

**By-laws
of
TANGLWOOD RESORT MASTER ASSOCIATION**
(Amended January 10, 2006)

ARTICLES I. DEFINITIONS

Section 1. The following terms are used in these By-laws shall be defined as follows, unless the context clearly indicates otherwise:

Tanglwood Resort Master Association Inc. is a Pennsylvania not-for-profit corporation. Which by merger includes; The Tanglwood Woodmont Association Inc. recorded at Record Book Volume 933, Page 255, The Tanglwood Lodge Club Association, Inc., recorded at Record Book Volume 874, Page 159, The Tanglwood Golf Course Village Association, Inc., recorded at Record Book Volume 914, Page 5, and The Tanglwood Ski Village Association, Inc. recorded at Record Book Volume 920, Page 242, and heretofore subsumes all management functions of those entities.

Association means the Tanglwood Resort Master Association Inc. a Pennsylvania not-for-profit corporation.

Management Functions means collective and separately all of those rights, privileges and obligations related to the continued operation, maintenance, and administration of the property formally under the purview of The Tanglwood Woodmont, The Tanglwood Lodge Club, The Tanglwood Golf Course Village, and The Tanglwood Ski Village Associations.

Amenities means the improvements or facilities, including private streets, roadways, and rights of way (so long as the same have not been dedicated and accepted as public streets or roads), recreational facilities, cultural facilities, and the like, owned or controlled by the Declarant and available for use or enjoyment by Owners as members of the Association pursuant to the terms and provisions of the Amenities Use Agreement.

Amenities Use Agreement means an agreement dated as of January 1, 1984, between Declarant and, inter alia, the Association, setting forth the terms and conditions for use of the Amenities by, inter alia, the Owners hereunder.

Fiscal Year means the 12-month period selected by the Association for the use of Budgeting, assessment, and collection of common expenses.

Board means the Board of Directors of the Association elected pursuant to provisions of the Declaration and those By-Laws.

In Good Standing means fully paid and up to date on all Association dues, maintenance fees, assessments, or other obligations.

bylaws means these bylaws of the Association.

Common Areas means that portion of the property and any improvements thereon as designated and defined as a "Common Area" or "Common Areas" in the Declaration.

Declarant means Tanglwood Lakes, Inc., a Pennsylvania not-for-profit corporation, its successors and assigns.

Declaration means: 1) Tanglwood Woodmont Association, Inc., a Declaration of Mutual Ownership, Etc., dated as of July 1, 1984, as amended; made by the Declarant and recorded in the Office for the Recording of the Deeds in and for Pike County. Setting forth certain restrictive covenants, easements, etc. with respect to the Project. As amended and supplemented from time to time: 2) Tanglwood Lodge Club, Inc., the original Declaration, dated March 25, 1983, as amended, made by the Declarant and recorded in the Office of the Recording of the Deeds in and for Pike County, setting forth certain restrictive covenants, easements, etc. with respect to the Project as amended and supplemented from time to time: 3) Tanglwood Ski Village Association, Inc., a Declaration of Mutual Ownership, Etc., dated as of _____, 1984, as amended, made by the Declarant and recorded in the Office for the Recording of Deeds in and for Pike County, setting forth certain restrictive covenants, easements, etc. with respect to the Project, as the same may be amended or supplemented from time to time: and 4) Tanglwood Golf Course Village Association, Inc., dated as of January 1, 1984, as amended, made by the Declarant and recorded in the Office for the Recording of Deeds in and for Pike County, setting forth certain restrictive covenants, easements, etc. with respect to the Project, as the same may be amended or supplemented from time to time.

Projects mean The Tanglwood Woodmont, The Tanglwood Lodge Club, The Tanglwood Golf Course Village, and The Tanglwood Ski Village Associations including any and all common areas, utility facilities and other improvements.

Guests means any person or persons using a unit during an interval or any portion thereof with the permission or pursuant to arrangements made with an Owner, including but not limited to family members of an Owner, invitees, tenants, or others.

Household means one or more persons, each related to the other by blood, marriage, or legal adoption, or a group of not more than 3 adult persons, not so related, who, in each instance regularly and customarily reside together in the same house or home as a principle residence.

Interest means the property rights held by an Owner under the Declaration. Including the ownership interest as a tenant in common with other Owners and the Association, its successors or assigns, in a Timeshare Building, as more particularly set forth in Article IV of the Declaration.

Internal Period means the numbered consecutive timeshare use periods within each year as described in section 4.03 of the Declaration.

