their descendents shall have no distribution except in application to Sections (2.b), and (2.c) above.

2.e Sections (2.a), (2.b) and (2.c) must be executed with full consideration and application of the following exceptions/instructions:

2.e.i Any adopted, step and foster grandchild and their descendents and any grandchild born outside or before a marriage contract accepted, approved or made in accordance with Islamic Law and their descendents shall be excluded from becoming a beneficiary of this distribution and all and any other properties of us, and shall be treated as if he/she does not exist with regard to the determination of shares to children, grand children and great grandchildren.

2.e.ii If any of our children or their descendents changes his/her religion or it becomes known about him/her that he/she does not perform the daily prayers or denies any of the basics of the religion of Islam, i.e., what is known in the Islamic Law as "necessarily known as part of the Islamic religion", that child or descendent shall not be counted among the beneficiaries of any and all distributions mentioned in this Agreement. All payments shall be distributed to other children and descendents as if he/she never existed.

2.f In the rare case when _____ and _____ are not survived by any of our five male children nor any male grandchildren, we hereby instruct and direct the Board of Trustees of NAIT to make the distribution in accordance with the Islamic law of Inheritance. Any undistributed remainder shall be kept in NAIT as an endowment/trust for the IESSIF to be used as mentioned in Section 2 of the Agreement.

3 For all matters related to the implementation of this EXHIBIT A and the distribution of NIAT payment to our children and their descendents, the Board of Trustees of NAIT shall be the final, sole and uncontested authority, its decisions or the decisions of its substitute shall be final, binding to all, immediately applicable and not liable to any challenge, contest, protest or dispute by any means, by any party, on any grounds or in any court.