

BYLAWS OF

THE HOUSE OF SWEDEN, INC.

A California Nonprofit Public Benefit Corporation

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ARTICLE I NAME

Section 1.1 Corporate Name.

The name of this Corporation is **The House of Sweden, Inc.** (“Corporation”).

ARTICLE II OFFICES

Section 2.1 Principal Office.

The principal executive office and the principal office for the transaction of the business of the Corporation may be established at any place or places within or outside the State of California by resolution of the Board of Directors.

Section 2.2 Other Offices.

The Board of Directors may at any time establish branch or subordinate offices at any place or places where the Corporation is qualified to transact business.

ARTICLE III OBJECTIVES AND PURPOSES

Section 3.1 General Purpose.

The Corporation is organized and shall operate exclusively for charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as now in effect or as may be amended (“Code”), and other similar nonprofit purposes.

Section 3.2 Specific Purpose.

The specific purpose of this Corporation shall be to promote educational programs to the general public, designed to perpetuate and preserve the Swedish culture, customs, traditions, songs, dances and languages as a precious heritage for present and future generations and to carry on other charitable and educational activities associated with this goal as allowed by the Code and California law.

ARTICLE IV NONPARTISAN ACTIVITIES

Section 4.1 Nonpartisan Activities.

This Corporation has been formed under the California Nonprofit Public Benefit Corporation Law for the purposes described above, and it shall be nonprofit and nonpartisan. No substantial part of the activities of the Corporation shall consist of the publication or dissemination of materials with the purpose of attempting to influence legislation, and the Corporation shall not participate or intervene in any political campaign on behalf of any candidate for public office.

Section 4.2 Prohibited Activities.
The Corporation shall not, except in any insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes described above in Section 4.1.

ARTICLE V CORPORATE PROPERTY & ASSETS

Section 5.1 Dedication of Assets.
This Corporation's assets are irrevocably dedicated to the purposes set forth in Article III of these Bylaws. No part of the net income or assets of this Corporation, on dissolution or otherwise, shall ever inure to the benefit of any Director or officer thereof or to the benefit of any private person; provided, however, that this provision shall not prevent payment to any such person of reasonable compensation for services performed for the Corporation in effecting any of its purposes, as long as such compensation is otherwise permitted by these Bylaws and is fixed by resolution of the Board of Directors.

Section 5.2 Distribution of Assets upon Dissolution.
Upon liquidation or dissolution of this Corporation, all properties and assets remaining after payment, or provision, of all debts and liabilities of the Corporation shall be distributed to a nonprofit fund, foundation or Corporation that is organized and operated exclusively for charitable purposes and that has established its exempt status under Code §501(c)(3).

ARTICLE VI MEMBERSHIPS

Section 6.1 Membership.
This Corporation shall have one (1) classes of Memberships (collectively referred to herein as, "**Members**"), which are defined as follows:

6.1.1 Members. A Member is an individual who is of Swedish birth or descent, or an individual who has a serious interest in Swedish culture and heritage. Each Member shall be entitled to one vote.

Section 6.2 Application for Membership; Membership Approval.

6.2.1 Application for Membership.
Each prospective Member shall submit an application for Membership upon the written or typed form provided by the Corporation.

Section 6.3 Membership Renewal.
Subject to Section 6.8 below, renewal of Membership in the Corporation is at the sole discretion of the Board.

Section 6.4 Meetings of the Members.

6.4.1 Annual Meetings

An Annual Meeting of the Members shall be held on the third Sunday in January of each year, unless the Board fixes another date or time and so notifies Members as provided in these Bylaws. If the scheduled date falls on a legal holiday, the Annual Meeting shall be held on the next full business day. At the Annual Meeting, Directors shall be elected and other proper business may be transacted, subject to these Bylaws.

6.4.2 Monthly Meetings.

The Members shall hold regular meetings on a monthly basis on the first (1st) Sunday of each month or at such other time and day as may be set by the Board.

6.4.3 Special Meetings.

Special meetings of the Members for any lawful purpose may be called by the Board, the chairman of the Board, if any, the President, or such other persons, if any, as are specified in the Bylaws. In addition, special meetings of Members for any lawful purpose may be called by 5 percent or more of the Members entitled to vote. If called, the special meeting must be set by the Board at least 10 and not more than 90 days following a call for a special meeting.

6.4.4 Place of Meetings.

Meetings of the Members shall be held at any place within or outside California designated by the Board of Directors or by the written consent of a majority of Members entitled to vote at the meeting, given before or after the meeting. In the absence of any such designation, Members' meetings shall be held at the Corporation's principal office.

6.4.5 Notice of Meetings.

Notice of any meeting of the Members shall be in writing and shall be given at least 10 but no more than 90 days before the meeting date. The notice shall be given either personally or by first class mail, registered or certified mail, or by other means of written communication, postage prepaid, and shall be addressed to each Member entitled to vote as such Member's address appears on the books of the Corporation or at the address given by the Member for purposes of notice. Notice given by electronic transmission by the Corporation shall be valid only if: (i) delivered by facsimile or electronic mail ("**email**") when directed to the facsimile number or email address for that recipient on record with the Corporation; (ii) posting on an electronic message board or network that the Corporation has designated for those communications, or (iii) other reasonable means of electronic communication.

6.4.6 Waiver of Notice.

The transaction of any meeting of the Members, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after

regular call and notice, if (a) a quorum is present, and (b) either before or after the meeting, each of the Members not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. All waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Notice of a meeting shall also be deemed given to any Member who attends the meeting without protesting before or at its commencement about the lack of adequate notice. Members can protest the lack of notice only by presenting a written protest to the Secretary of the Corporation either in person, by first-class mail addressed to the Secretary at the principal office of the Corporation as contained on the corporation's records as of the date of the protest, or by facsimile addressed to the facsimile number of the Corporation as contained on the corporation's records as of the date of the protest.

6.4.7 Proxies.

Every Member entitled to vote shall have the right to do so either in person or by one or more Agents authorized by a written proxy executed by such person or his duly authorized Agent and filed with the Secretary of the Corporation. Any proxy duly executed is not revoked and continues in full force and effect until: (a) an instrument revoking it or a duly executed proxy bearing a later date is filed with the secretary of the Corporation prior to the vote pursuant thereto; (b) the person executing the proxy attends the meeting and votes in person; or (c) written notice of the death or incapacity of the maker of such proxy is received by the Corporation before the vote pursuant thereto is counted provided, however, that no such proxy shall be valid after the expiration of 11 months from the date of its execution.

6.4.8 Quorum.

The presence in person or by proxy of at least one-third of the voting power shall constitute a quorum of the Members for the transaction of business. The Members present at a duly called or held meeting at which quorum is present may continue to transact business until adjournment notwithstanding the withdrawal of enough Members to leave less than a quorum, if any action taken is approved by at least the majority of the Members required to constitute a quorum.

6.4.9 Eligibility to Vote.

Subject to the California Nonprofit Public Benefit Corporation Law and these Bylaws, Members in good standing on the record date as determined by the Board shall be entitled to vote at any meeting of the Members.

