

BYLAWS  
UPPER PENINSULA LAND CONSERVANCY  
Updated and approved November 14, 2023

ARTICLE I  
CORPORATION

- 1.1 NAME. The name of the corporation is Upper Peninsula Land Conservancy.
- 1.2 PLACE OF BUSINESS. The corporation shall have its principal place of business in Marquette, Michigan, and may have such other places of business as the Board of Directors may from time to time determine.
- 1.3 PURPOSES. The purposes for which the corporation is organized are as follows:
- A. To acquire, preserve, maintain, improve, and protect significant natural, agricultural, and scenic land areas for conservation, outdoor recreation by the general public, scientific study, preservation of biodiversity and historical sites, the education of the general public, and to advance land stewardship in Michigan's Upper Peninsula now and for future generations. Acquisition of such land shall be made by gift, donation or otherwise of real and personal property, both tangible and intangible of every sort and description, and such property shall be used in such a manner as the Directors of the corporation shall deem appropriate to carry out the above purposes, and which is not inconsistent with those purposes established herein.
  - B. To acquire, own, dispose of and deal with real and personal property and interests therein and to apply gifts, grants, bequests and devises and the proceeds thereof in furtherance of the purposes of the corporation, subject to the limitations imposed by Article VIII.
  - C. To do such things and to perform such acts to accomplish its purposes as the Board of Directors may determine to be appropriate and as are not forbidden by Section 501(c)(3) of the Internal Revenue Code, with all the power conferred on nonprofit corporations under the laws of the State of Michigan.
- 1.4 NONPROFIT OPERATION. The corporation shall be operated exclusively for charitable, scientific, and educational purposes within the meaning of Section 501 (c)(3) of the Internal Revenue Code as a nonprofit corporation. No Director of the corporation shall have any title to or interest in the corporate property or earnings in his or her individual or private capacity and no part of the net earnings of the corporation shall inure to the benefit of any trustee, Director, officer or any private shareholder or individual. No substantial part of the activities of the corporation shall consist of carrying on propaganda or otherwise attempting to influence legislation, nor shall the corporation participate in or intervene in any political campaign on behalf of (or in opposition to) any candidate for public office.

## ARTICLE II

### MEMBERSHIP

2.1 DIRECTORSHIP. The corporation is organized on a non-stock, Directorship basis. If the Board of Directors determines there is a need for a desire to have members, the following shall apply.

2.2 CONDITIONS. All conditions of Membership in the corporation shall be determined by the Board of Directors. All members shall be bound by the corporation Bylaws for the term of their Membership or any renewal thereof as they may, at time of membership, be constituted, or be amended by a vote of the Board of Directors.

2.3 DUES. Annual dues for members shall be determined by the Board of Directors.

2.4 RIGHTS. No member shall have or acquire any right, title or interest in any funds or assets of the corporation nor any vested right in the continuation of any corporation activity. All funds and assets of the corporation shall be used by the Board of Directors to engage in activities consistent with the purposes of the corporation as stated herein. No part of the funds or assets of the corporation shall inure or be distributed to the members thereof, except that nothing contained herein shall preclude any members from receiving compensation for services rendered to the corporation, if authorized by the Board of Directors and necessary to fulfill the purposes of the corporation and in accord with the law. Upon dissolution as provided by law, any funds of the corporation remaining after all obligations have been discharged shall be distributed to one or more regularly organized non-profit organizations devoted to one or more of the purposes of the corporation, or to one or more educational or charitable organizations selected by the Board of Directors.

2.5 GOOD STANDING. Any member whose dues are fully paid shall be considered to be in good standing and, unless otherwise provided in these Bylaws, shall be entitled to full participation in the corporation.

2.6 ANNUAL MEETING. An annual meeting of members shall be held at a time and place to be set by the Board of Directors. At the annual meeting, members may nominate candidates for the Board of Directors, recommend changes to the Bylaws, or suggest policy resolutions to be adopted by the Board of Directors. A report of the meeting and of the activities of the corporation for the preceding year shall be sent to all members following the annual meeting.

2.7 NOTICE OF MEETINGS. The Secretary shall provide notice of the annual meeting of the Membership, to be given in a manner prescribed by the Board of Directors, not less than ten (10) or more than fifty (50) days prior to the annual meeting. If mailed, the notice of the annual meeting shall be deemed to be given when deposited in the United States mail addressed to the member at her/his address as it appears on the records of the corporation, with postage thereon paid.

