



FEDERAL RESERVE BANK  
OF DALLAS

ROBERT D. McTEER, JR.  
PRESIDENT  
AND CHIEF EXECUTIVE OFFICER

February 20, 1991

DALLAS, TEXAS 75222

Notice 91-13

**TO:** The Chief Executive Officer of each  
member bank 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, effective February 11, 1991. The Board publishes a complete list four times a year, and the Federal Register announces additions to and deletions from the list.

The complete list of OTC stocks as of February 11, 1991, is available from the Public Affairs Department of this Bank upon request. Included with the list is a listing of foreign margin stocks. The foreign margin stocks listed are foreign equity securities eligible for margin treatment at broker-dealers.

**ATTACHMENT**

Attached is a copy of the Federal Register announcement of revisions to the list of OTC stocks as shown on pages 3773-75, Vol. 56, No. 21, dated January 31, 1991. There are no additions to or deletions from the previous list of foreign margin stocks, which was effective November 13, 1990.

**MORE INFORMATION**

For more information regarding marginable OTC stock requirements, please contact Dean A. Pankonien at (214) 651-6228. For copies of the complete list or additional copies of this notice, please contact the Public Affairs Department at (214) 651-6289.

Sincerely yours,

**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; List of Foreign Margin 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 (OTC List) is comprised of stocks traded over-the-counter (OTC) in the United States 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 of Foreign Margin Stocks (Foreign List) represents all foreign equity securities that have met the Board's eligibility criteria under Regulation T. The OTC List and the Foreign List are published four times a year by the Board. This document sets forth additions to or deletions from the previous OTC List. There are no additions to or deletions from the previous Foreign List. Both Lists were published on November 1, 1990 (55 FR 46040) and effective on November 13, 1990.

**EFFECTIVE DATE:** February 11, 1991.

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

**SUPPLEMENTARY INFORMATION:** Listed below are additions to or deletions from the OTC List. This supersedes the last OTC List which was effective November 13, 1990. Additions and deletions to the OTC List were last published on November 1, 1990 (55 FR 46040). A copy of the complete OTC List is available from the Federal Reserve Banks.

The OTC List 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 OTC

List also includes any OJC 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 publication of the OTC List.

There are no additions to or deletions from the last Foreign List, which was published November 1, 1990 (55 FR 46040) and effective November 13, 1990. This notice serves as republication of that List with a new effective date of February 11, 1991. Stocks on the Foreign List are eligible for margin treatment at broker-dealers pursuant to a 1990 amendment to Regulation T (12 CFR part 220). These foreign equity securities have met the Board's requirements pursuant to Regulation T and are eligible for margin at broker-dealers on the same basis as domestic margin securities. A copy of the complete Foreign List is available from the Federal Reserve Banks.

#### Public Comment and Deferred Effective Date

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 Lists specified in 12 CFR 207.6 (a) and (b), 220.17 (a), (b), (c) and (d), 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 these Lists as soon as possible. The Board has responded to a request by the public and allowed a two-week delay before the Lists are 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(u) and 220.17(e) (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 OTC List.

#### Deletions From the List of Marginable OTC Stocks

##### Stocks Removed For Failing Continued Listing Requirements

1st American Bancorp Inc.  
\$.01 par common  
Abraham Lincoln Federal Savings, Bank (Pennsylvania)  
\$1.00 par common  
Action Savings Bank, S.L.A.  
\$1.00 par common  
Arizona Instrument Corporation  
No par common  
Cellular Information Systems, Inc.  
Class A, \$.01 par common  
Ceramics Process Systems Corp.  
\$.01 par common  
Charter Federal Savings Bank, (Virginia)  
\$.01 par common  
Corporate Data Sciences, Inc.  
No par common  
Critical Industries, Inc.  
\$.001 par common  
Decom Systems, Inc.  
No par common  
Duratek Corporation  
\$.01 par common  
Empire Financial Corp.  
\$.01 par common  
Environmental Power Corporation  
\$.01 par common  
Financial News Network, Inc.  
No par common

First Charter Corporation  
\$5.00 par common  
First Continental Real Estate Investment Trust  
\$1.00 par shares of beneficial interest  
Genex Corporation  
\$.05 par common, Series B, \$.60 par convertible preferred  
HEI, Inc.  
\$.05 par common  
Home Federal Savings Bank (South Carolina)  
\$1.00 par common  
Ingres Corporation  
\$.001 par common  
Intech Incorporated  
No par common  
International Consumer Brands, Inc.  
\$.01 par common  
Ironstone Group, Inc.  
\$.01 par common  
JRM Holdings, Inc.  
\$.01 par common  
KWIK Products International Corporation  
No par common  
Landmark/Community Bancorp, Inc.  
\$.01 par common  
Lexington Precision Corporation  
\$.25 par common  
Meret, Inc.  
No par common  
Merrimack Bancorp, Inc.  
\$.10 par common  
Nevada Goldfields Corporation  
No par common  
New Hampshire Savings Bank Corp.  
\$1.00 par common  
One Bancorp, The  
\$1.00 par common  
Overmyer Corporation  
No par common  
P.C. Quote, Inc.  
\$.001 par common  
Pioneer American Holding Corporation  
\$10.00 par common  
Prab Robots, Inc.  
\$.10 par common  
Ronson Corporation  
\$1.00 par common  
Samna Corporation  
\$.01 par common  
Software Services of America, Inc.  
\$.01 par common  
Southmark Corporation  
\$.01 par common  
Sunresorts Ltd., N.V.  
\$.01 par common  
Traditional Industries, Inc.  
\$.01 par common  
Transnational Industries, Inc.  
\$.01 par common  
Washington Savings Bank, F.S.B. (Maryland)  
\$1.00 par common  
Westerbeke Corporation  
\$.01 par common  
Westwood One, Inc.

