

**ASSOCIATION OF DESK AND DERRICK CLUBS  
NEW CLUB ORGANIZATION GUIDE**

Clubs forming in the United States

The New Club Organization Guide (Guide) is designed to provide information and assistance to groups who are considering affiliation with the Association of Desk and Derrick Clubs (ADDC).

The Guide contains:

1. Letter Requesting Affiliation (page 17)
2. Request for Group Exemption (page 18)
3. Document Transmittal Form (page 16)

The following items are available from the Regional Director:

4. Association of Desk and Derrick Clubs Bylaws
5. Association of Desk and Derrick Clubs Current Officer List
6. Association of Desk and Derrick Clubs Club Bylaws Review Committee Manual
7. Membership Applications (ADDC 12)
8. Transmittal Form for payment of ADDC Dues (ADDC 13)
9. New Officers Form (ADO 31)

These items should be obtained from your local IRS and state offices:

1. U.S. Internal Revenue Form:  
SS-4, Application for Employer Identification Number
2. Documents required by your State (Secretary of State or equivalent agency) for Charter of Incorporation.

## TABLE OF CONTENTS

General Instructions .....	1
Overview of Steps Necessary to Form a New Club .....	2
First Organizational Meeting Agenda.....	3
First Organizational Meeting Procedures.....	4
Interim Organizational Work .....	6
Second Organizational Meeting Agenda.....	7
Second Organizational Meeting Procedures.....	8
Third Organizational Meeting Agenda.....	10
Third Organizational Meeting Procedures.....	11
Final Instructions Before Affiliation.....	12
Final Instructions Following Affiliation .....	13
Legal Requirements .....	14
Glossary .....	15
Document Transmittal Form .....	16
Letter Requesting Affiliation.....	17
Request for Group Exemption .....	18
Attachment: IRS Form SS-4 Example – Application for Employer Identification Number	

## GENERAL INSTRUCTIONS

1. All correspondence and contact must be through the Regional Director.
2. Refer to the ADDC Bylaws, Standing Rules, and Code of Ethics for guidance.
3. Use the latest edition of Robert's Rules of Order Newly Revised as a guide. It is the parliamentary authority on all matters not specifically covered by the bylaws.
4. The individuals who work toward the formation of a Desk and Derrick Club must be eligible for membership as set forth in Article VI of the ADDC Bylaws. Also, please refer to Article VI – Club Membership, Section 2. (b) concerning individuals who are members of another club. It is recommended that all eligible petroleum, energy, and allied industry companies in the local area be represented.
5. To form a club, the nucleus group should obtain sufficient members for affiliation. The ADDC Bylaws state "Minimum annual dues for each club shall be the total amount of Association dues for six members." To function effectively, at least fifteen members are recommended.
6. Contact should be made in person or by letter when seeking potential members, rather than by public announcements. Personnel departments may be helpful in contacting potential members within their company.
7. The Regional Director or a designee must meet with individuals wishing to organize a Desk and Derrick Club. If the potential for a club exists, the Regional Director selects one individual to be responsible for the Guide.
8. The **name Desk and Derrick may not be used** until the organizing club has received its official affiliation announcement from the Regional Director. However, in the interim the organizing club may use the name: "Proposed Desk and Derrick Club of...."
9. Three formal organizational meetings may be necessary to complete all matters required for affiliation. Additional meetings may be scheduled at the discretion of the Regional Director and the organizing body.

## **OVERVIEW OF STEPS NECESSARY TO FORM A NEW CLUB**

1. First organizational meeting.
2. Begin drafting club bylaws.
3. Contact the Chairman of the ADDC Tax Exempt – U.S. Committee about being covered under the Association Group Exemption for federal income tax purposes.
4. Contact the state and county agencies for information on any required legal documents.
5. Second organizational meeting.
6. Finalize club bylaws, if possible.
7. Third organizational meeting.
8. Finalize required documents and bylaws, if necessary.
9. Send required documents to the Regional Director and the ADDC Club Bylaws Review Committee.
10. Wait for approval of club affiliation.
11. Finalize legal forms and send to respective agencies.
12. Send legal forms to the Regional Director when approval has been received from the agencies.

(The above steps and the organizational meeting agendas and procedures that follow may possibly be completed in two meetings.)