2.8 MEMBER LIABILITIES. Members shall have no responsibility for nor authority with respect to corporate affairs except as specified in these Bylaws and shall not be liable for its debts, liabilities or obligations.

### ARTICLE III BOARD OF DIRECTORS

3.1 BOARD OF DIRECTORS. The business and affairs of the corporation shall be managed by a Board of Directors, which is the governing body of the corporation. The corporation is organized on a non-stock, Directorship basis. The Board of Directors shall meet as often as necessary to conduct the business of the corporation, but at least four times annually.

3.2 THE NUMBER, TERM OF OFFICE, AND SELECTION OF DIRECTORS. The Board of Directors shall consist of not less than seven (7) or more than fifteen (15) persons. Persons nominated for the Board of Directors shall be elected by the Board of Directors and vacancies shall be filled in the manner specified in Section 3.4 below. Directors shall serve for 3-year staggered terms. Directors may be reelected for two (2) additional 3-year terms, and shall thereafter be ineligible for reelection to the Board for a period of one (1) year. The scheduling of the staggered terms of Directors and when their terms begin shall be established by action of the Board of Directors.

3.3 REMOVAL. Any Director may be removed from office with or without cause at any annual or special meeting of the Board of Directors by the affirmative vote of two-thirds (2/3) of the Directors then in office.

3.4 FILLING VACANCIES AND FILLING NEW ADDITIONAL BOARD POSITIONS. The Board of Directors shall determine when to fill vacancies and when to elect new, additional, persons to the Board of Directors. Appointments to fill vacancies on the Board of Directors and appointments to fill new additional positions on the board (not to exceed fifteen (15) persons ) shall be accomplished by an affirmative vote of not less than a two-thirds majority of the Board of Directors. Directors elected to fill a vacancy shall complete the unexpired part of the term of the Director being replaced, after which they will be eligible to serve two (2), additional 3-year terms. Any Director may resign by submitting written notice of resignation to the Secretary.

3.5 ANNUAL MEETING. The annual meeting of the Board of Directors shall be held at such place, date and hour as the Board of Directors may determine from time to time. At the annual meeting the Board of Directors shall elect officers and consider such other business as may properly be brought before the meeting. If less than a quorum of the Directors appears for an annual meeting of the Board of Directors, the holding of such annual meeting shall be postponed and matters which might have been taken up at the annual meeting may be taken up at the rescheduled annual meeting.

3.6 ANNUAL FINANCIAL REPORT

- (1) The corporation shall make an Annual Financial Report, which shall include (a) the corporation's year-end statement of assets and liabilities for the preceding fiscal year, including trust funds, if any, (b) the principal change in assets and liabilities during the year preceding the date of the Annual Financial Report, and (c) the corporation's source of revenues and expenditures during the year.
- (2) The corporation shall either (a) distribute the Annual Financial Report to all Directors by mail or email not later than 30 days after the end of the fiscal year, and/or (b) present the Annual Financial Report at the Annual Meeting of Directors and/or Members.
- (3) The corporation shall provide by U.S. mail, or for pick-up at the corporate office, a written copy of the Annual Financial Report to any member or Director upon request. See Michigan Compiled Laws Section 450.2901.
- (4) The corporation shall post a copy of its Annual Financial Report on its website no later than 60 days after the end of the programmatic year and shall post on its website IRS Form 990 no later than sixty (60) days after it is filed with the IRS.

3.7 CERTIFICATION OF LIST OF DIRECTORS ELIGIBLE TO PARTICIPATE AT MEETINGS. The Officer, Director or other agent in charge of maintaining the current list of Directors who are eligible to vote at a meeting of the Board or a committee shall make and certify such list and arrange for the production of such certified list at the beginning of each meeting. Such list of eligible Directors shall be arranged alphabetically and shall disclose the address of each eligible Director. The first item of the agenda of a meeting shall be: "Review of Certified List of Eligible Directors Who Can Participate at This Meeting." The minutes taken at each meeting shall verify that the list of eligible Directors was reviewed at the start of the meeting. See Michigan Compiled Laws Section 450.2413.

