



FEDERAL RESERVE BANK
OF DALLAS

WILLIAM H. WALLACE
FIRST VICE PRESIDENT
AND CHIEF OPERATING OFFICER

August 11, 1989

DALLAS, TEXAS 75222

Circular 89-47

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, effective August 14, 1989, that are subject to its margin regulations. Federal Reserve Banks publish a complete list once a year and supplements of additions to and deletions from the list three times a year. The complete list of OTC stocks effective February 13, 1989, and the supplement of additions and deletions effective May 8, 1989, are available from the Public Affairs Department.

ATTACHMENTS

The material as published in the Federal Register announcing revisions to the list of OTC stocks effective August 14, 1989 is attached.

MORE INFORMATION

For further information regarding marginable OTC stock requirements, please contact Dean A. Pankonien at (214) 651-6228. For additional copies, please contact the Public Affairs Department at (214) 651-6266.

Sincerely yours,

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

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 which was effective May 8, 1989, and will serve to give notice to the public about the changed status of certain stocks.

EFFECTIVE DATE: August 14, 1989.

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. This supersedes the last List which was effective May 8, 1989. Additions and deletions for the List were published on April 24, 1989 (54 FR 16357). A copy of the complete List incorporating these additions and deletions is available from the Federal Reserve Banks.

The List of Marginable OTC Stocks includes those stocks that meet the criteria in Regulations G, T and U (12 CFR Parts 207, 220 and 221, respectively). This determination also affects the applicability of Regulation X (12 CFR Part 224). 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 a Securities and Exchange Commission (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 SEC 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 of Marginable OTC Stocks:

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

American Carriers, Inc.
No par common
American Continental Corporation
\$.01 par common
\$1.00 par exchangeable preferred
American Insured Mortgage Investors
'84
Depository units of limited partnership interest
Animed, Inc.
\$.01 par common
Applied Data Communications, Inc.
\$.01 par common
Aris Corporation
\$.01 par common
ASK Corporation
No par common
Associated Companies, Inc.
No par common
Avant-Garde Computing, Inc.
No par common
BI Incorporated
No par common
Big Bear, Inc.
\$.01 par common
Bio-Technology General Corp.
\$.01 par common
Biomerica Inc.
\$.04 par common
Bombay Palace Restaurants, Inc.
\$.01 par common
BSD Medical Corporation—Delaware
\$.01 par common
Butler National Corporation
\$.10 par common
Candela Laser Corporation
\$.01 par common
Carolin Mines, Ltd.
Class A, no par common
Celina Financial Corporation
Class A, \$.50 par common
Chaparral Resources, Inc.
\$.10 par common
Charlotte Charles, Inc.
\$.10 par common
Charter-Crellin, Inc.
\$.01 par common
Chemex Pharmaceuticals, Inc.
Warrants (expire 05-29-89)
Class 1, warrants (expire 05-20-90)
Circle Express, Inc.
No par common
CMS Advertising, Inc.
\$.01 par common
Colorocs Corporation
Class D, warrants (expire 05-04-89)