6.4.10 Approval by Members.

Approval by Members means approved or ratified by the affirmative vote of the majority of the Member votes represented and voting at a duly held meeting at which a quorum is present, or by written ballot in conformity with Section 6.4.11.

6.4.11 Members' Action without a Meeting.

- 6.4.11.1 Subject to this Section 6.4.11, except as prohibited under the California Nonprofit Public Benefit Law, and unless prohibited in the articles or these Bylaws, any action which may be taken at any regular or special meeting of the Members may be taken without a meeting if the corporation distributes a written ballot to every member entitled to vote on the matter. Any such ballot may be sent, and responses returned to the Corporation by electronic transmission. Each ballot shall set forth the proposed action, provide an opportunity to specify approval or disapproval of the any proposal, and provide a reasonable time within which to return the ballot to the Corporation. Directors may be elected by written ballot under this Section, except where the Directors are elected by cumulative voting pursuant to Corporations Code Section 5616. Ballots shall indicate the number of responses needed to meet the quorum requirement, and shall state the percentage of approvals necessary to pass the measure submitted. The ballot must specify the time by which the ballot must be received in order to be counted
- 6.4.11.2 Approval by written ballot pursuant to this Section shall be valid only when the number of votes cast by ballot within the time period specified equals or exceeds the quorum required to be present at a meeting authorizing action, and the number of approvals equals or exceeds the number of votes that would be required to approve authorized action at a meeting as set forth in Section 6.4.10 of these Bylaws.

Section 6.5 Members Rights.

Only Members in good standing, as set forth in these Bylaws, shall have the right to vote on the following: (i) election of Directors; (ii) on the disposition of all or substantially all of the assets of the Corporation; (iii) on any merger and its principal terms and any amendment of those terms; (iv) on any election to dissolve the Corporation; (v) any amendments to these Bylaws as set forth in Section 15 herein; and (vi) any amendments or modifications to the Articles of Incorporation that alters a Member's rights to vote for Directors, or that modifies the term and number of Directors. In addition, those Members shall have all rights afforded Members under the California Nonprofit Public Benefit Corporation Law.

Section 6.6 Membership Responsibilities.

All Members who are physically capable of doing so are expected to serve as open house hosts when this duty is scheduled by the Public Services Chairperson. Any Member so assigned who is unable to serve is expected to arrange for a replacement. If the Member is unable to find a replacement, he or she should notify the Public Services Chairperson at least two weeks in advance. Host/hostess are to make all visitors welcome and should share information about Sweden and the Cottage with guests.

Section 6.7 Membership Dues.

6.7.1 Members shall pay dues annually in the amount set by a vote of the Board of Directors (“**Membership Dues**”). The initiation fee and Membership Dues are to be set by the Board at the first business meeting of the year, and will remain in effect for that calendar year. The Board may adjust the Membership Dues once annually by a two-thirds (2/3) vote of the Board of Directors.

6.7.2 Membership Dues are due and payable at the beginning of each calendar year. If a Member has failed to pay the required dues by March 1 of the applicable year, then such Member shall not be in good standing with the Corporation, and subject to the provisions of Section 6.9 below, shall be ineligible to vote on Corporate matters.

Section 6.8 Transfer of Memberships.

Except those rights set forth in Section 6.4.7, a Member may not transfer his or her Membership or any right arising there from. If a Member transfers or attempts to transfer his or her Membership in violation of these Bylaws, such Member shall be deemed not to be in good standing as a Member, and shall be subject to suspension and/or termination in accordance with Section 6.9.

Section 6.9 Death, Resignation, Suspension or Termination of Membership.

6.9.1 Death or Resignation of Member.

A Member’s Membership shall automatically terminate upon his or her death. A Member is free to resign his or her Membership at any time upon delivery of written notice thereof to the Board of Directors. Notwithstanding the foregoing, any resigning Member may be liable to the Corporation for any outstanding dues owed up to the date the Board of Directors receives such Member’s written notice of resignation.

6.9.2 Termination or Suspension.

6.9.2.1 If, based on the good faith determination by the Board, or a committee or person authorized by the Board to make such a determination, that a Member has failed in a material and serious degree to observe the Corporation’s rules of conduct, failed to pay his or her dues in accordance with Section 6.7, or has engaged in conduct materially and seriously prejudicial to the Corporation’s purposes, then grounds exist for suspending or terminating a Member under this Section 6.9.2 of these Bylaws. The following procedure shall be followed for termination or suspension of a Member:

(a) The Board shall give the Member at least 15 days’ prior notice of the proposed suspension or termination and the reasons for the proposed suspension or termination. Notice shall be given by any

method reasonably calculated to provide actual notice. Notice given by mail shall be sent by first-class or registered mail to the Member's last address as shown on the Corporation's records.

(b) The Member shall be given an opportunity to be heard, either orally or in writing, at least five days before the effective date of the proposed suspension or termination. The hearing shall be held, or the written statement considered, by the Board or by a committee or person authorized by the Board to determine whether the suspension or termination should occur.

(c) The Board, committee or person shall decide whether the Member should be suspended, expelled or sanctioned in any way. The decision of the Board, committee or person shall be final.

(d) Any action challenging a suspension or termination of Membership, including a claim alleging defective notice, must be commenced within one year after the date of the suspension or termination.

- 6.9.2.2 A Member whose Membership is suspended is not in good standing and shall not be entitled to the benefits of Membership during the period of suspension, including but not limited to voting rights and the right to participate in Corporate activities and functions.

ARTICLE VII DIRECTORS

Section 7.1 Number of Directors.

The Board of Directors shall consist of seven (7) individuals, which number may be increased or decreased at the Board's discretion, and subject to Member approval, but shall never be less than five (5) nor more than eleven (11) ("**Board**" or "**Board of Directors**"). All Directors shall be elected at each Annual Members' Meeting, or if Directors are not elected at an Annual Meeting, they may be elected at any Special Meeting called for that purpose or by written ballot.

Section 7.2 Powers.

7.2.1 General Corporate Powers.

Subject to the provisions of the California Nonprofit Corporation Law, the business and affairs of the Corporation shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board of Directors. The Board may delegate the management of the activities of the Corporation to any person or persons, Management Company or committee however composed, provided that the activities and affairs of the Corporation are managed and all corporate powers shall be exercised under the ultimate direction of the Board.

7.2.2 Specific Powers.

Without prejudice to the general corporate powers described in Section 7.2.1, and subject to the same limitations, the Board shall have the following powers:

7.2.2.1 Officers, Agents and Employees

At its pleasure, select, remove, and supervise all Officers, Agents and employees of the Corporation; prescribe any powers and duties for them that are consistent with law, the Articles of Incorporation and these Bylaws;

7.2.2.2 Principal Executive Office

Change the principal executive office or the principal business office in the State of California from one location to another; cause the Corporation to be qualified to conduct activities in any other state and conduct activities within the State of California; and designate any place within the State of California for the holding of meetings, including Annual Meetings; and

7.2.2.3 Borrow Money

Borrow money and incur indebtedness on behalf of the Corporation and cause to be executed and delivered for the Corporation's purposes, in the Corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations and other evidences of debt and securities.