3.8 REGULAR AND SPECIAL MEETINGS. Regular meetings of the Board of Directors may be held at such times and places as the Directors may from time to time determine at a prior meeting or as shall be directed or approved by the vote or written consent of all the Directors. Special meetings of the Board may be called by the President or by the Secretary, and shall be called by the President or Secretary upon the written request of any two (2) Directors. The person or persons authorized to call special meetings of the Board may fix the time and place for a special meeting of the Board.

3.9 ATTENDANCE AND LEAVE OF ABSENCE. Each member of the Board of Directors shall attend at least half of the meetings of the Directors per year. A Director who fails to attend at least half of the meetings of the Board per year will, without further action or vote, forfeit his or her Directorship, and a vacancy will be declared. A Director may request a six (6) month leave of absence which may be granted by the Board of Directors upon good cause. A Director may request that the Board of Directors grant one extension of a leave of absence, not to exceed six (6) months.

3.10 NOTICE OF MEETING OF BOARD AND ITS COMMITTEES

(1) Except as provided in subsection (3), below, written notice shall be required for all meetings of the Board of Directors and its committees, which shall be given to the Directors eligible to participate. Such notice shall include the time, place, if any, and the purposes of the meeting. The written notice shall be given personally, by mail, or by email, not less than three (3) nor more than 60 days before the date of the meeting. (2) Meeting attendance may be virtual or by telephone conference call. If a virtual meeting is contemplated by the person who calls a meeting, the notice of the meeting shall specify the means by which a Director may participate. See Michigan Compiled Law Section 450.2404. (3) Action at a meeting by the Board or a committee may be taken without notice, if at any time before or after the meeting is completed the person entitled to notice or to participate submits a signed written waiver of notice or a waiver by email. See Michigan Compiled Laws Section 450.2141. (4) Before meeting notices may be emailed to a Director, that Director shall consent to receive notice by email. See Michigan Compiled Laws Sections 450.2143(3) and 450.2406a.

### 3.10 AGENDA REQUIREMENTS

Except as provided below, written notice of all meetings of the Board shall include the following agenda item :

- (1) Review of List of Directors Eligible to Participate;
- (2) Disclosure of Director and Employee Changes in Conflict of Interest;
- (3) Approval of Agenda;
- (4) Approval of Minutes of Prior Meeting;
- (5) Pending Items/Old Business;
- (6) New Business;
- (7) Adjournment.

### 3.11 MEETINGS OF BOARD AND COMMITTEES BY REMOTE COMMUNICATION

- (1) A Director who is not physically present at a meeting of the Board or a committee may participate virtually and is considered present and may vote at a meeting if all of the following conditions are met:
  - (a) The Officer or Director who has the authority to call the meeting determines that a form of virtual attendance is reasonable, available, and makes the necessary arrangements to provide for it;
  - (b) The notice for the virtual meeting shall specify the means by which a Director may participate;
  - (c) All Directors at the meeting must be able to hear one another;
  - (d) The names of the participants in the meeting are divulged to all Directors present at the meeting;
  - (e) The Director chairing the virtual meeting or the person recording the minutes of the virtual meeting verifies that every person participating at the meeting is

in fact a member of the Board of Directors, is a member of the staff, or is an invited guest;

(f) Robert's Rules of Order shall be used in order to provide every Director attending such a meeting a reasonable opportunity to fully participate and vote at the meeting;

(g) A person present at the meeting shall

- i. take notes;
- ii. make the written minutes of the meeting, which shall include each vote of and other action taken by each Director present, available to all Directors entitled to be present at the meeting not later than 4 days after the meeting; and
- iii. the corporation shall maintain said minutes as a permanent record.

See Michigan Compiled Laws Section 450.2405.

(2) Permissible forms of remote communication are: telephone conference call, computer webcam, and video conferencing.

(3) A virtual meeting of the Board or a committee may be conducted if all of the above conditions in paragraph (1) are satisfied and the required disclosure of the list of Directors eligible to participate shall be open for examination during the entire meeting by posting the list on the corporation's website, and the information required to access the list was provided in the notice of the meeting. See Michigan Compiled Laws Section 450.2413(1)(c).

