



FEDERAL RESERVE BANK
OF DALLAS

WILLIAM H. WALLACE
FIRST VICE PRESIDENT
AND CHIEF OPERATING OFFICER

DALLAS, TEXAS 75222

May 10, 1988

Circular 88-32

TO: The Chief Executive Officer of all
member banks and others concerned in
the Eleventh Federal Reserve District

SUBJECT

Over-the-counter (OTC) Margin Stocks

DETAILS

The Board of Governors of the Federal Reserve System has revised the list of over-the-counter (OTC) stocks that are subject to its margin regulations. These revisions are effective immediately, and are additions to the OTC list published February 8, 1988.

Federal Reserve Banks publish a complete list once a year and publish supplements of additions to and deletions from the list three times a year. The complete list of OTC stocks effective February 8, 1988, is available from the Public Affairs Department.

ATTACHMENTS

Revisions, as published by the Federal Register, are attached. These revisions are effective as of May 9, 1988.

MORE INFORMATION

For further information regarding marginable OTC stock requirements, please contact Dean A. Pankonien at (214) 651-6228. For a copy of the February 8, 1988, list of OTC stocks, please call Tony West at (214) 651-6266.

Sincerely yours,

A handwritten signature in cursive script that reads "William H. Wallace".

For additional copies of any circular please contact the Public Affairs Department at (214) 651-6289. Banks and others are encouraged to use the following incoming WATS numbers in contacting this Bank (800) 442-7140 (intrastate) and (800) 527-9200 (interstate).

FEDERAL RESERVE SYSTEM**12 CFR Parts 207, 220, 221 and 224****Regulations G, T, U and X; Securities Credit Transactions; List of Marginable OTC Stocks**

AGENCY: Board of Governors of the Federal Reserve System.

ACTION: Final rule; determination of applicability of regulations.

SUMMARY: The List of Marginable OTC Stocks is comprised of stocks traded over-the-counter (OTC) that have been determined by the Board of Governors of the Federal Reserve System to be subject to the margin requirements under certain Federal Reserve regulations. The List is published four times a year by the Board as a guide for lenders subject to the regulations and the general public. This document sets forth additions to or deletions from the previously published List effective February 8, 1988, and will serve to give notice to the public about the changed status of certain stocks.

EFFECTIVE DATE: May 9, 1988.

FOR FURTHER INFORMATION CONTACT: Peggy Wolfrum, Securities Regulation Analyst, Division of Banking Supervision and Regulation, (202) 452-2781. For the hearing impaired *only*, Earnestine Hill or Dorothea Thompson, Telecommunications Device for the Deaf (TDD) (202) 452-3544, Board of Governors of the Federal Reserve System, Washington, DC 20551.

SUPPLEMENTARY INFORMATION: Set forth below are stocks representing additions to or deletions from the Board's List of Marginable OTC Stocks. A copy of the complete List incorporating these additions and deletions is available from the Federal Reserve Banks. This List supersedes the last complete List which was effective February 8, 1988. (Additions and deletions for that List were published at 53 FR 2998, February 3, 1988). The current List includes those stocks that meet the criteria specified by the Board of Governors in Regulations G, T, U and X (12 CFR Parts 207, 220, 221 and 224, respectively). These stocks have the degree of national investor interest, the depth and breadth of market, and the availability of information respecting the stock and its issuer to warrant regulation in the same

fashion as exchange-traded securities. The List also includes any stock designated under an SEC rule as qualified for trading in the national market system (NMS Security). Additional OTC stocks may be designated as NMS securities in the interim between the Board's quarterly publications. They will become automatically marginable at broker-dealers upon the effective date of their NMS designation. The names of these stocks are available at the Board and the Securities and Exchange Commission and will be incorporated into the Board's next quarterly List.

The requirements of 5 U.S.C. 553 with respect to notice and public participation were not followed in connection with the issuance of this amendment due to the objective character of the criteria for inclusion and continued inclusion on the List specified in 12 CFR 207.6 (a) and (b), 220.17 (a) and (b), and 221.7 (a) and (b). No additional useful information would be gained by public participation. The full requirements of 5 U.S.C. 553 with respect to deferred effective date have not been followed in connection with the issuance of this amendment because the Board finds that it is in the public interest to facilitate investment and credit decisions based in whole or in part upon the composition of this List as soon as possible. The Board has responded to a request by the public and allowed a two-week delay before the List is effective.

