VELOXVFX LLC

Proposal and Comment Information

Title: Proposed Revisions to the Federal Reserve Policy on Payment System Risk and the Guidelines for Account and Services Requests, OP-1878

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OP-1878 — Comment

Docket No. OP-1878

The attached PDF is respectfully submitted by VeloxVFX LLC in response to the Board of Governors of the Federal Reserve System's proposed revisions to the Federal Reserve Policy on Payment System Risk and the Guidelines for Evaluating Account and Services Requests (OP-1878).

This submission is provided from an independent, architecture-oriented public-record perspective. It addresses the Board's request for public comment regarding Payment Account governance, payment-system modernization, supervisory readability, institutional-boundary preservation, operational transparency, Payment System Risk policy, and the Account Access Guidelines.

The submission also responds to the questions and policy considerations presented by Governor Michael S. Barr and Governor Lisa D. Cook regarding responsible innovation, illicit-finance safeguards, supervisory visibility, and operational governance.

This comment is intended solely to contribute to the Board's public rulemaking process.

Respectfully submitted,

VeloxVFX LLC

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

Public Comment

Proposed Revisions to the Federal Reserve Policy on Payment System Risk and the Guidelines for Evaluating Account and Services Requests

Docket No. OP-1878

Architecture-Oriented Public Comment on Payment-System Governance, Supervisory Readability, Institutional-Boundary Preservation, and Lifecycle-Separated Operational Representation

Submitted by:

VeloxVFX LLC

Independent Architecture-Oriented Public-Record Perspective

June 30, 2026

I. Introduction and Independent Public-Record Position

VeloxVFX LLC respectfully submits this public comment in response to the Board of Governors of the Federal Reserve System's proposed revisions to the Federal Reserve Policy on Payment System Risk and the Guidelines for Evaluating Account and Services Requests, Docket No. OP-1878.

This submission is offered from an independent, architecture-oriented public-record perspective. It is intended solely to assist the Board's consideration of payment-system governance, Payment Account implementation, account-access policy, supervisory transparency, operational resilience, institutional-boundary preservation, and lifecycle-separated operational representation.

VeloxVFX LLC is not submitting this comment on behalf of any Federal Reserve Bank, insured depository institution, uninsured depository institution, special-purpose depository institution, payment processor, payment network, financial market utility, money transmitter, stablecoin issuer, digital asset service provider, exchange, broker-dealer, custodian, technology vendor, governmental entity, lobbying organization, trade association, supervisory authority, or regulatory authority.

Nothing in this submission should be interpreted as requesting eligibility for, or access to, any Federal Reserve Payment Account, Master Account, reserve balance, discount-window facility, intraday credit, Federal Reserve service, payment rail, supervisory function, examination authority, monetary authority, settlement authority, governmental function, or operational role reserved by law to the Federal Reserve System or any other governmental institution.

For avoidance of doubt, VeloxVFX LLC does not issue, redeem, custody, settle, transmit, process, clear, screen, report, supervise, examine, enforce, operate, or administer any payment account, reserve account, stablecoin, digital asset, financial account, payment rail, settlement system, compliance program, supervisory system, governmental system, monetary system, or Federal Reserve service.

Nothing in this submission should be understood as requesting adoption, implementation, procurement, approval, endorsement, account access, system access, eligibility, supervision, examination, operational integration, or governmental recognition by the Board of Governors, any Federal Reserve Bank, or any other governmental authority.

Rather, this comment offers governance-oriented observations concerning payment-system modernization, supervisory readability, structured operational records, lifecycle-separated informational representation, settlement-state visibility, payment-state visibility, liquidity-state awareness, audit continuity, and institutional-boundary preservation.

The central thesis of this submission is that payment-system modernization should improve settlement readability, payment-state visibility, audit continuity, liquidity-state awareness, and supervisory clarity without expanding Federal Reserve authority, blurring institutional boundaries, transferring public monetary responsibility to private systems, or converting informational architecture into regulated financial execution.