3.12 QUORUM AND VOTING REQUIREMENTS. A majority of the Directors then in office and a majority of any committee appointed by the Board constitutes a quorum for the transaction of business. The vote of a majority of the Directors or committee members present at any meeting at which there is a quorum shall constitute an official act of the Board or the committee, except as a larger vote may be required by the laws of the State of Michigan, these Bylaws, or the Articles of Incorporation. A member of the Board or of a committee may participate in a virtual meeting in which all persons participating in the meeting can hear one another. Virtual participation in a meeting constitutes presence at the meeting.

3.13 ACTION WITHOUT A MEETING.

Unless otherwise provided by the Articles of Incorporation or other bylaws of the Upper Peninsula Land Conservancy, any action required, or permitted, to be taken at a meeting of the Board of Directors OR any committee may be taken without a meeting if two thirds (2/3) of all the directors or respective committee members serving at that time consent in writing by mail, or by electronic means, to act on a proposed action absent a meeting. If two thirds (2/3) of the Board or committee members vote in the affirmative to take a vote absent a meeting, a vote will then be taken on the proposed action. Directors or committee members shall indicate by mail, or by electronic means, a vote either in favor of, opposed to, or their abstention from voting on the proposal. Passage of the proposed action requires a majority of in favor votes based on meeting

quorum and passage requirements then in effect of the Board of Directors or respective committee. The written and electronic consents to take the action absent the meeting, along with the results of actions taken will be filed with the minutes of the proceedings of the Board or committee. All Board or respective committee members will be notified by mail or electronic means of the action taken.

3.14 AUTHORIZATION TO ACT BY PROXY. A Director may authorize another Director to act for the Director at a specific meeting of the Board of Directors or a committee thereof by signing a written proxy which specifies the date and place of the meeting. The proxy must be presented at the meeting and be kept with the minutes of the meeting. To be eligible to serve as a proxy holder, the holder shall be at least 18 years of age.. A proxy can only be used for one meeting and is revocable by the Director giving it at any time prior to or during the meeting. Michigan Compiled Law Section 450.2421.

3.15 POWERS OF THE BOARD OF DIRECTORS. The Board of Directors shall have charge, control and management of the business, property, personnel, affairs and funds of the corporation and shall have the power and authority to do and perform all acts and functions permitted for an organization described in Section 501(c)(3) of the code not inconsistent with these Bylaws, the Articles of Incorporation or the laws of the State of Michigan. In addition to and not in limitation of all powers, express or implied, now or hereafter conferred upon trustees of nonprofit corporations, and in addition to the powers mentioned in and implied from Section 1.3, the Board of Directors shall have the power to borrow or raise money for corporate purposes, to issue bonds, notes or debentures, to secure such obligations by mortgage or other lien upon any and all of the property of the corporation, whether at the time owned or thereafter acquired, and to guarantee the debt of any affiliated or subsidiary corporation or other entity, whenever the same shall be in the best interests of the corporation and in furtherance of its purposes.

3.16 COMPENSATION. Directors shall receive no compensation for their services on the Board of Directors. The preceding shall not, however, prevent the corporation from purchasing insurance as provided in Section 5.1 nor shall it prevent the Board of Directors from providing the reasonable compensation to a Director for services which are beyond the scope of his or her duties as Director or from reimbursing any Director for expenses actually and necessarily incurred in the performance of his or her duties as a Director.

3.17 EXECUTION OF CONVEYANCES, MORTGAGES AND CONTRACTS. The Board of Directors may in any instance designate one or more officers, agents or employees to execute any contract, conveyance, mortgage or other instrument on behalf of the corporation, and such authority may be general or confined to specific transactions. The Board of Directors may also ratify any execution. When the execution of any instrument has been authorized without specifying the executing officers or agents, the President or any Vice President and the Secretary, any Assistant Secretary, the Treasurer, or any Assistant Treasurer may execute such instrument on behalf of the corporation.

3.18 AUTHORITY TO MAKE POLICIES. The Board of Directors at an Annual, Regular, or Special Meeting is authorized to adopt official "policies" of the Board. Such

policies shall assist the Board, its Officers, employees, and volunteers in conducting the business of the Upper Peninsula Land Conservancy. Policies shall be adopted in accordance with Article III, i.e. by majority vote of a duly noticed meeting having a quorum present. The Secretary shall assign a chronological number to each policy starting with "Policy 1", compile all policies in a binder, make them available on this corporation's computer drive accessible to all Board of Directors and staff. and post them on the website.