## **FIRST ORGANIZATIONAL MEETING AGENDA**

(Regional Director or designated representative should be present.)

These are suggested guidelines to help the group organize. The group may wish to cover additional items if time allows.

1. Designated individual calls the meeting to order. Review ADDC structure and history.
2. The first order of business will be to elect a temporary chairman (chairman pro tem) who will serve as the presiding officer, temporary secretary (secretary pro tem) and temporary treasurer (treasurer pro tem).
3. The secretary pro tem shall record the minutes of the meeting including the names of those in attendance.
4. Select a club name.
5. Adopt a resolution to form a club.
6. Appoint a Bylaws Committee. The duty of this committee shall be to draft the bylaws for the club to be presented at a later meeting.
7. Establish a deadline for enrollment of charter members.
8. Discuss legal requirements for organizing.
9. Conduct other business as needed.
10. Set the next meeting date.

## FIRST ORGANIZATIONAL MEETING PROCEDURES

The first meeting should be at a location conducive to handling a business meeting. The person who has been designated as responsible for the Guide calls the meeting to order. For detailed instructions, see the latest edition of Roberts Rules of Order Newly Revised.

### 1. Review Desk and Derrick Structure and History.

The person calling the meeting to order introduces the Regional Director or a designated representative to provide background and historical information about the Association of Desk and Derrick Clubs. Time should be allowed for questions and answers. The Regional Director or the designated representative will preside until a temporary chairman is elected.

### 2. Elect a Chairman Pro Tem, Secretary Pro Tem, and Treasurer Pro Tem (referred to as Chairman, Secretary and Treasurer respectively in this document).

The Regional Director or the designated representative calls for nominations from the floor for the office of chairman. The election is held by voice vote. After the chairman has been elected, he/she becomes the presiding officer. Election of the secretary and the treasurer is handled in the same manner. After the elections, the chairman, secretary, and treasurer assume their respective office responsibilities until the bylaws are adopted and permanent officers are elected.

### 3. The Secretary shall record the minutes for all organizational meetings and shall record the names of all in attendance including but not limited to:

1. Name
2. Addresses (home and office and preferred mailing address)
3. Telephone, fax numbers and e-mail address (home and office)
4. Company where employed

### 4. Select a club name.

The club name must include the words Desk and Derrick, but frequently the name of the city in which the club is located is not included as part of the club name, e.g.:

Desk and Derrick Club of Little Egypt - located in Mt. Vernon, IL.  
North Harris/Montgomery Counties – located in Houston, TX.

It would be **inappropriate** to use the name of the city when forming a club in a metropolitan area where a club already exists using that city's name. A group is not allowed to use the name Desk and Derrick until officially affiliated with the Association of Desk and Derrick Clubs. However, it is acceptable to use the name, "**Proposed** Desk and Derrick Club of...."

### 5. Prepare and adopt a resolution to form a club.

A suitable resolution, may be in the following form:

"Resolved, it is the intent of this meeting that a Desk and Derrick Club be formed in accordance with the procedures of the Association of Desk and Derrick Clubs "*New Club Organization Guide*."

Motion to adopt the resolution should be made and seconded, and after being restated by the Chairman, is open to debate and amendment. Such a resolution is only a declaration of intention; its adoption does not bring the organization into being. Affiliation with ADDC requires several more steps.

6. Appoint a Bylaws Committee.

A motion should be made and adopted that a committee (usually three to five members) be appointed by the Chairman to draft the bylaws for the proposed club.

The committee should refer to the Association Bylaws and the sample bylaws for provisions pertinent for inclusion in the new club bylaws. All committee members present may discuss and vote on various aspects of the bylaws such as:

- A. Dues
- B. Officer structure
- C. Length of officer terms
- D. Duties of officers and board members
- E. Meeting date schedule
- F. Meeting time schedule
- G. Membership

The club officer structure does not have to be the same as set forth in the sample bylaws or in the Association bylaws.

7. Establish a deadline for enrollment of charter members.

A deadline must be set for receipt of charter membership applications and dues prior to the second organizational meeting. The deadline should be established within two weeks following this first organizational meeting to allow the Treasurer time to prepare the charter membership list.