Any future sovereign dollar-continuity framework, if ever considered, should exist only under lawful United States public authority and should not be subject to private equity control, commercial equity control, private reserve capture, private settlement authority, private monetary control, or private governance substitution.

The observations presented throughout this submission are intended to complement—not replace—the Board's existing statutory framework. They are offered as public-record governance considerations responsive to the specific issues presented in OP-1878 and should not be interpreted as proposing expansion of Federal Reserve authority, modification of statutory responsibilities, or replacement of existing supervisory processes.

II. Executive Summary

The Board's proposed revisions to the Federal Reserve Policy on Payment System Risk and the Guidelines for Evaluating Account and Services Requests represent a significant payment-system modernization initiative.

The proposal recognizes that payment innovation, new institutional models, and demand for efficient clearing and settlement access must be evaluated within a framework that protects the safety, integrity, and resilience of the United States payment system.

VeloxVFX LLC generally supports the Board's objective of establishing a narrowly tailored Payment Account framework that facilitates payment clearing and settlement while preserving operational safeguards, Reserve Bank discretion, supervisory consistency, and public confidence.

This submission respectfully offers six architecture-oriented governance principles.

First, payment-system modernization should preserve clearly defined institutional boundaries among the Federal Reserve, Reserve Banks, legally eligible institutions, customers, supervisors, and other public authorities.

Second, Payment Accounts should remain limited-purpose operational instruments for clearing and settlement, not substitutes for Master Accounts, reserve accounts, deposit accounts, investment vehicles, credit facilities, or monetary-policy instruments.

Third, supervisory effectiveness is strengthened when payment activity is supported by transparent operational records, structured informational continuity, auditable state transitions, and lifecycle-readable operational events.

Fourth, architecture may support supervisory visibility and operational transparency, but architecture should not perform supervision, replace compliance obligations, exercise authority, or execute governmental functions.

Fifth, responsible innovation is strongest when accompanied by operational governance, documented accountability, audit continuity, and clear separation between informational representation and regulated financial execution.

Sixth, modernization should improve payment-system resilience and interoperability without expanding Federal Reserve authority, weakening statutory boundaries, or transferring public monetary responsibility to private systems.

Accordingly, this submission addresses OP-1878 as a payment-system governance proposal. It also responds to the concerns raised by Governor Michael S. Barr regarding illicit-finance safeguards and supervisory visibility, and to Governor Lisa D. Cook's request for comments on balancing innovation, payment-system integrity, and risks associated with legally eligible institutions that may not be federally insured or comprehensively supervised by the Federal Reserve.

The recommendations presented herein are offered solely to assist the Board's evaluation of Payment Account governance, Payment System Risk policy, account-access review, supervisory readability, institutional-boundary preservation, and lifecycle-separated operational representation.

III. Understanding the Proposed Policy

OP-1878 concerns proposed revisions to the Federal Reserve Policy on Payment System Risk and the Guidelines for Evaluating Account and Services Requests. The proposal is part of the Board's broader Payment Account initiative, but this comment focuses specifically on payment-system risk, account-access governance, Reserve Bank review, operational safeguards, and supervisory readability.

The proposal recognizes that the United States payment ecosystem continues to evolve through technological innovation, specialized institutional structures, and increasing demand for efficient access to payment services. At the same time, the proposal appropriately recognizes that access to Federal Reserve payment infrastructure requires careful attention to payment-system risk, operational resilience, illicit-finance safeguards, settlement integrity, and the protection of Reserve Banks and the Federal Reserve System.

The proposed Payment Account framework is not designed to expand statutory eligibility or create a new monetary-policy instrument. Rather, it is designed to provide a limited-purpose account structure for legally eligible institutions to clear and settle payment activity under defined operational limitations.

From an architecture-oriented perspective, that distinction is important.

A Payment Account should be understood as operational payment infrastructure, not as a substitute for a Master Account, reserve relationship, credit facility, deposit account, investment account, supervisory license, or governmental authorization.