Section 7.3 Terms; Election of Successors.

7.3.1 Election Committee.

The Board shall appoint an Election Committee of at least two (2) Members in good standing who have no intention of running for office in the upcoming annual election of the Board of Directors. The Election Committee shall serve the following functions in connection with the annual election:

7.3.1.1 To contact nominated individuals and verify their availability for office;

7.3.1.2 To verify that any such nominees are Members in good standing both at the time of their nomination, and if successful, upon their election;

7.3.1.3 To solicit additional nominees if necessary;

7.3.1.4 To prepare ballots;

- 7.3.1.5 To ensure the list of nominees and ballots are mailed to Members;
 - 7.3.1.6 To receive the ballots and verify eligibility of Members' voting;
 - 7.3.1.7 To count the valid votes;
 - 7.3.1.8 To announce successful candidates; and
 - 7.3.1.9 To notify the incumbent President and Board of Directors of the successful candidates.
- 7.3.2 Nomination.
A request for nominees for the Board of Directors shall be published by the Corporation in September and October. Any Member in good standing may nominate, in writing, any Member in good standing to serve as a Director; provided, however, such prospective nominee has consented to serve as Director if elected. Nominations may be received by the Election Committee beginning on **September 1st**, and no later than **November 1st**. No corporate funds may be utilized to support a nominee without the Board's authorization.
- 7.3.3 Qualifications.
To be eligible for nomination, the candidate must meet the following qualifications: (i) be a Member in good standing; (ii) consent to serve, if elected; and (iii) the candidate's principal means of employment must not be directly dependent upon or directly associated with The House of Sweden. In addition, no more than forty-nine percent (49%) of the Directors of the Corporation may be "interested persons" as that term is defined in Corporations Code §5227, which includes (i) persons compensated for services rendered to the Corporation during the previous 12 months and (ii) brothers, sisters, spouses, parents, descendants and in-laws of "interested persons."
- 7.3.4 Method of Election
- 7.3.4.1 The Election Committee shall disseminate official ballots in the form approved by the Board to Members by mail. Voting shall be by secret ballot. The Ballot content and procedures shall comply with the requirements set forth in Section 6.4.11 of these Bylaws.
 - 7.3.4.2 The election procedures shall be supervised by the Election Committee, subject to the following rules: (i) only Regular and qualified Associate Members in good standing may vote; and (ii) the candidates with the greatest number of votes shall be elected.
 - 7.3.4.3 Within sixty days (60) following the conclusion of an election of the Board of Directors, a Member may request, in writing, a report concerning election results including the number of Memberships and votes cast.

7.3.5 Term.

A Director shall serve for a term of one (1) year from February 1 until January 31, or until the Director(s) death, resignation, removal, retirement or disqualification, or until such time as the Director's successor has been elected, appointed or qualified.

Section 7.4 Vacancies.

7.4.1 Events Causing Vacancy.

A vacancy or vacancies on the Board of Directors shall be deemed to exist on the occurrence of the following: (i) the death, resignation or removal of any Director; (ii) the declaration by resolution of the Board of Directors of a vacancy in the office of a Director who has been declared of unsound mind by an order of court or convicted of a felony or has been found by final order or judgment of any court to have breached a duty under the California Nonprofit Public Benefit Corporation Law; (iii) the vote of the Members entitled to vote; or (iv) whenever the number of authorized Directors is increased.

7.4.2 Removal.

A Director may be removed with or without cause by Membership approval in accordance with Section 6.4.10 of these Bylaws at a Special Meeting called for that purpose, provided that notice of that meeting and the reasons for removal are provided.

7.4.3 Resignations.

Except as provided in this paragraph, any Director may resign, which resignation shall be effective on giving written notice to the Chairperson of the Board, if any, the President, the Secretary or the Board of Directors, unless the notice specifies a later time for the resignation to become effective. No Director may resign if the Corporation would then be left without a duly elected Director or Directors in charge of its affairs.

7.4.4 Appointment to Fill Vacancies.

If a vacancy is created by any event, a majority of the remaining Directors then in office may appoint a new Director to serve until the next Annual Meeting of the Members. Appointments to fill vacancies shall be made at special or Annual Meetings and with proper notice in keeping with Section 7.8 of this Article 7.

7.4.5 No Vacancy on Reduction of Number of Directors.

No reduction of the authorized number of Directors shall have the effect of removing any Director before that Director's term of office expires.

Section 7.5 Challenge of Election or Removal.

An action challenging the validity of any election or removal of a Director or Directors must be commenced within nine (9) months after the election or removal. If no such action is commenced, in the absence of fraud, any election or removal of a Director or Directors is conclusively presumed valid nine (9) months thereafter.

Section 7.6 Place of Meetings; Meetings by Telephone.

Regular meetings of the Board of Directors may be held at any place within the State of California that has been designated from time to time by resolution of the Board. In the absence of such designation, regular meetings shall be held at the principal executive office of the Corporation. Special meetings of the Board shall be held at any place within the State of California that has been designated in the notice of the meeting or, if not stated in the notice, or if there is no notice, at the principal executive office of the Corporation. Notwithstanding the above provisions of this Section 7.6, a regular or special meeting of the Board of Directors may be held at any place consented to in writing by all the Members of the Board of Directors, either before or after the meeting. If consents are given, they shall be filed with the minutes of the meeting. Any meeting may be held by conference telephone or similar communication equipment, so long as all Directors participating in the meeting can hear one another, with all such Directors shall be deemed to be present in person at such meeting.

Section 7.7 Annual Meeting.

Unless the Board of Directors specifies otherwise in a Notice to the Directors, the Annual Meeting for the purpose of electing Officers and for such other business as may be required, shall be held at the first regular Board meeting of each calendar year.

Section 7.8 Other Regular Meetings.

The Board of Directors shall meet on a monthly basis each year and may set a specified time and place for its regular meetings. Once the Board of Directors sets the time for regular meetings, each Director shall receive notice, as specified in Section 7.9.2 of this Article 7, of the time and place that regular meetings shall be held. Subsequent to such notice, regular meetings shall be held without call. If the Board of Directors changes the time and place of regular meetings, each Director shall receive notice of the change in keeping with Section 7.9.2 of this Article 7. If the Board of Directors does not set a specified time and place for its regular meetings, meetings of the Board of Directors shall be considered special meetings and have the notice requirements of Section 7.9.2.

Section 7.9 Special Meetings.

7.9.1 Authority to Call.

Special meetings of the Board of Directors for any purpose may be called at any time by the President, any Vice President or any three (3) Directors.

7.9.2 Notice.

7.9.2.1 Manner of Giving.

Notice of the time and place of special meetings shall be given to each Director by one of the following methods: (a) by personal delivery of written notice; (b) by first-class mail, postage paid; (c) by telephone including a voice messaging system or other system or technology designed to record and communicate messages, facsimile, electronic mail, or other electronic means; or (d) by electronic mail. All such notices shall be given or sent to the Director's address as shown on the records of the Corporation; or, if notice is given by facsimile, the notice shall be sent to each Director at his or her facsimile number as shown on the records of the Corporation. Any oral notice given personally or by telephone may be communicated directly to the Director or to a person at the Director's office who would reasonably be expected to communicate such notice promptly to the Director.