List of Subjects*12 CFR Part 207*

Banks, Banking, Credit, Federal Reserve System, Margin, Margin requirements, National Market System (NMS Security), Reporting and recordkeeping requirements, Securities.

12 CFR Part 220

Banks, Banking, Brokers, Credit, Federal Reserve System, Margin, Margin requirements, Investments, National Market System (NMS Security), Reporting and recordkeeping requirements, Securities.

12 CFR Part 221

Banks, Banking, Credit, Federal Reserve System, Margin, Margin requirements, National Market System (NMS Security), Reporting and recordkeeping requirements, Securities.

12 CFR Part 224

Banks, Banking, Borrowers, Credit, Federal Reserve System, Margin, Margin requirements, Reporting and recordkeeping requirements, Securities.

Accordingly, pursuant to the authority of sections 7 and 23 of the Securities Exchange Act of 1934, as amended (15 U.S.C. 78g and 78w), and in accordance with 12 CFR 207.2(k) and 207.6(c) (Regulation G), 12 CFR 220.2(s) and 220.17(c) (Regulation T), and 12 CFR 221.2(j) and 221.7(c) (Regulation U), there is set forth below a listing of deletions from and additions to the Board's List:

Deletions From List*Stocks Removed for Failing Continued Listing Requirements*

American Cruise Lines, Inc.
\$.01 par common
Barton Industries, Inc.
\$.01 par common
Brentwood Instruments, Inc.
No par common
Burnham Service Corporation
No par common
Burton/Hawks, Inc.
.01 par common
Cel Communications, Inc.
\$.01 par common
Chesapeake Industries, Inc.
\$1.00 par common
Commonwealth Savings Association
No par common
Community Savings Bank
\$.10 par common
Community Shares Ltd.
\$.10 par common
Continental Federal Savings & Loan Association (Oklahoma)
\$.01 par common
Control Laser International Corporation
\$.01 par common
CPL Real Estate Investment Trust
No par shares of beneficial interest
Craft World International, Inc.
\$.01 par common
Cushman Electronics, Inc.
No par common
Delta Data Systems Corp.
\$.01 par common
Desinghouse International, Inc.
\$.10 par common
Diversified Human Resources Group, Inc.
\$.10 par common
Eldorado Motor Corporation
No par common
Equipment Company of America Inc.
\$.10 par common
First Interstate Corporation of Alaska
\$2.00 par common
Florafax International, Inc.
\$.06 $\frac{3}{4}$ par common
General Kinetics Incorporated
\$.25 par common
IDC Services Inc.
\$.25 par common
Magma Energy, Inc.
\$.02 par common