VeloxVFX LLC respectfully agrees with the Board's apparent policy direction: payment-system modernization should support innovation only where institutional responsibilities, operational limits, supervisory visibility, and Reserve Bank risk controls remain clear.

Accordingly, the strongest implementation framework is one that preserves the limited-purpose nature of Payment Accounts while strengthening the readability of payment-state, settlement-state, liquidity-state, authorization-state, exception-state, and audit-state information.

This approach allows modernization to improve operational transparency without altering who holds legal authority, who performs payment execution, who bears compliance responsibility, or who exercises supervisory judgment.

IV. GENERAL OBSERVATIONS

A. Payment-System Modernization as an Exercise in Public Governance

The proposed revisions to the Federal Reserve Policy on Payment System Risk appropriately recognize that modernization of the United States payment ecosystem extends beyond technological advancement. Payment infrastructure operates within a legal, supervisory, and institutional framework that has evolved to promote monetary stability, settlement certainty, operational resilience, and public confidence.

Accordingly, modernization should be evaluated not only according to its technical capabilities, but also according to its ability to preserve the governance principles upon which the Federal Reserve System is founded.

VeloxVFX LLC respectfully submits that durable modernization occurs when innovation strengthens existing institutional responsibilities rather than redistributing or replacing them.

Payment-system modernization should therefore preserve the distinction between:

- operational execution;
- supervisory oversight;
- monetary authority;
- settlement administration;
- payment services;
- compliance obligations; and
- governmental authority.

Maintaining these distinctions contributes directly to long-term institutional stability and public confidence.

B. Payment Accounts as Limited-Purpose Infrastructure

The Board's proposal appropriately characterizes the Payment Account as a specialized operational account intended to facilitate payment clearing and settlement.

VeloxVFX LLC respectfully agrees that the operational purpose of the Payment Account should remain narrowly defined.

Its purpose is not to function as:

- a Master Account;
- a reserve account;
- a commercial deposit account;
- a credit facility;
- an investment account;
- a monetary-policy instrument; or
- a substitute for comprehensive Federal Reserve supervision.

Rather, the Payment Account should remain a dedicated operational mechanism supporting lawful payment clearing and settlement under clearly defined conditions established by the Board and implemented by the Reserve Banks.

Maintaining this limited purpose preserves operational clarity while reducing ambiguity regarding legal authority and institutional responsibility.

C. Innovation Within Existing Statutory Authority

The proposal seeks to encourage responsible innovation while maintaining the Federal Reserve's longstanding commitment to payment-system safety.

VeloxVFX LLC respectfully supports this objective.

Innovation should be understood as the improvement of operational capability within existing statutory frameworks.

It should not require the expansion of Federal Reserve authority, modification of congressional intent, or redistribution of supervisory responsibilities among public and private institutions.

Accordingly, modernization should emphasize disciplined implementation through:

- transparent governance;
- operational accountability;
- standardized supervisory expectations;
- resilient payment operations; and
- preservation of existing legal authorities.

Innovation becomes sustainable when governance evolves together with operational capability.

V. RESPONSE TO GOVERNOR MICHAEL S. BARR

A. General Response

Governor Michael S. Barr's statement appropriately identifies one of the central policy questions presented by the proposed Payment Account framework: how to encourage responsible payment innovation while ensuring that institutions accessing Federal Reserve payment infrastructure remain subject to safeguards sufficient to protect the integrity of the United States financial system.

VeloxVFX LLC respectfully agrees that modernization should never diminish the importance of robust anti-money laundering controls, Bank Secrecy Act compliance, counter-terrorist financing obligations, sanctions compliance, or lawful supervisory oversight.

Rather than viewing these safeguards as barriers to innovation, this submission views them as essential components of responsible innovation.

Accordingly, architecture-oriented governance should complement existing statutory compliance frameworks by improving operational transparency and informational consistency without altering legal responsibility.