7.9.2.2 Time Requirements.

Notices sent by first class mail shall be deposited into a United States mail box at least ten (10) days, before the time set for the meetings, and at least three (3) days before a special meeting. Notices given by personal delivery, telephone, voice messaging system or other system or technology designed to record and communicate messages, facsimile, or telegraph shall be delivered, telephoned, telecopied, or given to the telegram company at least 48 hours before the time set for the meeting.

7.9.2.3 Notice Contents.

The notice shall state the time, purpose and place for the meeting. It need not, however, specify the place of the meeting if it is to be held at the principal executive office of the Corporation.

Section 7.10 Quorum.

A majority of the Directors shall constitute a quorum for the transaction of business, except to adjourn as provided in Section 7.12 of this Article 7. Every act taken or decision made by a majority of the Directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board of Directors, subject to the provisions of the California Nonprofit Corporation Law, including, without limitation, those provisions relating to: (i) approval of contracts or transactions in which a Director has a direct or indirect material financial interest; (ii) creation of, and appointment to, committees of the Board; and

(iii) indemnification of Directors. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

Section 7.11 Waiver of Notice.

The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if (a) a quorum is present, and (b) either before or after the meeting, each of the Directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. All waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Notice of a meeting shall also be deemed given to any Director who attends the meeting without protesting before or at its commencement about the lack of adequate notice. Directors can protest the lack of notice only by presenting a written protest to the Secretary of the Corporation either in person, by first-class mail addressed to the Secretary at the principal office of the Corporation as contained on the Corporation's records as of the date of the protest, or by facsimile addressed to the facsimile number of the Corporation as contained on the Corporation's records as of the date of the protest.

Section 7.12 Adjournment.

A majority of the Directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place.

Section 7.13 Notice of Adjournment.

Notice of the time and place of holding an adjourned meeting need not be given, unless the meeting is adjourned for more than 24 hours, in which case personal notice of the time and place shall be given before the time of the adjourned meeting to the Directors who were not present at the time of the adjournment.

Section 7.14 Conduct of Meetings.

Meetings of the Board of Directors shall be presided over by the Chairperson of the Board, or, if no such person has been so designated or, in his or her absence, the President of the Corporation or, in his or her absence, by a Vice President of the Corporation, if any, or, in the absence of each of these persons, by a Chairperson chosen by a majority of the Directors present at the meeting. The Secretary of the Corporation shall act as Secretary of all meetings of the Board, provided that, in his or her absence, the presiding officer shall appoint another person to act as Secretary of the Meeting. All Board of Directors meetings shall be open to all Members of the Corporation.

Section 7.15 Action Without Meeting.

Any action required or permitted to be taken by the Board of Directors may be taken without a meeting, if all Members of the Board, consent in writing to the action. For the purposes of this Section only, “all Members of the Board” shall not include any “interested Director” as defined in Section 5233 of the California Nonprofit Public Benefit Corporation Law. Such action by unanimous written consent shall have the same force and effect as a unanimous vote of the Board of Directors. Such written consent or consents shall be filed with the minutes of the proceedings of the Board.

Section 7.16 Approval of the Board of Directors.

Approval by the Board of Directors means approved or ratified by the affirmative vote of the greater than 50% of the Director votes represented and voting at a duly held meeting at which a quorum is present, or in accordance with Section 7.15.

Section 7.17 Fees and Compensation of Directors.

Directors and Members of committees may not receive any compensation for their services. Directors and Members of committees may be reimbursed for expenses, as may be determined by resolution of the Board of Directors to be just and reasonable.

Section 7.18 Non-Liability of Directors.

The Directors shall not be personally liable for the debts, liabilities or other obligations of the Corporation.

Section 7.19 Annual Reports to Members; Statement of Certain Transactions.

7.19.1 Annual Report.

Subject to certain exemptions under California Nonprofit Public Benefit Corporations law, the Board of Directors of the Corporation must prepare an annual report within 120 days after the close of the Corporation’s fiscal year, and notify each Member of his or her right to receive the report. A Member may request a copy of the annual report in writing.

7.19.1.1 The annual report must contain the following information in appropriate detail:

- (a) The assets and liabilities, including trust funds, of the Corporation as of the end of the fiscal year;
- (b) The principal changes in assets and liabilities, including trust funds, during the fiscal year;
- (c) The revenue or receipts of the Corporation, both unrestricted and restricted to particular purposes, during the fiscal year;

- (d) The expense or disbursements of the Corporation, for both unrestricted and restricted purposes, for the fiscal year; and
- (e) A statement of transactions involving self-dealing, indemnifications, or advances between the Corporation, its parent, or subsidiary and any Director, Officer or Member holding more than ten percent (10%) of its voting power in compliance with California Nonprofit Public Benefit Corporations Code Section 6322 and Section 7.19.2 (“**Annual Statement of Certain Transactions and Indemnifications**”)

7.19.1.2 If an independent accountant prepares a written opinion or report regarding the annual report of the Corporation, such accountant’s opinion or report must accompany the annual report. If no independent accountant’s report was prepared, the annual report must be accompanied by the certificate of an authorized Corporate Officer stating that the information in the annual report was prepared, without audit, from the books and records of the Corporation.

7.19.2 Annual Statement of Certain Transactions and Indemnifications.

In the event the Corporation does not or is not required under California Nonprofit Public Benefit Corporations to issue an annual report as required in Section 7.19.1, the Board of Directors must, 120 days after the close of the Corporation’s fiscal year, nonetheless furnish a statement to its Members and Directors on the following types of loans, indemnifications and self-dealing transactions:

7.19.2.1 A brief description of the amount and circumstances of any indemnifications, advances, loans, or guaranties aggregating more than \$10,000 paid or made under Article 11 of these Bylaws and/or California Nonprofit Public Benefit Corporations Code Section 5238 in the preceding fiscal year to any Officer and/or Director; provided, however, no statement is required under this Section 7.19.2.1 if the Members approved the transaction; and

7.19.2.2 A statement briefly describing the following:

(A) Any “covered” transactions in the preceding fiscal year that, alone or in the aggregate, exceeded \$50,000 in which the same “interested person” has a material financial interest. A “covered” transaction is a transaction to which the Corporation, its parent, or its subsidiary was a party and in which any Director or Officer of the Corporation, or its parent, or subsidiary, or any holder of more than ten percent (10%) of the voting power of either the Corporation or its parent or subsidiary, had a direct or indirect material financial interest; and

(B) The names of the “interested persons” in the “covered” transactions, stating the person’s relationship to the Corporation, the nature of his or her interest in the transaction and the amount of such interest. “Interested persons”

are any Directors or Officers of the Corporation, or its parent, or subsidiary, or any holder of more than ten percent (10%) of the voting power of the Corporation, its parent or subsidiary.

ARTICLE VIII COMMITTEES

Section 8.1 Committees of Directors.