Melridge, Inc. \$.01 par common	Addison-Wesley Publishing Company, Inc. Class B, no par common	preferred Series B, \$1.00 par convertible preferred
Merchant Bank of California, The No par common	Allied Bancshares, Inc. (Texas) \$1.00 par common	First Fidelity Bancorporation Series C, \$4.00 par cumulative convertible preferred
Mid Pacific Air Corporation No par common	Alternacare Corporation \$.05 par common	First Republic Bancorp, Inc. \$.01 par common
National Royalty Corporation \$.01 par common	Apple Bank for Savings (New York) \$1.00 par common	First Jersey National Corporation \$5.00 par common Series B, \$1.00 par cumulative convertible preferred
Neti Technologies Inc. No par common	Baltimore Bancorp (Maryland) \$5.00 par common	First Valley Corporation \$1.00 par common
Northview Corporation \$.01 par common	Barr Laboratories, Inc. \$.01 par common	Florida Commercial Banks, Inc. \$1.00 par common
Nova Pharmaceutical Corp. Class A, warrants (expire 02-05-88)	Birmingham Steel Corporation \$.01 par common	Frost & Sullivan, Inc. \$.01 par common
Occidental/Nebraska Federal Savings Bank \$1.00 par common	BR Communications No par common	Gainsco, Inc. \$.01 par common
Occupational Medical Corporation of America, Inc. No par common	Buffton Corporation \$.05 par common	Genentech, Inc. \$.02 par common
Paperboard Industries Corporation No par common	Businessland, Inc. No par common	Genmar Industries, Inc. \$.01 par common
Po Folks, Inc. \$.10 par common	5½% convertible subordinated debentures	Gibson, C.R. Company, The \$.10 par common
Poe & Associates, Inc. \$.10 par common	8% convertible subordinated debentures	Great Western Savings Bank \$.01 par common
Pre-Paid Legal Services, Inc. Warrants (exp. 11-30-88)	California Energy Company, Inc. \$.0675 par common	Horizons Research, Inc. No par common
Preway Inc. \$.50 par common	Calny, Inc. \$.01 par common	Incstar Corporation \$.01 par common
Pullman Company Warrants (exp. 02-24-88)	Careercom Corporation \$.01 par common	Innovative Software Inc. \$.01 par common
Roadrunner Enterprises, Inc. No par common	CCC Information Services, Inc. \$.01 par common	International Telecharge, Inc. \$.01 par common
Rockwood National Corporation No par common	Central Bancorporation, Inc. (Ohio) \$5.00 par common	Iverson Technology Corp. \$.01 par common
Savoy Industries, Inc. \$.01 par common	Central Wisconsin Bankshares, Inc. \$.50 par common	Kincaid Furniture Company, Inc. \$1.33½ par common
Shatterproof Glass Corporation \$.50 par common	Chase Medical Group, Inc. \$.01 par common	Life Investors Inc. \$1.00 par common
Shoreline Savings Bank \$.50 par common	Collins Industries, Inc. \$.10 par common	Linear Corporation \$.01 par common
Sigmaform Corporation \$.11335 par common	Columbia Pictures Entertainment \$.10 par common	Marine Corp. (Wisconsin) \$2.50 par common
Stewart Sandwiches, Inc. \$1.00 par common	Warrants (expire 06-01-92)	Metrobank N.A. (California) \$1.66 par common
Sunworld International Airways, Inc. \$.20 par common	Warrants (expire 12-31-93)	Morgan Products Ltd. \$.10 par common
Telemation, Inc. \$.01 par common	Craft House Corporation \$.10 par common	North American Communications Corporation \$.01 par common
Tots Plus, Inc. \$.01 par common	Cycare Systems, Inc. \$.01 par common	Norwesco, Inc. \$.10 par common
Triton Energy Corporation Warrants (expire 11-15-89)	Crossland Savings, FSB (New York) \$1.00 par common	Owens and Minor Inc. \$2.00 par common
Triton Group Ltd. Series C, \$1.20 par convertible preferred	Series A, cumulative convertible preferred	Paco Pharmaceutical Services, Inc. Warrants (expire 12-31-88)
Video Library, Inc. No par common	Series B, \$12.75 cumulative preferred	Rowley-Scher Reprographics, Inc. \$.01 par common
Waste Technology Corp. \$.01 par common	Dicomed Corporation \$.03 par common	Royal Apex Silver, Inc. \$.05 par common
Westwood Group, Inc., The \$.01 par common	Dime Savings Bank of New York, F.S.B. \$.10 par common	Scientific Systems Services, Inc. \$.01 par common
	Dixon Ticonderoga Company \$1.00 par common	Seaman Furniture Company, Inc. \$.01 par common
	EMC Corporation \$.01 par common	Shawmut Corporation
	Essex Communications Corporation Class A, \$.01 par common	
	First Empire State Corporation \$5.00 par common	
	Fidelcor, Inc. \$1.00 par common	
	Series A, \$1.00 par convertible	

Stocks Removed for Listing on a National Securities Exchange or Being Involved in an Acquisition

Aaron Brothers Art Marts, Inc.
\$.01 par common

\$5.00 par common
 Shoe City Corporation
 \$10 par common
 Software AG Systems, Inc.
 \$01 par common
 Spartech Corporation
 \$.75 par common
 Stanadyne, Inc.
 \$2.50 par common
 Sunstates Corporation
 \$10 par common
 \$25.00 par preferred
 Sylvan Learning Corp.
 \$01 par common
 Symbol Technologies, Inc.
 \$01 par common
 System Integrators, Inc.
 No par common
 Tenera, L. P.
 Units of limited partnership interest
 Westcorp
 \$1.00 par common