Comcast Corporation	No par common	\$.10 par common
5½% convertible subordinated debentures	New Visions Entertainment Corporation	Brandywine Savings & Loan Association (Pennsylvania)
Commonwealth Mortgage Company, Inc.	\$.001 par common	\$1.00 par common
\$.10 par common	Series A, par cumulative convertible preferred	Brinkman Instruments, Inc.
Comp-U-Check, Inc.	Nucorp, Inc.	\$.01 par common
\$.10 par common	Warrants (expire 10-31-89)	Brintec Corporation
Costco Wholesale Corporation	OCG Technology, Inc.	\$.01 par common
7¼% convertible subordinated debentures	\$.10 par common	Cadnetix Corp.
Crescott, Inc.	Olson Industries, Inc.	\$.01 par common
\$.001 par common	\$3.00 par common	Cherokee Group, The
De Tomaso Industries, Inc.	Paper Corporation of America	No par common
\$.25 par common	Series B, \$.01 par preferred stock	Colonial American Bankshares Corporation
Dest Corporation	Ragen Corporation	\$5.00 par common
\$.01 par common	\$.125 par common	Component Technology Corp.
Digitech, Inc.	Regina Company, Inc., The	\$.01 par common
\$.10 par common	\$.0001 par common	Conversion Industries, Inc.
Eagle Telephonics, Inc.	Reliable Life Insurance Company, Inc.	No par common
\$.01 par common	Class A, \$1.00 par common	CPI Corporation
Electro-Catheter Corporation	Ridgewood Properties, Inc.	\$.40 par common
\$.10 par common	\$.01 par common	Criterion Group, Inc.
EMS Systems, Ltd.	Royal Business Group, Inc.	Class A, \$.01 par common
No par common	\$.100 par common	Enseco Incorporated
Energy Conversion Devices, Inc.	RTI, Inc.	\$.01 par common
\$.01 par common	\$.01 par common	Envirodyne Industries, Inc.
Exovir, Inc.	Sahlen & Associates, Inc.	\$.10 par common
\$.01 par common	\$.001 par common	Excelan, Inc.
Farm House Foods Corporation	Scherer, R.P. Corporation	\$.01 par common
\$.05 par common	\$1.00 par convertible preferred	Falstaff Brewing Corporation
Great Southern Federal Savings Bank (Georgia)	Scribe Systems, Inc.	\$1.00 par common
\$.100 par common	\$.01 par common	General Ceramics, Inc.
GTS Corporation	Southland Financial Corporation	\$1.00 par common
\$.01 par common	\$1.00 par common	Holmes, D.H. Company, Limited
Haber, Inc.	Staar Surgical Company	\$2.50 par common
\$.01 par common	\$.01 par common	HWC Distribution Corp.
Voting, \$2.00 par cumulative convertible preferred	Status Game Corporation	\$.01 par common
Harvard Group, PLC	\$.01 par common	Irwin Magnetic Systems, Inc.
American Depository Receipts for ordinary shares (par value 2p)	Sun State Savings and Loan Association (Arizona)	\$.001 par common
Series A, \$.01 par cumulative convertible preferred	\$1.00 par common	ISC Systems Corporation
Integrated Resources American Insured Mortgage Investors '85	Total Health Systems, Inc.	No par common
Depository units of limited partnership interest	\$.01 par common	Itel Corporation
Kaypro Corporation	TS Industries, Inc.	\$1.00 par common
No par common	\$.02 par common	Class B, Series C, \$1.00 par convertible preferred
Kenilworth Systems Corporation	United Building Services Corporation of Delaware	Kemper Corporation
\$.01 par common	\$.01 par common	\$5.00 par common
Kimbark Oil & Gas Company	United States Antimony Corporation	Krueger, W.A. Company
\$.10 par common	\$.01 par common	\$.20 par common
Kings Road Entertainment, Inc.	Vicon Fiber Optics Corporation	Land of Lincoln Savings and Loan
\$.01 par common	\$.10 par common	\$1.00 par common
Kreisler Manufacturing Corporation	Vipont Pharmaceutical, Inc.	Mayfair Industries, Inc.
\$.50 par common	Warrants (expire 06-25-89)	\$.01 par common
Lund Enterprises, Inc.	<i>Stocks Removed for Listing on a National Securities Exchange or Being Involved in an Acquisition</i>	MBS Textbook Exchange, Inc.
Warrants (expire 04-30-91)	American Income Life Insurance Company	\$.01 par common
Margaux, Inc.	\$.100 par common	National FSI, Inc.
\$.01 par common	Apollo Computer, Inc.	\$.01 par common
Maxicare Health Plans, Inc.	\$.02 par common	Network Equipment Technologies, Inc.
No par common	7¼% convertible subordinated debentures	\$.01 par common
7% convertible subordinated debentures	Bank of Redlands	Pacific Western Bancshares
Municipal Development Corporation	\$.125 par common	No par common
\$.01 par common	Berry Petroleum Company	Plant Genetics, Inc.
National Business Systems, Inc.	Class A, \$.01 par common	\$.01 par common
	Blockbuster Entertainment Corp.	Poly-Tech, Inc.
		No par common
		Polymer International Corp.
		\$.01 par common
		Princeville Corp.
		\$.20 par common