The Board of Directors may, by resolution adopted by a majority of the Directors then in office, create one or more committees to serve at the discretion of the Board of Directors. The appointment of any such committee and the delegation of authority shall not operate to relieve the Board of Directors of any responsibility imposed upon it by law.

Section 8.2 Other Committees.

Other committees not having and exercising the authority of the Board of Directors in the management of the Corporation may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present. Except as otherwise provided in the resolution, Members of each such committee shall be Members of the Corporation. The President of the Corporation shall appoint the Members of the committees. Any Member may be removed by the persons authorized to appoint such Member whenever in their judgment the best interests of the Corporation shall be served by such removal.

Section 8.3 Standing Committees.

The President shall appoint chairpersons for the standing committees. The duties of these chairpersons shall be as their respective titles suggest, with the details of their duties to be determined by the President.

8.3.1 Membership Committee.

The Membership committee shall be responsible for establishing and maintaining the Membership roster setting forth the following information for each Member: (i) Name, address and phone number and (ii) any other information that the Board deems necessary to Membership. Any changes in such information are to be updated in a timely manner. The Membership committee shall have a Membership book printed, as needed. The Membership committee shall also be responsible for Membership drives, name badges, certificates and correspondence thereto.

8.3.2 Public Services Chairperson.

The public services chairperson shall be responsible for securing the Sunday server calendar scheduling of host/hostess(es) to serve coffee each Sunday from noon-4 pm and the training of servers/volunteers. The public services chairperson shall also responsible for the monthly business meeting meal coordination.

- 8.3.3 Cultural Committee.
The cultural committee is responsible for and shall assist each event, special event and/or activities host to ensure proper planning of each corporate event and/or activity. The cultural committee shall further maintain an “events file” of past events, special events and/or activities held or sponsored by the Corporation.
- 8.3.4 Publications Committee.
The publications committee shall oversee, edit and expedite all publication matters and products.
- 8.3.5 Publicity Committee.
The publicity committee shall oversee, edit and expedite all publicity actions.
- 8.3.6 Education Committee.
The education committee shall be responsible for educational programs and the coordination of education groups such as; (i) folk groups; (ii) dance instruction; (iii) food preparation; (iv) language training; (v) various craft group(s); and (vi) travel group. The education committee shall educate Members and the public about the Swedish culture and way of life. The education committee shall further secure monthly business meeting presentations.
- 8.3.7 Purchasing Committee.
The purchasing committee shall be responsible for all supply purchases for The House of Sweden as directed by the Board of Directors and Directors of specific events. Non-basic purchases not budgeted and pre-approved by the Board must be approved by the Board prior to purchase.
- 8.3.8 Facilities Manager.
The facility manager shall be responsible for and attend all maintenance and security matters of the cottage including liaison with the City of San Diego and the House of Pacific Relations cottage maintenance committee on such matters. The facility manager is also responsible for all electronic equipment.
- 8.3.9 Fundraising Committee.
The fundraising committee shall be responsible for organizing fund raising events and programs.
- 8.3.10 Historian Committee.
The historian committee shall be responsible for developing, displaying and publishing historical documents and memorabilia for the cottage.
- 8.3.11 Award Committee.
The award committee shall be responsible for matters of rewards for service to the cottage and the Corporation.

8.3.12 Web Master.

The web master shall be responsible for operating and maintaining the Corporation's web site and domain name for purposes of informing the public and Members as to corporate activities and events, current and prospective Membership in the Corporation, as well as other purposes the Board deems are of interest to the Corporation and its purposes. The Corporation's website is www.houseofsweden.us.

Section 8.4 Expenses.

Operating expenses for Members of the standing committees shall be budgeted by the Board in January. Such expenses shall support the objectives of The House of Sweden. Unusual expenditures shall be submitted in writing to the President and approved by the Board. Following approval, such bills shall be paid by the Treasurer as soon as possible.

Section 8.5 Term of Office.

Each Member of a committee shall continue as a Member until the next Annual Meeting of the Members of the Corporation and until his or her successor is appointed, unless the committee shall be terminated sooner, the Member is removed from the committee, or the Member ceases to qualify as a Member of the committee.

Section 8.6 Chairperson.

One Member of a committee shall be appointed chairperson by the person or persons authorized to appoint the Members of the committee.

Section 8.7 Meetings and Actions of Committees.

Meetings and actions of committees shall be governed by, held and taken in accordance with the provisions of Article 7 of these Bylaws, concerning meetings of Directors, with such changes in the context of such provisions as are necessary to substitute the committee and its Members for the Board and its Directors, except that the time for regular meetings of committees may be determined by resolution of the Board of Directors. Special meetings of committees may also be called by resolution of the Board of Directors. Notice of special meetings of committees shall also be given to any and all alternate Members, who shall have the right to attend all meetings of the committee. Minutes shall be kept of each meeting of any committee and shall be filed with the corporate records. The Committee shall report to the Board of Directors from time to time as the Board may require. The Board of Directors may adopt rules for the governance of any committee not inconsistent with the provisions by these Bylaws, or, in the absence of rules adopted by the Board; the committee may adopt such rules.

Section 8.8 Quorum Rules for Committees.

A majority of the authorized committee Members shall constitute a quorum for the transaction of committee business, except to adjourn. A majority of the committee Members present, whether or not constituting a quorum, may adjourn

any meeting to another time and place. Every act taken or decision made by a majority of the committee Members present at a meeting duly held at which a quorum is present shall be regarded as an act of the committee, subject to the provisions of the California Nonprofit Corporation Law, including without limitation those provisions relating to (i) creation of, or appointment to, committees of the Board, and (ii) indemnification of Directors. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of committee members, if any action taken is approved by at least a majority of the required quorum for that meeting.

Section 8.9 Rules.

Each committee may adopt such rules and regulations for its meetings and conduct of its activities as it may deem appropriate; provided, however, that such rules and regulations shall be consistent with these Bylaws and provided that regular minutes of all proceedings shall be kept.

Section 8.10 Revocation of Delegated Authority.

The Board of Directors may, at any time, revoke or modify any or all of the authority delegated to a committee.

Section 8.11 Minutes and Reports.

Minutes of all committee meetings shall be provided to the Board of Directors concerning its actions since the last Board of Directors meeting.

Section 8.12 Vacancies.

Vacancies in the Membership of any committee may be filled by appointments made in the same manner as provided in the case of original appointments, and any Member so elected shall be elected for the unexpired term of his or her predecessor.

ARTICLE IX OFFICERS

Section 9.1 Officers.

The Corporation shall have the following Officers: (i) President; (ii) a Vice President; (iii) a Secretary; and (iv) a Chief Financial Officer (“**CFO**” or “**Treasurer**”) (collectively, “**Officers**”). The Corporation may also have, at the discretion of the Board of Directors, additional Vice Presidents, one or more assistant Secretaries, one or more assistant Treasurers, and such other Officers as may be appointed in accordance with the provisions of Section 9.3 of this Article 9.

Section 9.2 Election of Officers.