B. Supervisory Visibility

Governor Barr expresses concern that institutions outside comprehensive Federal Reserve supervision may present heightened operational and illicit-finance risks.

VeloxVFX LLC respectfully believes that supervisory confidence is strengthened when authorized governmental institutions possess clear, consistent, and reliable operational information.

Architecture may contribute to this objective by encouraging:

- structured operational records;
- transparent event chronology;
- consistent informational representation;
- documented operational states;
- reliable audit continuity.

These informational characteristics support lawful supervisory review while preserving the statutory authority of the agencies responsible for examinations and enforcement.

Architecture should therefore support supervision.

It should never substitute for supervision.

C. AML, BSA, and Illicit Finance

This submission fully recognizes that anti-money laundering requirements, Bank Secrecy Act obligations, sanctions compliance, suspicious activity reporting, customer due diligence, and related legal responsibilities remain governed by existing statutes and regulations.

Nothing contained in this submission proposes replacing those obligations with technological mechanisms.

Instead, VeloxVFX LLC respectfully submits that operational architectures capable of preserving structured informational continuity may improve the clarity with which authorized institutions review operational events supporting existing compliance programs.

Accordingly:

- legal responsibility remains unchanged;
- supervisory authority remains unchanged;
- examination authority remains unchanged;
- enforcement authority remains unchanged.

Architecture supports visibility.

Law governs responsibility.

D. Public Confidence

Governor Barr's concerns ultimately reflect the importance of maintaining public confidence in the Federal Reserve System.

VeloxVFX LLC respectfully agrees that confidence depends upon more than operational efficiency.

Confidence also depends upon:

- institutional integrity;
- supervisory consistency;
- operational transparency;
- legal certainty;
- clearly defined authority.

The proposed Payment Account framework should therefore continue emphasizing governance principles that preserve these foundational characteristics while encouraging responsible payment innovation.

VI. RESPONSE TO GOVERNOR LISA D. COOK

A. Innovation and Responsible Modernization

Governor Lisa D. Cook appropriately recognizes that the financial-services landscape continues to evolve through changing institutional models and technological innovation.

VeloxVFX LLC respectfully agrees that the Federal Reserve should continue evaluating policy frameworks capable of accommodating responsible innovation while protecting the integrity of the payment system.

Innovation, however, should remain disciplined by governance.

Operational advancement should strengthen—not weaken—the legal and institutional framework supporting the United States payment system.

Accordingly, modernization efforts should prioritize:

- operational transparency;
- payment-system resilience;
- supervisory readability;
- institutional accountability;
- public confidence.

These principles provide a durable foundation for continued innovation within existing statutory authority.

B. Institutions Without Deposit Insurance

Governor Cook invites public comment regarding legally eligible institutions that may not maintain federal deposit insurance.

VeloxVFX LLC respectfully submits that eligibility for a limited-purpose Payment Account should remain analytically distinct from eligibility for deposit insurance, reserve-account relationships, discount-window access, or broader monetary-policy functions.

Maintaining these distinctions reinforces the limited operational purpose of the Payment Account while preserving the Federal Reserve's established institutional framework.

Operational access should not be interpreted as expansion of governmental privileges beyond those specifically authorized by law.

VII. PAYMENT SYSTEM RISK

A. Preserving the Foundational Objectives of the Payment System Risk Policy

VeloxVFX LLC respectfully recognizes that the Federal Reserve Policy on Payment System Risk has historically served as a foundational framework for promoting the safety, efficiency, and stability of the United States payment system. The proposed revisions continue this objective by acknowledging that payment infrastructure is evolving while reaffirming the Federal Reserve's responsibility to protect the integrity of the nation's payment mechanisms.

Accordingly, any modernization of payment access should preserve the principles that have historically supported public confidence:

- operational reliability;
- settlement certainty;
- transparent governance;
- prudent risk management;
- supervisory consistency; and
- clearly defined institutional authority.

VeloxVFX LLC respectfully agrees that Payment Accounts should be implemented within this established framework rather than outside of it.