8. Discuss legal requirements.

Contact the ADDC Tax Exempt – U.S. Committee Chairman for help in filing IRS Form SS-4 and obtaining inclusion under the ADDC group exemption number \*.

\*The Association of Desk and Derrick Clubs is a tax-exempt organization within the meaning of the Internal Revenue Code Section 501(c)(6), Business League, and has a group exemption for all member clubs. A letter requesting inclusion in the Association's group exemption list is the only requirement. (Page 18)

If there is an existing club(s) in the city in which a club is proposed, the Regional Director should inform the club(s) of the intent to organize a new club.

Decide which officer will contact your state agency regarding requirements for registering in your state.

9. Conduct other business as needed.

10. Set the next meeting date.

The date, time, and place of the next meeting must be selected. It is suggested that this meeting be approximately 30 days later in order to give the Bylaws Committee and the Treasurer ample time to complete their duties.

## INTERIM ORGANIZATIONAL WORK

Before the next organization meeting:

### 1. Bylaws Committee

- A. Prepare a draft of the bylaws and review them as a committee. General principles, model, and guidelines for drafting of bylaws are in the ADDC Club Bylaws Review Manual. This manual can be obtained by contacting the Regional Director. Detailed instructions are contained in the latest edition of Roberts Rules of Order Newly Revised.
- B. Be prepared to discuss bylaws item by item at the second organizational meeting. It is advisable to bring sufficient copies of the proposed bylaws for all attendees.

### 2. Secretary

- A. Prepare minutes of the first organizational meeting and be prepared to read at the next organizational meeting.
- B. Obtain sufficient Membership Application forms from the Regional Director for distribution at the second organizational meeting. If you are a charter member, please note this in the field for type of membership on the application. All members joining after the charter membership deadline should simply be noted as a member.

### 3. Treasurer

- A. Establish a temporary two-party bank account in the names of the Chairman and the Treasurer. A permanent bank account cannot be opened until the club has been affiliated.
- B. As charter membership applications are received:
  - (1) Be sure form is completed correctly.
  - (2) Be sure any proposed charter members already belonging to a Desk and Derrick Club have resigned from that club. Refer to ADDC Bylaws, Article VI –Club Membership, Section 2. (b) “Membership may not be held concurrently in more than one Desk and Derrick Club.” These individuals will have to pay member dues in full. Individuals requesting membership after the charter member deadline date and after the club has been approved for affiliation with ADDC can simply transfer their membership from their current club to the new club.
  - (3) Be sure a check is attached and made payable to both the Chairman and the Treasurer.
  - (4) Deposit checks in the temporary account.
  - (5) After the charter membership enrollment deadline, prepare an alphabetical list of charter members.
  - (6) Send one copy of the charter membership list to the Chairman, the Secretary and reserve a copy for the Chairman of the Club’s Nominating Committee.



## **SECOND ORGANIZATIONAL MEETING AGENDA**

1. Charter member roll call
2. Read and approve minutes
3. Bylaws Committee report
4. Read and discuss the Bylaws item by item
  - A. Prepare the necessary changes, corrections, and additions, if minor
  - B. Adopt bylaws, if possible. If not, postpone adoption until the next meeting.
5. Elect a Nominating Committee
6. Conduct other business as needed
7. Set the next meeting date

## SECOND ORGANIZATIONAL MEETING PROCEDURES

1. Charter member roll call.

After the Chairman has called the meeting to order, the Treasurer should make a roll call of charter members and note those present at this meeting.

2. Read and approve minutes.

The Secretary reads the minutes of the first organizational meeting and the members present make corrections, if necessary, and approve as read or as corrected.

3. Bylaws Committee report.

The Bylaws Committee presents its report. Included in the report should be the number of times the committee met and how the committee reached its agreement in regards to the content of the proposed bylaws. A statement that the proposed bylaws are not in conflict with ADDC bylaws should be noted in the report as well.

At the conclusion of the report, the Bylaws Committee Chairman should state, "I move the adoption of the bylaws as drafted by this committee." No second is necessary since a committee of more than one person offers the motion.

4. Discuss and approve bylaws.

Since a complete set of bylaws at an organizational meeting is presented article-by-article or section-by-section, the chair should use the following procedure:

Chairman: "The question is on the adoption of the bylaws as proposed by the Bylaws Committee. The Bylaws Committee Chairman (or Secretary) will now read the proposed bylaws."