Owner means any person or persons who have contracted to purchase an interest under a Contract. The moment that such Contract is accepted and executed or any other agreement, deed or document of transfer or conveyance, in which the Seller, under such agreement, shall cease to be an "Owner" with respect to such Interest while said agreement is in effect, and all other persons holding or owning an Interest by virtue of a deed, other instrument, devise, or any other means. This term shall include, where applicable, the Association; Provided however, that the Association shall be exempt from certain obligations of other Owners as more particularly set forth herein. In the event that one or more persons shall hold or own an interest, this term shall mean all such persons collectively and the obligations of an Owner hereunder shall be the joint and severable obligations of all such persons.

Property means any and all property, real, personal or mixed, made subject to the Declaration, as referenced in Article II of the Declaration, and any such real estate made subject thereto by any supplemental Declaration. Including all Units and Common Areas described in the Declaration or any supplemental thereto, together with any additions, improvements, furnishings or other property referenced or made subject to the provisions thereof as amended or supplemented.

Rules and Regulations means those rules and regulations adopted and published from time to time by the Association, as appreciated, and containing the basic rules and regulations concerning use of the property by the Owners.

Unit means the separate dwelling units or residential rooms, to be conveyed, occupied and used pursuant to the provisions set forth in the Declaration and shown on a Final Plan, as defined in the Declaration.

Management Company means a professional property management entity, fully qualified to provide total management services to a timeshare resort such as Tanglwood Resort.

ARTICLE II. MASTER ASSOCIATION MEMBERSHIP

Section 1. Each Owner of an interest under the Declaration, shall be a member of the Association.

Section 2. Each member of the Association shall cast one vote for each interval unit owned. In the event of joint ownership of an interest, such member or Owner shall select one representative to qualify for voting and shall notify the Secretary of the Association of the name of such individual.

Section 3. If not otherwise a member, each of the following persons shall be entitled to all rights and privileges of membership in the Association, other than the right to vote:

- (a) The spouse and children, or any other persons constituting the Household of an Owner; and
- (b) Bona Fide Guests of an Owner, and Guests or business invitees of Association.

Section 4. Members shall have a license to use Common Areas and Amenities subject to provisions of the Declaration, the Amenities Use Agreement and the Rules and Regulations.

Section 5. The Board will suspend the voting rights, license to use Common Areas or the Amenities and any other rights of any member for;

- (a) Any period during which any Association assessment or other obligation, as provided in the Declaration, remains unpaid;
- (b) The period of any continuing vacation by such member of provisions of the Declaration after the existence thereof shall have been declared by the Board; and
- (c) A period to be defined by the Board, for repeated violations of the bylaws or the rules and regulations of the Association, in addition;
- (d) Unpaid maintenance/assessments must be paid seventy (70) days prior to meeting in order to receive notice to vote.

ARTICLE III. EVIDENCE OF MEMBERSHIP AND TRANSFER

Section 1. Certificates of membership in the Association may be issued to members by the Board. Such Certificates shall be in such form as the Board shall from time to time designate and shall be issued over the signature of the president or other officer of the Association. Such certificate shall indicate the holder is a member, and shall identify the Interest, the ownership of which gives rise to the membership. Such certificate shall also clearly state on its face that the certificate is not transferable, except in connection with transfer of the interest in accordance with the Declaration and these by-laws, and that the Association is a non-profit corporation. Records shall be maintained by the Association showing the names of the members of the Association and the date of membership.

Section 2. When a member ceases to be an Owner, such person's membership shall cease. Such person shall remain liable for all Association assessments or other obligations incurred pursuant to provisions of the Declaration prior to termination of such ownership and written notice to the Association that such person is no longer an Owner.

ARTICLE IV. MEETING OF MEMBERS

Section 1. Any meeting of the members of the Association shall be held in the Commonwealth of Pennsylvania as such place therein as may be stated in the notice of such meeting.

Section 2. The annual meeting of the Association shall be held in the Fall of each year commencing with the year 1993.

Section 3. Special meetings may be called by the Board at any time in the manner herein provided. A special meeting may also be called upon the written petition of members of the Master Association holding at least five (5%) of the votes entitled to be cast at such meeting. Such petition shall set forth the purpose of the special meeting.