Warrants (expire 09-04-97)  
Xscribe Corporation  
No par common

*Stocks Removed For Listing On a  
National Securities Exchange Or Being  
Involved In An Acquisition*

American Reliance Group, Inc.  
\$.01 par common  
Barden Corporation, The  
\$1.00 par common  
Cambrex Corporation  
\$.10 par common  
Cheshire Financial Corporation  
\$1.00 par common  
Conner Peripherals, Inc.  
No par common  
Continental Gold Corporation  
No par common  
Doctors Rehabilitation Corporation of  
America  
\$.001 par common  
Environmental Tectonics Corporation  
\$.10 par common  
Exploration Company of Louisiana Inc.,  
The  
\$.01 par common  
First Federal of Western Pennsylvania,  
\$1.00 par common  
Frontier Insurance Group, Inc.  
\$.01 par common  
Home Savings Bank, The (New York)  
\$1.00 par common  
Laidlaw Inc.  
Class A, no par common  
Class B, no par common  
Mayflower Financial Corporation  
\$.01 par common  
Micron Technology, Inc.  
\$.10 par common  
Mid Maine Savings Bank, F.S.B.  
\$.01 par common  
National Lampoon, Inc.  
\$.10 par common  
Nike, Inc.  
Class B, no par common  
North Hills Electronics, Inc.  
\$.01 par common  
NWNL Companies, Inc., The  
\$1.25 par common  
OSHAP Technologies LTD  
Warrants (expire 11-25-90)  
Phoenix American Incorporated  
No par common  
Planters Corporation, The  
\$5.00 par common  
Pop Radio Corporation  
\$.01 par common  
Sellersville Savings and Loan  
Association (Pennsylvania)  
\$1.00 par common  
Telecredit, Inc.  
\$.01 par common  
Tolland Bank (Connecticut)  
\$1.00 par common  
Tony Lama Company, Inc.  
\$1.00 par common  
U.S. Intec, Inc.  
\$.02 par common

Urcarco, Inc.  
\$.01 par common  
Valley Federal Savings Bank (Indiana)  
\$.01 par common  
VISX, Incorporated  
No par common

**Additions To the List of Marginable  
OTC Stocks**

A. L. Williams Corporation  
7.25% convertible subordinated  
debentures  
ATC Environmental Inc.  
\$.01 par common  
Bank of San Pedro  
No par common  
Cardinal Distribution, Inc.  
7¼% convertible subordinated  
debentures  
Care Group, Inc., The  
\$.001 par common, Warrants (expire  
04-24-91)  
Cathay Bancorp, Inc.  
No par common  
Chiron Corporation,  
7¼% convertible subordinated  
debentures  
Clearly Canadian Beverage Corporation  
No par common  
Coca-Cola Enterprises, Inc.  
Warrants (expire 07-10-91)  
Crop Genetics International  
\$.95 convertible exchangeable  
preferred  
First Bancorp Indiana, Inc.  
No par common  
First Seismic Corporation,  
\$.01 par common  
Great Lakes Bancorp, A Federal Savings  
Bank  
Warrants (expire 07-01-95)  
Health Risk Management, Inc.  
\$.01 par common  
Hector Communications Corporation  
\$.01 par common  
In Focus Systems, Inc.  
No par common  
Isreal Land Development Company  
Limited  
American Depository Receipts  
Kaiser Steel Resources, Inc.  
\$.03 par common  
Lufkin Industries, Inc.  
\$1.00 par common  
Millfield Trading Co., Inc.  
Class A, warrants (expire 07-22-92)  
Warrants (expire 01-22-94)  
N.S. Bancorp, Inc.,  
\$.01 par common  
Neozyme Corporation  
Units (expire 12-31-94)  
Palmer Tube Mills Limited  
American Depository Receipts  
Rada Electronics Industries Limited  
\$.001 par common  
Regional Federal Bankcorp, Inc.  
(Indiana)

No par common  
SSMC, Inc.  
Series B, 15% cumulative preferred  
Tandy Brands Accessories, Inc.  
\$1.00 par common  
Universal Holding Corporation  
Warrants (expire 06-29-93)  
Ventura Motion Picture Group  
\$.001 par common  
Videocart, Inc.  
\$.01 par common  
Wisconsin Pharmacal Company, Inc.  
\$.01 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)),  
January 25, 1991.

William W. Wiles,  
*Secretary of the Board.*

[FR Doc. 91-2247 Filed 1-30-91; 8:45 am]

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