(After each article or section is read, it may be opened to debate or amendment. No section or article should be adopted by vote until all have been opened to amendment.)

Each article is then read. After each one has been completed, the Chairman gives the opportunity to insert additional paragraphs or sections, and to correct any inconsistency or oversight that may have occurred during the process of amendment as follows:

Chairmen: "The entire set of bylaws is now open for amendment. Are there any further amendments?"

(When there are no further amendments to the proposed bylaws, they are submitted for adoption.)

Chairman: "The question is on the adoption of the bylaws. Those in favor of adopting the bylaws say "Aye." Those opposed say "No." (If there is any doubt in regards to the vote, the Chairman should call for a rising vote, and if necessary, direct that a count be made as described in the latest edition of Robert's Rules Of Order Newly Revised.)

Unlike the case of amending the bylaws of an organization already established, the adoption of the bylaws through which a club is brought into being requires only a **majority vote**. (A negative vote on their adoption can be reconsidered, but not an affirmative one.)

The approved bylaws shall be submitted to the ADDC Club Bylaws Review Committee and the ADDC President for approval. The bylaws take effect immediately upon **approval by the Club Bylaws Review Committee and the ADDC President**.

**NOTE:** If the amendment changes, corrections and additions will require time or investigation to prepare, therefore postpone approval and resubmit at the next meeting. If at all possible, the bylaws should be approved at this second organizational meeting. At this point, the Chairman should instruct the Bylaws Committee Chairman to prepare the proposed letter requesting affiliation with the Association of Desk and Derrick Clubs. (See attachment for a sample letter on page 17).

5. Elect a Nominating Committee.

The Nominating Committee should consist of at least three members. The committee's works should commence immediately. It shall accept nominations for the new club officers as stipulated in the club bylaws.

6. Conduct other business as needed.

7. Set the next meeting date.

## **THIRD ORGANIZATIONAL MEETING AGENDA**

1. Charter member roll call
2. Read and approve minutes
3. Bylaws Committee Report (If the bylaws were not adopted at second organizational meeting.)
4. Report of Nominating Committee
5. Election of Officers
6. Conduct other business as needed
7. Set the next meeting date

## THIRD ORGANIZATIONAL MEETING PROCEDURES

1. Charter member roll call.

After the Chairman has called the meeting to order, the Treasurer should make a roll call of charter members and note those present at this meeting.

2. Read and approve minutes.

The Secretary reads the minutes of the second organizational meeting and the members present make corrections, if necessary, and approve as read or as corrected.

3. Bylaws Committee Report. (If necessary)

If the bylaws were not adopted at the second organizational meeting, an abbreviated version of that section of the second meeting should be followed.

4. Report of the Nominating Committee.

The Chairman states: "The next order of business is the nomination and election of the club officers as prescribed in the bylaws. May we have the Nominating Committee report?"

The Nominating Committee Chairman presents the slate of officers.

5. Election of officers.

The Chairman conducts the election of officers. As a guide, use parliamentary procedures for the election process of organizational officers as described in the latest edition of Robert's Rules of Order Newly Revised.

After the election is completed, the Chairman announces the results. Unless a proviso attached to the bylaws states otherwise, the newly elected officers take office immediately thus replacing the Chairman Pro Tem, Secretary Pro Tem, and Treasurer Pro Tem.

The Chairman relinquishes the chair to the President. The officers of the newly proposed club will serve the term of office as stated in the club's bylaws. The temporary officers shall immediately turn their files over to the new club officers.

6. Conduct other business as needed.

7. Set the next meeting date.

## **FINAL INSTRUCTIONS BEFORE AFFILIATION**

### **PREPARATION AND MAILING OF REQUIRED DOCUMENTATION**

#### 1. President

- A. Follow up on the transfer of files from the temporary Chairman, Secretary and Treasurer to the new officers.
- B. The President should work closely with the newly elected officers to complete preparation of the remainder of the documents required for affiliation as described below.
- C. Prepare the enclosed Document Transmittal Form as documents are completed. (Page 16)
- D. Send the Document Transmittal Form and listed documents to the Regional Director.