Officers of the Corporation shall be elected from the Directors, and must be qualified in accordance with those requirements set forth Section 7.3.3 of these

Bylaws for Directors of the Corporation. The Officers of the Corporation, except those appointed in accordance with the provisions of Section 9.3 of this Article 9, shall be elected by the Board of Directors, and each shall serve at the discretion of the Board until their successor shall be elected, subject to the rights, if any, of an Officer under any contract of employment.

Section 9.3 Subordinate Officers.

The Board of Directors may appoint, or authorize the Chairperson of the Board or the President or another Officer to appoint, any other Officers that the business of the Corporation may require, each of whom shall have the title, hold office for the period, have the authority, and perform the duties specified in the Bylaws or as determined from time to time by the Board of Directors.

Section 9.4 Removal of Officers.

An Officer may be removed by a majority vote of the Board of Directors when such removal would serve the best interests of the Corporation. For purposes of this Section 9.4, the vote of the Director who is also the Officer subject to removal shall not be counted.

Section 9.5 Resignation of Officers.

Any Officer may resign at any time by giving written notice to the Board of Directors. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice; and, unless otherwise specified in that 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.

Section 9.6 Vacancies in Offices.

A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in these Bylaws for regular appointments to such office. In the event of a vacancy in any office other than the President, such vacancy shall be filled temporarily by appointment by the President, and shall remain in office for 60 days, or until the next regular or special meeting of the Board of Directors, whichever comes first. Thereafter, the position can be filled only by action of the Board of Directors.

Section 9.7 Responsibilities of Officers.

9.7.1 President.

The President shall, subject to the control of the Board of Directors, supervise, direct and control the business affairs of the Corporation and the activities of the Officers of the Corporation. The President may delegate his or her responsibilities and powers subject to the control of the Board of Directors. In addition to all duties incident to his or her office, he or she shall preside at all meetings of the Board of Directors and/or Members. The President is the official spokesperson for the House. He or she shall have such other powers and duties as

may be prescribed by the Board of Directors or the Bylaws. The President may delegate any or all of his or her powers to one or more Vice Presidents.

9.7.2 Vice Presidents.

In the absence or disability of the President, or in the event of his or her inability or refusal to act, the Vice President shall perform all the duties of the President, and when so acting shall have all the powers of, and be subject to all the restrictions upon, the President.

9.7.2.1 First Vice President.

In addition to the duties stated in Section 9.7.2, the first Vice President shall act as Director of December Nights and subgroups and forms committees for the transaction of such.

9.7.2.2 Second Vice President.

In addition to the duties stated in Section 9.7.2, the second Vice President shall act as Director of Midsummer Program, together with any subgroups and committees formed for such purpose.

9.7.2.3 Third Vice President.

In addition to the duties stated in Section 9.7.2, the third Vice President shall act as Director of Nordic Nights, together with any subgroups and committees formed for such purpose.

9.7.2.4 Fourth Vice President.

In addition to the duties stated in Section 9.7.2, the fourth Vice President shall act as Director of Ethnic Food Fair, together with any subgroups and committees formed for such purpose.

9.7.3 Secretary.

The Secretary shall attend to the following:

9.7.3.1 Bylaws.

The Secretary shall certify and keep at the principal office of the Corporation the original, or a copy, of these Bylaws as amended to date. The Secretary shall keep both a hard and electronic copy of these Bylaws, which may be provided to a Member in good standing upon request.

9.7.3.2 Book of Minutes.

The Secretary shall keep or cause to be kept, at the principal executive office or such other place as the Board of Directors may direct, a book of minutes of all meetings, proceedings, and actions of Directors and Board committees, recording the time and place of holding such meeting, whether regular or special, and, if special, how authorized; the notice given; the names of those present at such meetings; the number of Directors present or represented at Directors' meetings; and the

proceedings of such meetings. The book of minutes shall also contain any protests concerning lack of adequate notice or dissents from Members of the Board, if the protesting or dissenting Members provide such protest in writing.

9.7.3.3 Notices, Seal and Other Duties.

The Secretary shall give, or cause to be given, notice of all meetings of the Board of Directors in accordance with these Bylaws. He or she shall keep the seal of the Corporation in safe custody and shall have such other powers and perform such other duties incident to the office of Secretary as may be prescribed by the Board of Directors or these Bylaws.

9.7.3.4 Corporate Records.

The Secretary shall keep and maintain all records of the Corporation that are not of a financial nature, including but not limited to all correspondence, Articles of Incorporation and any amendments thereto, flyers and promotional literature, copies of the Newsletters and Membership Applications. Upon request, the Secretary shall exhibit such records at all reasonable times to any Director of the Corporation, or to his or her Agent or attorney.

9.7.3.5 Maintain Membership Roster.

The Secretary shall maintain and keep a current roster of Members showing each Member's name, address and other applicable contact information.

9.7.4 Chief Financial Officer/Treasurer.

The Chief Financial Officer shall attend to the following:

9.7.4.1 Books of Account.

The Chief Financial Officer ("CFO") shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and transactions of the Corporation, including but not limited to accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings and other matters customarily included in financial statements. The books of account shall be open to inspection by any Director at all reasonable times.

9.7.4.2 Financial Reports; Correspondence.

The CFO shall prepare, or cause to be prepared, and certify, or cause to be certified, the financial statements to be included in any required annual financial reports, and to report the Corporation's financial condition in conjunction with each Annual Meeting of the Board of Directors. The CFO shall also maintain all correspondence of a financial nature relating to the Corporation. The CFO shall further be responsible for filing tax returns of the Corporation and all other required governmental reports.

9.7.4.3 Deposit and Disbursement of Money and Valuables.

The CFO shall deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the Corporation with such depositories as may be designated by the Board of Directors. The CFO shall also disburse, or cause to be disbursed, the funds of the Corporation as may be ordered by the Board of Directors; render, or cause to be rendered to the President and Directors, whenever they request it, an account of all of his or her transactions as CFO and of the financial condition of the Corporation; and shall have other powers and perform such other duties incident to the office of CFO as may be prescribed by the Board of Directors or the Bylaws.

9.7.4.4 The House of Sweden Merchandise.

The CFO shall oversee and manage all the House of Sweden merchandise, and shall further be responsible for all sales so generated.

9.7.4.5 Annual Report to Members; Annual Statement of Certain Transactions.

The CFO shall maintain and prepare, on behalf of the Board of Directors, the information necessary for the Corporation to comply with its annual reporting requirements as set forth in Section 7.19 of these Bylaws and California Nonprofit Public Benefit Corporations Code Sections 6321-6322.

9.7.4.6 Quarterly Statement.

The CFO shall provide the Newsletter Director with quarterly financial statements regarding the Corporation's activities to be included in the Corporation's Newsletter.

Section 9.8 Compensation of Officers.

The salaries of Officers, if any, shall be fixed from time to time by resolution of the Board, and no Officer shall be prevented from receiving such salary by reason of the fact that he or she is also a Director of the Corporation. In all cases, any salaries received by Officers of the Corporation shall be reasonable and given in return for services actually rendered for the Corporation which relate to the performance of the purposes of the Corporation. Officers are to be reimbursed for their reasonable and necessary expenses incurred in the course of performing their duties and responsibilities for and on behalf of the Corporation.