Additions to the List

Addington Resources, Inc.
 No par common
 Advantage Companies, Inc.
 \$1.00 par common
 Warrants (expire 10-13-89)
 Alliance Imaging Inc.
 \$01 par common
 Altera Corporation
 No par common
 American Consulting Corporation, Inc.
 \$01 par common
 Atlantic Group, Inc., The
 \$.05 par common
 Avondale Industries, Inc.
 \$1.00 par common
 Belmoral Mines Ltd.
 No par common
 Biotherapeutics Incorporated
 Series A, \$1.00 par convertible
 preferred
 Bull Run Gold Mines, Ltd.
 \$.01 par common
 Central Corporation
 \$.01 par common
 Charter One Financial, Inc.
 \$.01 par common
 Comerica Inc.
 Series B, \$4.32 par cumulative
 convertible preferred
 Compucom Systems, Inc.
 No par common
 CXR Telcom Corporation
 \$.0033 par common
 CYTRX Corporation
 \$.001 par common
 Warrants (expire 11-09-91)
 Datakey, Inc.
 \$.05 par common
 Eastern Environmental Services, Inc.
 \$.01 par common
 Eastmaque Gold Mines Ltd.
 No par common
 Empire Insurance Company
 \$1.00 par common
 Epitope, Inc.

No par common
 Evansville Federal Savings Bank
 (Indiana)
 \$1.00 par common
 Exploration Company of Louisiana, Inc.,
 The
 \$.01 par common
 Fair, Isaac and Company, Incorporated
 \$.01 par common
 First Franklin Corporation
 \$.01 par common
 First Work Cheese, Inc.
 \$.01 par common
 Warrants (expire 06-05-91)
 GBC Bancorp (California)
 No par common
 Geraghty & Miller, Inc.
 \$.01 par common
 Green, A.P. Industries, Inc.
 \$1.00 par common
 Holiday RV Superstars, Inc.
 \$.01 par common
 Home Federal Savings Bank (Indiana)
 \$.01 par common
 International Consumer Brands, Inc.
 \$.01 par common
 Iowa National Bankshares Corp.
 \$12.50 par common
 Jaco Electronics, Inc.
 \$.10 par common
 Jones Spacelink, Ltd.
 Class A, \$.01 par common
 JRM Holdings, Inc.
 \$.01 par common
 Kimmons Environmental Service Corp.
 \$.001 par common
 Maione-Hirschberg Companies, Inc.
 No par common
 Mallard Coach Company, Inc.
 \$.01 par common
 Max & Erma's Restaurants, Inc.
 \$.10 par common
 Warrants (expire 10-07-88)
 Maxim Integrated Products, Inc.
 \$.001 par common
 Midfed Savings Bank (Ohio)
 \$.01 par common
 Mobile National Corporation
 \$1.00 par common
 Monmouth Real Estate Investment Trust
 No par common
 Moto Photo, Inc.
 \$.01 par cumulative convertible
 preferred
 Warrants (expire 11-25-89)
 Mutual Federal Savings Bank, A Stock
 Corp. (Ohio)
 \$1.00 par common
 N-W Group, Inc.
 \$.01 par common
 Nevada Goldfields Corporation
 No par common
 New York Bancorp, Inc.
 \$.01 par common
 Octel Communications Corporation
 No par common
 Osborn Communications Corporation
 \$.01 par common
 Peoples Federal Savings Bank of DeKalb
 County

\$1.00 par common
 Polifly Financial Corporation
 \$.10 par common
 Portsmouth Bankshares, Inc. (New
 Hampshire)
 \$.10 par common
 Repap Enterprises Corporation
 Subordinated, voting common stock
 Republic Bancorp Inc. (Michigan)
 \$5.00 par common
 Royal Bank of Pennsylvania
 Class A, \$2.00 par common
 Sanderson Farms, Inc.
 \$1.00 par common
 Sellersville Savings and Loan
 Association (Pennsylvania)
 \$1.00 par common
 Southern Mineral Corporation
 \$.01 par common
 Taylor, S. Companies, Inc.
 \$.001 par common
 Timberline Software Corporation
 No par common
 Trans Financial Bancorp, Inc.
 (Kentucky)
 No par common
 Tudor Corporation Ltd.
 No par common
 US West Newvector Group, Inc.
 Class A, no par common
 Vanguard Cellular Systems, Inc.
 \$.01 par common
 Varitronic Systems, Inc.
 \$.01 par common
 Vitalink Communications Corporation
 \$.01 par common
 Wisconsin Toy Company, Inc.
 \$.01 par common
 Z-Seven Fund, Inc., The
 \$1.00 par common

By order of the Board of Governors of
 the Federal Reserve System acting by its
 Staff Director of the Division of Banking
 Supervision and Regulation pursuant to
 delegated authority (12 CFR 265.2(c)(18)),
 Apr. 25, 1988.

William W. Wiles,

Secretary of the Board.

[FR Doc. 88-9302 Filed 4-27-88; 8:45 am]

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