The last three items listed on the transmittal that pertain to federal and state documents will probably be sent at a later date with a separate transmittal form. Most states require copies of organization documents, including bylaws, before proceeding. The Association will need copies of these documents (if required by your state) but they are not necessary for affiliation approval.

#### 2. Treasurer

- A. Prepare the official membership list using the Transmittal List for ADDC Membership Dues Form obtained from the Regional Director. Forward two copies and a check signed by the Chairman and the Secretary for Association dues to the newly elected President for inclusion in the Document Transmittal packet.
- B. Work closely with the Chairman Pro Tem and the Treasurer Pro Tem to meet any club debts made before affiliation using the temporary two-party bank account.

#### 3. Secretary

Prepare the New Club Officer Form obtained from the Regional Director. Forward two copies to the newly elected President, for inclusion in the Document Transmittal packet.

## **FINAL INSTRUCTIONS FOLLOWING AFFILIATION**

### 1. President

A. A membership packet will be received from the Association Distribution Office (ADO). Included in this packet will be a membership card, member handbook and an ADDC pin for all new members.

B. Always work closely with your Regional Director.

C. Tax exempt status.

Upon receipt of the final papers, forward two copies to the Regional Director and retain one copy for the permanent files of the club.

D. Evidence of registration within the state. (If required by your state.)

Upon receipt of the final papers, forward two copies to the Regional Director, and retain one copy for the permanent files of the club.

E. At the first board meeting, it is suggested that the board review the club bylaws in regards to duties of each officer.

### 2. Treasurer

Open a permanent nonprofit bank account as required by local banking laws.

## LEGAL REQUIREMENTS

### 1. Legal requirements

#### A. Tax Exempt Status

The Association of Desk and Derrick Clubs is a tax exempt organization within the meaning of the Internal Revenue Code Section 501(c)(6), Business League, and has a group exemption for all member clubs. A letter requesting addition to the Association's group exemption list is the only requirement. (Page 18)

#### B. Form SS-4

Internal Revenue Service Form SS-4, Application for Employer Identification Number, **does** need be completed and filed. The form is relatively simple to complete. The Chairman of the ADDC Tax Exempt Committee – U.S. will assist with the required information. A sample is attached. The latest edition of the form can be accessed on the IRS website and can be filed online for immediate attention.

#### C. Charter of Incorporation (If required by your state or county)

Choose an officer to contact your state agency ( Secretary of State or equivalent agency) regarding requirements for registering in your state.

If it is legally required in the state or county, or if the club is incorporating, the Chairman or the Secretary should consult with the Regional Director for guidance.

If law requires a charter, it should be drafted with the help of an attorney. Company attorneys are often helpful in this regard since the proposed club currently has no funds.

When the tax-exempt charter (or articles of incorporation) is completed, it is presented for signature at the next meeting. When approved, the charter should be returned to the attorney for handling through state legal procedures or other appropriate body.

The Legal documents are required for a club to operate. They are **NOT** required to obtain your affiliation certificate from the Association. After the official documents are received, forward to the Regional Director using the Document Transmittal Form that is enclosed. (Page 16)



## GLOSSARY

### **ASSOCIATION BOARD OF DIRECTORS**

The Association Board of Directors consists of thirteen members: seven Regional Directors elected by the member clubs in the respective regions, five officers elected by the member clubs at the annual convention, and the immediate past president.

### **ASSOCIATION DISTRIBUTION OFFICE (ADO)**

A paid employee in Tulsa, Oklahoma staffs the permanent office of the Association of Desk and Derrick Clubs. This office is administered by the Board of Directors and its employee reports directly to the President of the Association. The office is located at 5153 E. 51st Suite 107, Tulsa, OK 74145. The telephone number is (918)622-1749; fax number is (918) 622-1675; email: adotulsa@swbell.net.

### **ASSOCIATION OF DESK AND DERRICK CLUBS (ADDC)**

An international association founded in 1951 and composed of affiliated member clubs. The governing body (ADDC Board of Directors) sets out the overall principles and policies for the Association. Each local club has its own Board of Directors.

### **ADDC OFFICIAL MOTTO**

The motto of the Association is "GREATER KNOWLEDGE - GREATER SERVICE."