ARTICLE X DELEGATES, QUEEN AND PRINCESS

Section 10.1 Delegates.

The President shall appoint two regular delegates to the House of Pacific Relations. The delegates shall alternate liaison with House of Pacific Relations and other agencies and/or cottages. The delegates are required to attend meetings

and represent The House of Sweden. In case either delegate cannot attend a meeting, the President and Vice Presidents may function as alternate delegates.

Section 10.2 Queen and Princess.

A Queen or Princess shall be elected in September and shall reign from October 1 until September 30 of the following year. Candidates for Queen must be single and between the ages of 14 and 21. Candidates for Princess must be between the ages of 10 and 13. Each cottage President must send a letter of intent to the Queens Organization, naming the Queen or the Princess, their address, phone number and birthdate. In order for a Queen or Princess to “walk” at Queens Coronation in November, they must have attended at least two meetings/practices of the Queens Organization.

10.2.1 Meetings.

Regular meetings of the Queens Organization are the second (2nd) and fourth (4th) Sundays in the Hall of Nations. After the meetings the Queens/Princesses shall attend folk dance practice on the lawn behind the Hall of Nations. Queens/Princesses are expected to attend and participate in meetings, activities and events.

10.2.2 Responsibilities.

The Queen shall attend to business and responsibilities of the Queens Organization including representing The House of Sweden at official functions as required, make calls, write cards and send flowers to Members who are ill or grieving. Memorial contributions should not exceed amount decided by the Board of Directors. Additional memorial contributions may be made when authorized by the Board. The Queen shall inform Members of Queen activities and Courtesy actions.

**ARTICLE XI TRANSACTIONS BETWEEN CORPORATION AND DIRECTORS
OR OFFICERS**

Section 11.1 Transactions with Directors and Officers.

11.1.1 Prohibited Transactions.

The Corporation shall not be a party, directly or indirectly, to any contract or transaction: (i) in which one or more of its Director or Officers has a material financial interest; (ii) with any corporation, firm, association or other entity in which one or more Director or Officer has a material financial interest; or (iii) with any corporation, firm, association or other entity (other than a California nonprofit public benefit corporation) in which one or more of its Directors is a member unless prior to such contract or transaction:

- (a) The material facts concerning the contract or transaction and such Director’s or Officer’s financial interest or common directorship are fully disclosed in

good faith and are noted in the minutes, or are known to all Members of the Board prior to the Board's consideration of such contract or transaction;

- (b) Such contract or transaction is authorized in good faith by a majority of the Board by a vote sufficient for that purpose without counting the vote of the interested Director (s).
- (c) The Board considers and in good faith decides after reasonable investigation that the Corporation could not obtain a more advantageous arrangement with reasonable effort under the circumstances; and
- (d) The Corporation for its own benefit enters into the contract or transaction, which is fair and reasonable to the Corporation at the time

Section 11.2 No Material Financial Interest.

A Director or Officer of this Corporation shall not be deemed to have a "material financial interest" in a contract or transaction:

- (a) That fixes the compensation of a Director as a Director or Officer;
- (b) that is authorized by the Board of Directors in good faith and results in a benefit to a Director or their families because they are in the class of persons intended to be benefited by the charitable program of this Corporation; or
- (c) where the interested Director has no actual knowledge of the transaction and it does not exceed the lesser of one (1) percent of the gross receipts of the corporation for the preceding year or \$1,000.

Section 11.3 Loans to Directors and Officers.

The Corporation shall not make any loan of money or property to, or guarantee the obligation of, any Director or Officer, unless approved by the Attorney General of the State of California; provided, however, the Corporation may advance money to a Director or Officer of the Corporation for expenses reasonable anticipated to be incurred in the performance of duties of such Director or Officer, provided that in the absence of such advance, such Director or Officer would be entitled to be reimbursed for such expenses by the Corporation.

Section 11.4 Interlocking Directorates.

No contract or other transaction between the Corporation and any California nonprofit public benefit corporation of which one or more Directors are Directors is either void or voidable because such Director(s) are present at a meeting of the Board of Directors that authorizes, approves or ratifies the contract or transaction, if the material facts as to the transaction and as to such Director's other directorship are fully disclosed to the Board, and the Board authorizes, approves, or ratifies the contract or transaction in good faith by a vote of disinterested Directors at the meeting (subject to the quorum provisions of Article 7), or if the

contract or transaction is just and reasonable as to the Corporation at the time it is authorized, approved or ratified.

Section 11.5 Duty of Loyalty; Construction with Article 12.

Nothing in this Article shall be construed to derogate in any way from the absolute duty of loyalty that every Director and Officer owes to the Corporation. Furthermore, nothing in this Article shall be construed to override or amend the provisions of Article 12. All conflicts between the two articles shall be resolved in favor of Article 12.

**ARTICLE XII INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES
AND AGENTS**

Section 12.1 Definitions.

For purpose of this Article:

12.1.1 **“Agent”**

Means any person who is or was a Director, Officer, employee, volunteer or other Agent of this Corporation, or is or was serving at the request of this Corporation as a Director, Officer, employee, volunteer or Agent of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise, or was a Director, officer, employee or Agent of a foreign or domestic corporation that was a predecessor corporation of this Corporation or of another enterprise at the request of the predecessor corporation;

12.1.2 **“Proceeding”**

Means any threatened, pending or completed action or proceeding, whether civil, criminal, administrative or investigative; and

12.1.3 **“Expenses”**

Includes, without limitation, all attorneys’ fees, costs and any other expenses reasonably incurred in the defense of any claims or proceedings against an Agent by reason of his position or relationship as Agent and all attorneys’ fees, costs and other expenses reasonably incurred in establishing a right to indemnification under this Article 12.

Section 12.2 Successful Defense by Agent.

To the extent that an Agent of this Corporation has been successful on the merits in the defense of any Proceeding referred to in this Article 12, or in the defense of any claim, issue or matter therein, the Agent shall be indemnified against Expenses actually and reasonably incurred by the Agent in connection with the Proceeding. If an Agent either settles any such Proceeding or sustains a judgment rendered against him or her, then the provisions of Sections 12.3 through Section 12.5 shall determine whether the Agent is entitled to indemnification.

Section 12.3 Actions Brought by Persons Other than the Corporation.

Subject to the required findings to be made pursuant to Section 12.5, below, this Corporation shall indemnify any person who was or is a party, or is threatened to be made a party, to any proceeding by reason of the fact that such person is or was an Agent of this Corporation, for all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with Proceeding. Notwithstanding the foregoing, no indemnification shall be permitted under this Section 12.3 for any action brought by, or on behalf of this Corporation, or by an Officer, Director or person granted relator status by the Attorney General, or by the Attorney General on the ground that the defendant Agent was or is engaging in self-dealing within the meaning of Section 5233 of the California Nonprofit Corporation Law.

Section 12.4 Actions Brought by or on Behalf of the Corporation.