## ARTICLE IV OFFICERS

4.1 OFFICERS. The officers shall be a President, a Vice President, a Secretary, and a Treasurer.

4.2 ELECTION AND TERM OF OFFICE. All officers shall be elected for a term of one (1) year (or until their successors have been elected) by the Board of Directors at its annual meeting. No person may execute, acknowledge, or verify an instrument in more than one capacity if the instrument is required by law or by the Articles of Incorporation or these Bylaws to be executed, acknowledged or verified by two (2) or more officers. Officers may be re-elected to more than one term.

4.3 REMOVAL. Any officer may be removed, with or without cause, by the vote of a majority of the Directors then in office at any regular or special meeting of the Board of Directors.

4.4 VACANCIES. In the event of the death, resignation, removal, or other inability to serve of any officer, the Board of Directors shall elect a successor who shall serve until the expiration of the normal term of such officer or until his/her/their successor shall be elected. Any officer may resign at any time by giving written notice to this corporation. The resignation shall take effect on the date of receipt of such notice or at any later time specified by the notice, and unless otherwise specified in the notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party.

4.5 PRESIDENT. The President shall be the chief executive officer of the corporation, and, as such, under the direction of the Board of Directors shall have power, on behalf of the Board of Directors, to perform all acts, execute and deliver all documents, and take all steps that the President may deem necessary or desirable in order to effectuate the actions and policies of the Board. In the President's absence, the Vice President or a designated Director, shall preside at all meetings of the Board of Directors and at all meetings of the members.

4.6 VICE PRESIDENT. The Vice President shall have such duties as determined from time to time by the Board of Directors or the President. The Vice President shall perform the duties of the President in the President's absence.



4.7 SECRETARY. The Secretary shall assure that the minutes of all meetings of the Board of Directors are properly recorded; shall be responsible for the general correspondence of the Corporation and notification of meetings; shall keep a current list of all directors entitled to vote including names and addresses listed alphabetically; shall perform such other duties as may be assigned by the Board; and shall perform such other duties as usually pertain to the office or as shall be determined from time to time by the Board of Directors.

4.8 TREASURER. The Treasurer shall be responsible for advising the Board of Directors and the Executive Committee on fiscal matters; shall have charge of the funds of the corporation, except for such funds as the Board of Directors may designate; shall see that an accounting system is maintained which will give a true and accurate accounting of the financial transactions of the corporation; and shall render reports from time to time as requested by the Board of Directors of his/her/their activities and the financial condition of the corporation. All funds received by the Treasurer shall immediately be deposited in a depository designated by the Board of Directors. No funds shall be expended by the corporation except in furtherance of its non-profit purposes.

4.9 HONORARY ADVISORS. The Board of Directors may elect from time to time one or more honorary advisors of the corporation whose character, demonstrated leadership, and distinguished public service serve as an inspiration to the Board of Directors and Members of the corporation. An honorary advisor shall have such powers, with the exception of voting, and perform such duties as may be assigned to him/her/them by the Board of Directors or President.

## ARTICLE V

### STAFF

5.1 EXECUTIVE DIRECTOR. The Executive Director, if any, is appointed by the Board of Directors and serves as an ex-officio member of all board committees except regarding matters pertaining to staff positions.. The Executive Director serves at the pleasure of the Board of Directors and is responsible for implementation of policies as established by the Board of Directors for the management and staffing of the Corporation, subject to review by the Board of Directors. The Executive Director shall have such compensation, benefits, powers, duties and responsibilities as determined by the Board of Directors.

5.2 OTHER STAFF. Other Staff, if any, are appointed by the Executive Director and serve as ex-officio members of such board committees determined to be appropriate by the Executive Director, with the exception of any committee that discusses matters regarding staff positions.. Any other Staff serve at the pleasure of the Executive Director, are responsible for assisting the Executive Director with the implementation of the policies established by the Board of Directors, and will have such powers, duties and responsibilities as determined by the Executive Director. Any other Staff shall have such compensation and benefits as determined by the Board of Directors.

ARTICLE VI  
INDEMNIFICATION

6.1 DIRECTORS, OFFICERS, EMPLOYEES, AND COMMITTEE MEMBERS. Each person who is or was a Director, Officer, Employee, or member of a committee of the corporation shall be indemnified by the corporation to the fullest extent permitted by the corporation laws of the State of Michigan as they may be in effect from time to time. The corporation shall purchase and maintain insurance on behalf of those persons against any liability asserted against and incurred by such person in such capacity or arising out of the person's status as such.