### **ADDC OFFICIAL PURPOSE**

The purpose of the Association shall be to promote the education and professional development of individuals employed in or affiliated with the petroleum, energy, and allied industries, and to educate the general public about these industries.

### **ADDC OFFICIAL MISSION STATEMENT**

To enhance and foster a positive image to the global community by promoting the contribution of the petroleum, energy, and allied industries through education, by using all resources available.

### **BYLAWS**

The bylaws of this organization are regulations, requirements, direction, and organizational statements for successful club affiliation.

Sample bylaws are in the ADDC Club Bylaws Review Committee manual. Club bylaws may differ from the sample bylaws as long as they are not in conflict with official ADDC Bylaws, Standing Rules and Code of Ethics.

### **CODE OF ETHICS**

The Code of Ethics is a set of standards for members conduct. The entire section should be printed verbatim in the club bylaws.

### **REGION**

Geographic areas of the United States and Canada. Regional Directors act as liaison between the member clubs in their respective region and the Association.

### **STANDING RULES**

Some club bylaws are written in a specific and restrictive manner, while other clubs choose a less restrictive manner. Each club has the option of establishing standing rules that relate to the details of administration, such as meeting dates, etc. Standing rules are usually easier to change than bylaws.



ASSOCIATION OF DESK AND DERRICK CLUBS

DOCUMENT TRANSMITTAL  
PROPOSED DESK AND DERRICK CLUB  
OF \_\_\_\_\_

Prepare in Triplicate: Forward two copies to Regional Director, Retain one for club files.

The following document(s) is (are) enclosed

- Cover letter requesting affiliation
- Club Bylaws
- Transmittal List for ADDC Membership Dues (Check enclosed in amount of \$\_\_\_\_\_)
- New Club Officer Form
- Evidence of Tax Exempt Status
- Charter of Incorporation (Association) (If applicable)
- Evidence of Registration within the State (If prescribed by State Law)

Chairman or  
President \_\_\_\_\_

Date \_\_\_\_\_

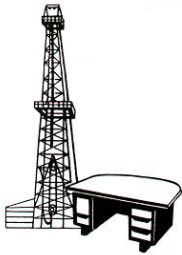
Address \_\_\_\_\_

Telephone (\_\_\_\_) \_\_\_\_\_ e-mail: \_\_\_\_\_

Received by Regional Director  
(Signature)

Date

Regional Director is required to sign and return a copy of the transmittal form to the proposed club.



## ASSOCIATION OF DESK AND DERRICKS CLUBS

### LETTER REQUESTING AFFILIATION

The Proposed Desk and Derrick Club of \_\_\_\_\_ hereby requests affiliation with the Association of Desk and Derrick Clubs. Organizational Meetings were held on \_\_\_\_\_, \_\_\_\_\_, and \_\_\_\_\_.

We are enclosing the Document Transmittal Form appropriately marked for the enclosed documents.

We, the undersigned Chairman and Temporary Secretary of the Proposed Desk and Derrick Club of \_\_\_\_\_, do hereby certify that the attached bylaws is a true and complete copy as adopted by the membership of said club on \_\_\_\_\_.

\_\_\_\_\_  
Chairman

\_\_\_\_\_  
Address  
\_\_\_\_\_

\_\_\_\_\_  
Telephone

\_\_\_\_\_  
e-mail

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Address  
\_\_\_\_\_

\_\_\_\_\_  
Telephone

\_\_\_\_\_  
e-mail

**ASSOCIATION OF DESK AND DERRICK CLUBS**  
**REQUEST FOR GROUP EXEMPTION**

TO: ADDC Tax Exempt Committee Chairman – U. S.

We the undersigned of (Proposed) Desk and Derrick Club of \_\_\_\_\_  
hereby request inclusion in the Association Group Exemption for federal income tax purposes. Please  
forward the GEN number so that we may apply for our federal identification number.

\_\_\_\_\_  
Chairman

\_\_\_\_\_  
Address

\_\_\_\_\_  
Telephone

\_\_\_\_\_  
e-mail

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Address

\_\_\_\_\_  
Telephone

\_\_\_\_\_  
e-mail

(This form may be forwarded to the Regional Director with the club bylaws or at any time after the proposed club has decided to be covered under the Association Group Exemption. Forward using the enclosed Document Transmittal Form.)