12.4.1 Claims Settled Out of Court.

If any Agent settles or otherwise disposes of a threatened or pending Proceeding brought by or on behalf of this Corporation, with or without court approval, the Agent shall receive no indemnification for either amounts paid pursuant to the terms of the settlement or other disposition or for any expenses reasonably incurred in defending against the Proceeding.

12.4.2 Claims and Suits Awarded Against Agent.

This Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed Proceeding brought by or on behalf of this Corporation by reason of the fact that the person is or was an Agent of this Corporation, for all expenses actually and reasonably incurred in connection with the defense of that Proceeding, provided that both of the following are met:

- (a) The determination of good faith conduct required by Section 12.5 of this Article 12, must be made in the manner provided for in that Section; and
- (b) upon application, the court in which the action was brought must determine that, in view of all of the circumstances of the case, the Agent should be entitled to indemnity for the Expenses incurred. If the Agent is found to be so entitled, the court shall determine the appropriate amount of Expenses to be reimbursed.

Section 12.5 Determination of Agent's Good Faith Conduct.

The indemnification granted to an Agent in Section 12.3 and Section 12.4 above is conditioned on the following:

12.5.1 Required Standard of Conduct.

The Agent seeking reimbursement must be found, in the manner provided below, to have acted in good faith, in a manner he or she believed to be in the best interest of this Corporation, and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use in similar circumstances. The termination of any Proceeding by judgment, order, settlement, conviction or on a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith or in a manner he or she reasonably believed to be in the best interest of this Corporation or that he or she had reasonable cause to believe that his conduct was unlawful. In the case of a criminal Proceeding, the person must have had no reasonable cause to believe that his conduct was unlawful.

12.5.2 Manner of Determination of Good Faith Conduct.

The determination that the Agent did act in a manner complying with Section 12.5.1 above shall be made by:

- (a) The Board of Directors by a majority vote of a quorum consisting of Directors who are not parties to the Proceeding; or
- (b) The court in which the Proceeding is or was pending. Such determination may be made on application brought by this Corporation or the Agent or the attorney or other person rendering a defense to the Agent, whether or not the application by the Agent, attorney or other person is opposed by this Corporation.

Section 12.6 Limitations.

No indemnification or advance shall be made under this Article 12, except as provided in Sections 12.2 or 12.4.2, in any circumstances when it appears:

- (a) That the indemnification or advance would be inconsistent with a provision of the Articles of Incorporation, as amended, or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the Proceeding in which the Expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or
- (b) That the indemnification would be inconsistent with any condition expressly imposed by a court in approving a settlement.

Section 12.7 Advance of Expenses.

Expenses incurred in defending any Proceeding may be advanced by this Corporation before the final disposition of the Proceeding on receipt of an undertaking by or on behalf of the Agent to repay the amount of the advance unless it is determined ultimately that the Agent is entitled to be indemnified as authorized in this Article 12.

Section 12.8 Contractual Rights of NonDirectors and Nonofficers.

Nothing contained in this Article 12 shall affect any right to indemnification to which persons other than Directors and Officers of this Corporation, or any subsidiary hereof, may be entitled by contract or otherwise.

Section 12.9 Insurance.

The Board of Directors may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any Agent of the Corporation, as defined in this Article 12, against any liability asserted against or incurred by any Agent in such capacity or arising out of the Agent's status as such, whether or not this Corporation would have the power to indemnify the Agent against the liability under the provisions of this Article 12.

ARTICLE XIII CORPORATE RECORDS, REPORTS AND SEAL

Section 13.1 Minute Book – Maintenance and Inspection.

The Corporation shall keep a minute book in written form at its principal office which shall contain a record of all actions by the Board or any committee including the time, date and place of each meeting; whether a meeting is regular or special and, if special, how called; the manner of giving notice of each meeting and a copy thereof; the names of those present at each meeting of the Board or the executive committee thereof; the minutes of all meetings; any written waivers of notice, consents to the holding of a meeting or approvals of the minutes thereof; all written consents for action without a meeting; all protests concerning lack of notice; and formal dissents from Board actions.

Section 13.2 Books and Records of Account – Maintenance and Inspection.

The Corporation shall keep adequate and correct books and records of account to be kept at its principal office. "Correct books and records" includes, but is not necessarily limited to: accounts of properties and transactions, its assets, liabilities, receipts, disbursements, gains and losses.

Section 13.3 Articles of Incorporation and Bylaws – Maintenance and Inspection.

The Corporation shall keep at its principal office, the original or a copy of its Articles of Incorporation and Bylaws as amended to date.

Section 13.4 Directors' Rights of Inspection.

Every Director shall have the absolute right at any reasonable time to inspect the Corporation's books, records, documents of every kind, physical properties and the records of each of its subsidiaries. The inspection may be made in person or by the Director's agent or attorney. The right of inspection includes the right to copy and make extracts of documents.

Section 13.5 Corporate Seal.

The Board of Directors may adopt, use and alter a corporate seal. Such seal shall be kept at the principal office of the corporation. Failure to affix the seal to corporate instruments, however, shall not affect the validity of any such instrument.

ARTICLE XIV EXECUTION OF INSTRUMENTS, DEPOSITS AND FUNDS

Section 14.1 Execution of Instruments.

The Board of Directors, except as otherwise provided in these Bylaws, may by resolution authorize any Officer or agent of the Corporation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation. Such authority may be general or confined to specific instances. Unless so authorized, no Officer, agent or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable monetarily for any purpose or in any amount.

Section 14.2 Checks and Notes.

Except as otherwise specifically determined by resolution of the Board of Directors, or as otherwise required by law, checks, drafts, promissory notes, orders for the payment of money and other evidence of indebtedness of the Corporation shall be signed by the Chief Financial Officer and be countersigned by the President of the Corporation.

Section 14.3 Deposits.

All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may select.

Section 14.4 Gifts.

The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest or devise for the purposes of this Corporation.

ARTICLE XV CONSTRUCTION AND DEFINITIONS

Unless the context requires otherwise, the general provisions, rules of construction and definitions in the California Nonprofit Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of the above, the masculine gender includes the feminine and neuter, the singular number includes the plural, the plural number includes the singular, and the term “person” includes both the Corporation and a natural person.

ARTICLE XVI AMENDMENTS

Amendments.

The Board of Directors may, adopt, amend or repeal these Bylaws. Notwithstanding the foregoing, the following amendments or modifications to these Bylaws will also require approval by the Members entitled to vote and in good standing with the Corporation:

- (a) Any amendments or modifications to these Bylaws that materially affect Members' voting rights, including but not limited to increasing or decreasing quorum requirements, proxy rights and cumulative voting; and
- (b) any amendments or modifications to these Bylaws that alter the number and/or term of Directors to serve on the Board.

CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting Secretary of THE HOUSE OF SWEDEN, INC., a California nonprofit public benefit corporation; that these amended and restated Bylaws, consisting of 31 pages, including this page, are the Bylaws of this Corporation as adopted by the Board of Directors on May 8, 2007; and that these amended and restated Bylaws have not been amended or modified since that date.

Carol K. Kerr
Secretary