Section 4. Written notice of the place, date and hour of the meeting and in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten(10)days nor more than fifty (50) days before the date of the meeting, either personally or by mail, to each member entitled to vote at such meeting. If mailed, such notice shall be deemed to have been delivered when deposited in the United States mail, addressed to the member at his/her address as it appears on the records of the Association, with the postage prepaid; or such notice may be published in any newspaper or publication printed under the auspices of the Association and distributed generally among members of the Association. At a special meeting, no business shall be conducted except that stated in the notice of said meeting.

Section 5. A quorum at either a special meeting or the annual meeting shall be members of the Association or authorized representatives thereof holding at least five (5%) percent of the votes entitled to be cast at such meeting in person or by proxy. The vote of a majority of the votes cast at any meeting at which a quorum is present shall be necessary for the adoption of any matter voted upon by the members, unless a greater proportion is required hereby, by the Declaration or by law.

ARTICLE V. THE BOARD OF DIRECTORS

Section 1. The Board shall:

- (a) Manage and control the affairs of the Association.
- (b) Designate a banking institution or institutions as depository for the Association's funds; and the officer or officers authorizer to make withdrawals therefrom and to execute obligations on behalf of the association.
- (c) Perform such acts, the authority for which has been granted herein by the Declaration or by law, including the borrowing of money for the Association shall be sufficient evidence for any person that the borrowing is for a proper corporate purpose. The Board may, if it determines that the same shall be reasonably necessary, assign, pledge, mortgage or encumber any Association property as security for such borrowings, and they may pledge or assign future revenues of the Association as security therefore.
- (d) Enforce and cause the Association and its members to perform and to abide by provisions of the declaration.
- (e) Adopt such rules and regulation relating to use of Association property, and sanctions for non-compliance therewith, as it may deem necessary for the best interests of the Association and its members.
- (f) Cause the Association to employ sufficient personnel, including a Manager as provided in the Declaration, to adequately perform the responsibilities of the Association.
- (g) Adopt reasonable rules of order for the conduct of the meetings of the Association.
- (h) Elect the officers of the Association. It may establish committees of the Association and appoint members thereof. It may assign to such committees such responsibilities and duties not inconsistent with the provisions of the Declaration, these by-Laws or with law as it may deem appropriate
- (I) The Board shall, prior to the annual meeting of the Association each year, adopt an operating budget, to be presented to the members at such annual meeting, and upon consideration of any other sources of income of the Association, establish and levy the annual maintenance/assessment for the following year, in accordance with the Declaration.

Section 2. The Board shall consist of not less than seven (7) nor more than nine (9) members. In the event that there are more than nine (9) members on the Board on the date this by-law amendment is enacted, the last individuals appointed to the Board without a vote of the members shall no longer retain their position on the Board. Elected Board members shall take office each year on the date of the Annual Meeting.

Section 3. The term for a board member shall be determined by a formula designed by the Board of Directors. Terms will consist of either a one (1), two (2), or three (3) year period, as necessary, to achieve continuity.

Section 4. A Director shall be at least twenty-one (21) years of age, a Citizen of the United States and a member in good standing of the Association.

Section 5. There shall be no limit placed upon the number of times an individual may run and/or be elected to serve as a member of the Board of directors.

Section 6. Election of directors shall be by majority vote at the annual meeting. Each member may cast the number of votes to which such member is entitled for each position to be filled on the Board. Cumulative voting shall not be permitted. The persons, the number of which are set forth in Section 2 of Article V, receiving the largest number of votes shall be elected.

(a) Nominations for directors must be submitted, in writing, by any member in good standing at least 45 days prior to the annual meeting.

(b) Owners nominated for directorship must submit, to the Board, a resume together with an assurance that no conflict of interest exists which might prejudice their duties and responsibilities as Board members.

Section 7. Pursuant to Article II of the by-Laws, every member entitled to vote or execute consents shall have the right to do so either in person or by agent or agents authorized by a written proxy executed by such member or his duly authorized agent and filed with the Secretary of the Association; provided that no such proxy shall be valid after the expiration of eleven (11) months from the date of its execution unless the person executing it specifies therein the length of time for which such proxy is to continue to force, which in no event shall exceed three (3) years from the date of its execution.

Section 8. The Board shall meet at such intervals as it shall determine, from time to time. Special meetings of the Board may be called by a majority of the Board and shall be held at such place as the call or notice of the meeting shall designate. Notice of a special meeting may be given in writing or orally at least twenty-four (24) hours prior to the date of special meeting, or notice thereof may be waived by the directors in writing. After adoption of a resolution setting forth the times of regular meetings, no notice of such meetings shall be required, or waived, but notice of special meetings of the Board shall be given.