Property Trust of America
\$1.00 par shares of beneficial interest

Rowe Furniture Corporation
\$1.00 par common

Servico, Inc.
\$.10 par common

Sound Warehouse, Inc.
\$.01 par common

Stocker & Yale, Inc.
\$1.00 par common

Stotler Group Inc.
\$1.00 par common

Superior Electric Company, The
\$1.00 par common

TCF Financial Corporation
\$.01 par common

Thrifty Rent-a-Car System, Inc.
\$.05 par common

Timberjack Corporation
\$.01 par common

Total System Services, Inc.
\$.10 par common

United Artists Communications, Inc.
\$.01 par common

Universal Furniture Limited
\$.01 par ordinary shares

Vitronics Corporation
\$.01 par common

Waxman Industries, Inc.
No par common

Additions to the List

Akzo, N.V.
American Depository Receipts

Alameda Bancorporation
\$2.50 par common

America First Financial Fund 1987—A
Limited Partnership
Beneficial unit certificates,
representing limited partnership
interest

Bank Maryland Corp.
\$.05 par common

Biogen, Inc.
\$.01 par convertible exchangeable
preferred

Bytex Corporation
\$.10 par common

CCAIR, Inc.
\$.01 par common

Cell Technology, Inc.
\$.01 par common
Warrantes (expire 08-27-92)

Chemdesign Corporation
\$.01 par common

Chempower, Inc.
\$.10 par common

Cirrus Logic, Inc.
No par common

Columbia Pictures Entertainment, Inc.
Warrantes (expire 06-01-92)

Comptronix Corporation
\$.01 par common

Conservative Savings Bank (Nebraska)
\$.01 par common

Consilium, Inc.
No par common

Cooker Restaurant Corporation

No par common

CRH, PLC
American Depository Receipts

Duty Free International, Inc.
\$.01 par common

Dyncorp
Class A, 17% redeemable preferred

Eastchester Financial Corporation
\$.01 par common

Fidelity Federal Savings Bank (Virginia)
\$8.00 par common

First Financial Management Corp.
7% convertible subordinated
debentures

First Merchants Corporation
No par common

First Western Bancorp, Inc.
(Pennsylvania)
\$5.00 par common

Fleet Aerospace, Inc.
\$.01 par common

Foothill Independent Bancorp
No par common

Goal Systems International, Inc.
No par common

Handex Environmental Recovery, Inc.
\$.01 par common

Independent Bankgroup, Inc. (Vermont)
\$1.00 par common

James Madison Limited
\$1.00 par common

Kentucky Medical Insurance Company
Class A, \$2.80 par common

Lifeline Healthcare Group, Ltd.
\$.10 par common

Miniscribe Corporation
7½% convertible subordinated
debentures

Mission-Valley Bancorp (California)
No par common

Nationwide Cellular Service, Inc.
\$.01 par common
Warrantes (expire 05-04-92)

New Milford Bank & Trust Company,
The (Connecticut)
\$5.00 par common

Pioneer Federal Savings Bank
(Washington)
\$1.00 par common

POP Radio Corporation
\$.01 par common

Providence and Worcester Railroad
Company
\$.50 par common

Rexhall Industries, Inc.
No par common

Robert Half International, Inc.
7¼% convertible subordinated
debentures

Schultz Sav-O Stores, Inc.
\$.05 par common

Sevenson Environmental Services, Inc.
\$.10 par common

Staples, Inc.
\$.0006 par common

Symantec Corporation
\$.01 par common

Synetic, Inc.
\$.01 par common

Tele-Communications, Inc.
Rights (expire 01-31-95)

Tocor, Inc.
Units (expire 12-31-94)

Tseng Labs, Inc.
\$.005 par common

United Artists Entertainment Company
Class A, \$.001 par common
Class B, \$.001 par common

Unitog Company
\$.01 par common

UNR Industries, Inc.
Warrantes (expire 05-31-95)

Xsirius Scientific, Inc.
\$.01 par common

Yankee Energy System, Inc.
\$5.00 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)), July 28, 1989.

William W. Wiles,

Secretary of the Board.

[FR Doc. 89-17887 Filed 7-31-89; 8:45 am]

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