B. Payment System Risk Should Be Evaluated Throughout the Operational Lifecycle

Payment-system risk should not be viewed as arising solely at the moment of settlement.

Rather, operational risk may arise throughout the lifecycle of payment activity.

Illustrative operational stages include:

- initiation;
- authentication;
- authorization;
- validation;
- transmission;
- settlement processing;
- settlement completion;
- reconciliation; and
- record preservation.

Understanding these operational stages does not create additional legal requirements.

Instead, recognizing these informational stages may improve supervisory understanding of where operational conditions arise and how they are resolved.

Accordingly, lifecycle-oriented operational representation may strengthen payment-system governance while preserving the existing legal framework governing payment execution.

C. Payment System Risk and Operational Transparency

Operational transparency contributes directly to prudent risk management.

The ability of authorized institutions to understand payment activity through structured operational information enhances:

- event reconstruction;
- operational accountability;
- reconciliation efficiency;
- audit continuity;
- supervisory confidence.

Importantly, transparency should remain proportional to legal authority.

Institutions should possess access only to information appropriate to their statutory responsibilities.

Accordingly, transparency should reinforce governance rather than diminish confidentiality or institutional independence.

D. Automation and Human Governance

The Board appropriately proposes automated controls intended to prevent overdrafts and unauthorized extensions of credit.

VeloxVFX LLC supports this objective.

Automation performs best when it executes clearly defined operational rules.

Governance performs best when human institutions exercise judgment regarding policy, supervision, examination, enforcement, and statutory interpretation.

Accordingly, modernization should preserve a deliberate distinction between automated operational controls and governmental decision-making.

Automation should improve operational consistency.

Public institutions should continue exercising legal authority.

VIII. ACCOUNT ACCESS GUIDELINES

A. Purpose of the Account Access Guidelines

The proposed revisions to the Guidelines for Evaluating Account and Services Requests recognize that requests for Federal Reserve payment services increasingly originate from institutions operating under diverse organizational structures and business models.

VeloxVFX LLC respectfully agrees that consistent guidance benefits both Reserve Banks and applicants.

Consistency promotes:

- fairness;
- predictability;
- transparency;
- operational confidence.

At the same time, consistency should not eliminate the Reserve Banks' ability to evaluate institution-specific risk.

Accordingly, standardized principles and informed supervisory judgment should operate together.

B. Account Access Should Preserve Institutional Roles

The proposed Payment Account should not alter the legal relationship among:

- the Board of Governors;
- Federal Reserve Banks;
- legally eligible financial institutions;
- customers;
- supervisory agencies.

Each institution should continue performing only those responsibilities assigned by statute and applicable regulation.

Account access should therefore be understood as a narrowly tailored operational relationship rather than an expansion of governmental privileges.

C. Operational Eligibility Versus Supervisory Authority

This proposal appropriately distinguishes operational eligibility from supervisory authority.

An institution's eligibility to maintain a limited-purpose Payment Account does not alter:

- its charter;
- its supervisory authority;
- its examination framework;
- its statutory responsibilities;
- its legal obligations.

Maintaining this distinction preserves institutional clarity while reducing the possibility of jurisdictional ambiguity.

D. Operational Limitations Support Public Confidence

VeloxVFX LLC respectfully agrees with the proposal's continued emphasis on operational limitations, including restrictions concerning:

- interest on balances;
- intraday credit;
- overdrafts;
- discount window access.

These limitations reinforce the operational purpose of the Payment Account while preserving the Federal Reserve's broader monetary responsibilities.

The more clearly the Payment Account remains separated from traditional central-bank functions, the greater public confidence the framework is likely to achieve.

IX. SUPERVISORY READABILITY

A. Supervisory Readability as a Governance Principle

Throughout the proposed revisions, the Board emphasizes consistency, transparency, and prudent risk management.

VeloxVFX LLC respectfully submits that these objectives are strengthened when operational information is presented in a manner that supports supervisory readability.