Section 9. Unless prohibited by law, any action which may be taken at a meeting of the Board may be taken without a meeting if authorized in a written consent by all of the directors who would be entitled to vote upon said action at a meeting, and filed with the Secretary of the Association.

Section 10. A majority of the directors shall constitute a quorum to transact business of the Board, and the act of the majority of the directors present at any meeting shall be deemed to be the act of the Board.

Section 11. If any vacancy exists on the Board, such vacancy shall be filled at the discretion of the remaining directors even though those remaining directors might be less than a quorum. Any person so elected a director shall serve out the unexpired term of the director he/she has replaced.

Section 12. Any member may be removed from the Board by the remaining Directors for the following reasons:

(a) Failure to pay any Association dues, maintenance fees, assessments or other financial obligation.

(b) Failure to fulfill their duties and responsibilities by missing three (3) or more consecutive meetings without a valid excuse.

(c) Members found to have a conflict of interest that could prejudice his/her duties and responsibilities as a Board member, or

(d) Having members of their immediate families who are found to be employed, in partnership, etc., with the management company, and/or with any of the litigants or their attorneys in any pending or active law suit involving the Tanglewood Resort Master Association.

(e) Discussing privileged information with anyone outside of an executive meeting unless that person attended or was invited to attend the executive meeting.

ARTICLE VI. THE OFFICERS

Section 1. The officers of the Association shall be the President, one or more Vice-Presidents, the Secretary, the Treasurer and such other officers and assistant officers as the Board may from time to time elect. Officers shall serve at the pleasure of the Board. Any two (2) or more offices may be held by the same person, except for the office of President. Officers must be members of the Board.

Section 2. The president shall be the Chief Executive Officer of the Association, except as otherwise determined by the Board. He/she shall be vested with the powers and the duties generally incident to the office of the President of a non-profit corporation, except as otherwise determined by the Board, or as may be otherwise set forth in these by-Laws.

Section 3. In absence of the President, or in the event of his/her inability or refusal to act, the Vice-President is empowered to act and shall thereupon be vested with the powers of the President. In the event that there is more than one Vice-President, the Board shall establish the order in which they serve and their respective duties.

Section 4. The Secretary of the Association shall keep the minutes of the business and other matters transacted at the meetings of the members and of the Board. He/she shall mail, or cause to be mailed, all notices required under the by-Laws. He/She shall have custody of the corporate seal, if any, and records and maintain a list of the members and their addresses and perform all other duties incident to the office of Secretary.

Section 5. The Treasurer shall have the custody of the funds of the Association, collect monies due, pay obligations of the Association out of its funds, or monitor the persons assigned to perform these tasks. The Treasurer will also perform such other duties as are incident to the office of the Treasurer. The Board may require that the Treasurer be bonded for such amount and under such conditions as the Board may require, the cost of any such bond to be paid by the Association.

Section 6. Any officers may be removed at any time at the discretion of the Board.

ARTICLE VII. COMMITTEES

Section 1. Standing and/or Ad Hoc committees of the Association may be established from time to time by the Board. Unless otherwise provided herein or by the Board, each committee shall consist of a Chairperson and two or more members, one member must be a member of the Board, and shall be responsible for reporting committee activity to the Board.. Appointments to standing committees shall be made annually, following the election of officers.

Section 2. Committee members shall serve at the pleasure of the Board and may be removed or replaced at any time at the discretion of the Board.

Section 3. Each committee shall have the power to appoint subcommittees as deemed necessary and may delegate to any such subcommittee any of its powers, duties, and functions.

ARTICLE VIII. CORPORATE SEAL

Section 1. The resort legal council shall hold the corporate seal.

ARTICLE IX, AMENDMENTS

Section 1. These by-Laws may be amended or supplemented only by a majority vote of the Members at a special meeting of the membership duly called for that purpose pursuant to Article IV Meeting of Members subject to applicable law; provided that any matter governed by the Declaration may not be amended except as provided in said Declaration.

Section 2. In the case of any conflict between the Articles of Incorporation and these by-Laws, the Articles shall control; and in the case of conflict between the Declaration and these by-Laws, the Declaration shall control.

ARTICLE X. DECLARATION INCORPORATED BY REFERENCE

Section 1. The Declaration, in its entirety and not only to the extent specifically referred to in these by-Laws, is hereby incorporated into and made a part of these by-Laws of the Association.