6.2 VOLUNTEERS. The corporation assumes the liability for all acts or omissions of a non-Director volunteer, provided that:

1. The volunteer was acting or reasonably believed he or she was acting within the scope of his or her authority;
2. The volunteer was acting in good faith;
3. The volunteer's conduct did not amount to gross negligence or willful and wanton misconduct;
4. The volunteer's conduct was not an intentional tort; and
5. The volunteer's conduct was not a tort arising out of the ownership, maintenance or use of a motor vehicle as described in Section 209(e)(v) of the Michigan Nonprofit Corporation Act.

ARTICLE VII  
MISCELLANEOUS

7.1 EXECUTIVE COMMITTEE. The Board of Directors shall appoint annually an Executive Committee of not less than four (4) members of the Board of Directors. All officers shall be members of this committee, and for the first year following his or her term as President, the immediate past President shall serve as an Honorary Advisor to this committee. The Executive Committee shall exercise general supervision of the affairs of the corporation and may authorize, subject to Board ratification, all required corporate actions. The Executive Committee shall also exercise those powers as set forth specifically in these Bylaws. The Executive Committee shall meet at such times and places as shall be designated by the President of the Board of Directors. Special meetings may be called by any member of the committee by giving written notice thereof to the other members. The committee shall keep regular minutes of its proceedings and report the same from time to time to the Board. A majority of the members of this committee shall constitute a quorum for the transaction of business by the committee. A majority vote by the Executive Committee, then in office, shall be required for any action of the Executive Committee.

7.2 OTHER COMMITTEES. Other committees may be designated by resolution adopted by the Directors present at a meeting at which a quorum is present, or may be appointed at any time by the President. The said committees shall consist of at least two (2) Directors. The committees shall keep regular minutes of their proceedings and report the same from time to time as the Board may require. They shall meet at the times and places designated by the committee President.

7.3 CERTIFIED PUBLIC ACCOUNTANT. The Board of Directors from time to time may appoint a certified public accountant and/or firm of certified public accountants to provide audited financial statements every year in which an audit is required by the State of Michigan.

7.4 COUNSEL AND AGENTS. The Board of Directors from time to time may appoint legal counsel or other agents as deemed appropriate.

7.5 PROGRAMMATIC (FISCAL) YEAR. The programmatic (fiscal) year of the corporation shall be from January 1 to December 31.

7.6 AMENDMENT TO THE ARTICLES OF INCORPORATION. Proposed amendments to the corporation's Articles of Incorporation must be submitted in writing to the Directors at least one (1) month in advance of the annual meeting of the Directors or any special meeting of the Directors called for such purpose. The vote of two-thirds (2/3) of the Directors then in office shall be required to adopt an amendment to the Articles of Incorporation.

7.7 AMENDMENTS TO BYLAWS. These Bylaws may be revised, amended, or repealed in whole or in part. Proposed changes to the Bylaws must be submitted in writing to the Directors at least one (1) month in advance of the annual meeting of the Directors or any special meeting of the Directors called for such purpose. The vote of two-thirds (2/3) of the Directors then in office shall be required to amend the Bylaws of the corporation. No action or amendment shall be taken which in any way adversely affects the corporation's qualification as a tax-exempt organization under Section 501 (c)(3) of the Internal Revenue Code as it now exists or may hereafter be amended.

## ARTICLE VIII

### ACQUISITION OF PROPERTY FOR NATURE SANCTUARIES, NATURE PRESERVES, AND NATURAL AREAS

8.1 Properties acquired for the purposes of creating, maintaining, and protecting nature sanctuaries, nature preserves, and natural areas in the State of Michigan, that predominantly contain natural habitat for fish, wildlife, and/or plants, shall be held in perpetuity unless both of the following conditions are satisfied:

A. That property is no longer suitable for the purposes described above, and

B. The sale of the property is approved by a majority vote of the board of directors.

8.2 The corporation's officers, board members, and employees, and the family members of any such officer, board member, or employee, are hereby prohibited from benefiting from the sale of property acquired for the purposes described in subsection 1.3 above.