For purposes of this submission, supervisory readability refers to the ability of authorized institutions to understand operational events through structured informational records without modifying the legal significance of those events.

Supervisory readability is therefore an informational governance principle rather than a new regulatory requirement.

B. Structured Informational Representation

Payment activity generates operational information.

The usefulness of that information depends upon its organization, consistency, and ability to support subsequent review.

Accordingly, payment infrastructures may benefit from structured informational representations capable of preserving:

- operational chronology;
- payment chronology;
- settlement chronology;
- exception history;
- authorization history;
- reconciliation history;
- audit continuity.

These informational characteristics may improve supervisory understanding while preserving existing legal responsibilities.

C. Informational Representation and Legal Authority

One of the central observations of this submission is the distinction between informational representation and legal authority.

Representation documents operational events.

Legal authority governs operational decisions.

Maintaining this distinction preserves:

- institutional independence;
- statutory responsibility;
- supervisory clarity;
- operational accountability.

Accordingly, structured informational representation should be viewed as a governance enhancement rather than a substitute for statutory authority.

X. LIFECYCLE-SEPARATED OPERATIONAL REPRESENTATION

A. General Observations

The proposed revisions to the Federal Reserve Policy on Payment System Risk appropriately emphasize operational integrity, payment-system resilience, and prudent governance. As payment infrastructures evolve, supervisory effectiveness depends not only upon the lawful execution of payment activity, but also upon the clarity with which operational activity may be understood throughout its lifecycle.

VeloxVFX LLC respectfully submits that lifecycle-separated operational representation may serve as a governance principle supporting operational transparency while preserving existing statutory responsibilities.

For purposes of this submission, lifecycle-separated operational representation refers to the structured organization of informational events according to their operational role without altering the legal authority of the institutions responsible for those events.

Accordingly, informational representation should remain distinct from financial execution.

Representation documents operational conditions.

Execution performs legally authorized financial activity.

Maintaining this distinction strengthens governance while preserving institutional accountability.

B. Operational Lifecycle Visibility

Payment activity may be understood as progressing through identifiable operational stages.

Illustrative informational stages include:

- Request Initiated
- Identity Verification Completed
- Authorization Granted
- Payment Instruction Accepted
- Payment Pending
- Settlement Initiated
- Settlement Completed
- Confirmation Issued
- Reconciliation Completed
- Audit Preservation

These stages are presented solely for informational illustration.

They are **not** proposed regulatory requirements and should not be interpreted as replacing existing Federal Reserve operating procedures or payment rules.

Rather, they demonstrate how structured informational organization may improve operational understanding without modifying legal authority.

C. Benefits to Supervisory Readability

Lifecycle-oriented informational representation may assist authorized institutions by improving:

- chronological clarity;
- operational traceability;
- event reconstruction;
- audit continuity;
- reconciliation efficiency;
- supervisory understanding.

Importantly, these benefits arise from improved informational organization rather than expanded governmental authority.

Accordingly, lifecycle-separated operational representation should be viewed as an informational governance framework that complements existing supervisory processes.

XI. INSTITUTIONAL-BOUNDARY PRESERVATION

A. Preserving the Federal Reserve's Statutory Role

The Federal Reserve occupies a unique institutional position established by Congress.

The proposed Payment Account framework appropriately preserves that position by maintaining clear distinctions between payment operations, monetary policy, supervisory oversight, and Reserve Bank administration.

VeloxVFX LLC respectfully supports this approach.

Modernization should strengthen the Federal Reserve's existing responsibilities rather than redistribute them.

Accordingly, implementation of the Payment Account framework should continue preserving:

- monetary authority;
- Reserve Bank authority;
- supervisory authority;
- examination authority;

- enforcement authority;
- statutory accountability.

These responsibilities should remain vested in the public institutions designated by law.

B. Preservation of Independent Institutional Responsibilities

Payment-system modernization is most durable when each participating institution continues performing only those responsibilities assigned to it.

Accordingly, operational responsibilities should remain distinct among:

The Board of Governors

Responsible for policy, regulation, and oversight.

Federal Reserve Banks

Responsible for operational implementation, account administration, and payment services consistent with Board policy.

Legally Eligible Institutions

Responsible for compliance with applicable law, operational integrity, and payment activities conducted within the scope authorized by the Payment Account framework.

Supervisory Agencies

Responsible for examinations, enforcement, and statutory oversight consistent with their respective authorities.

Customers

Responsible for lawful financial activity within applicable contractual and regulatory frameworks.

Maintaining these distinctions reduces operational ambiguity while strengthening institutional accountability.

C. Public Authority and Monetary Responsibility

The United States payment system ultimately functions as part of a broader public monetary framework.

Accordingly, modernization should preserve the principle that monetary authority remains a public responsibility exercised through institutions established by law.

VeloxVFX LLC respectfully submits that any future sovereign payment or dollar-continuity framework, if considered, should remain subject to lawful public authority and should not be transferred to private monetary governance, private settlement authority, private reserve control, or private institutional substitution.

This observation is offered solely as a governance principle and should not be interpreted as requesting implementation of any specific operational framework.

XII. OPERATIONAL TRANSPARENCY AND AUDIT CONTINUITY

A. Operational Transparency

Operational transparency contributes directly to payment-system confidence.

The Board's proposal appropriately recognizes that Reserve Banks require sufficient operational visibility to evaluate payment activity, operational risk, and institutional compliance.

VeloxVFX LLC respectfully believes that modernization efforts should encourage operational transparency through:

- structured operational documentation;
- consistent informational records;
- standardized event chronology;
- clearly documented operational conditions.

These practices support prudent governance while preserving confidentiality consistent with applicable law.

B. Audit Continuity

Audit continuity strengthens both institutional accountability and supervisory confidence.

Payment infrastructures naturally generate operational records.

The value of those records depends upon their consistency, reliability, and ability to support future review.

Accordingly, modernization should encourage operational recordkeeping capable of preserving:

- authorization history;
- payment history;
- settlement chronology;
- exception history;
- reconciliation history;

- review history.

Audit continuity enhances accountability without altering existing legal responsibilities.

C. Architecture Supports Governance—It Does Not Replace It

Throughout this submission, VeloxVFX LLC has emphasized a consistent principle.

Architecture may support:

- operational transparency;
- supervisory readability;
- informational continuity;
- audit preservation;
- governance consistency.

Architecture does **not** replace:

- statutory authority;
- legal responsibility;
- supervisory judgment;
- examination authority;
- enforcement authority;
- public governance.

Maintaining this distinction preserves the integrity of both technological innovation and institutional responsibility.

XIII. RECOMMENDATIONS

VeloxVFX LLC respectfully offers the following recommendations for the Board's consideration as it continues evaluating the proposed revisions to the Federal Reserve Policy on Payment System Risk and the Guidelines for Evaluating Account and Services Requests.

Recommendation 1 — Preserve the Limited-Purpose Character of Payment Accounts

The proposed Payment Account framework should continue to function as a narrowly tailored operational mechanism dedicated to payment clearing and settlement.

Payment Accounts should not evolve into substitutes for:

- Master Accounts;
- reserve accounts;

- commercial deposit accounts;
- investment accounts;
- credit facilities; or
- broader monetary-policy instruments.

Maintaining this limitation preserves both operational clarity and institutional confidence.

Recommendation 2 — Preserve Institutional Boundaries

Implementation of the proposed framework should continue preserving the independent statutory responsibilities of:

- the Board of Governors;
- the Federal Reserve Banks;
- legally eligible institutions;
- supervisory agencies;
- payment participants.

Operational modernization should strengthen institutional coordination without redistributing governmental authority.

Recommendation 3 — Promote Supervisory Readability

Payment-system modernization should encourage informational practices that improve the ability of authorized supervisors to understand operational events.

Structured informational representation may contribute to:

- operational consistency;
- chronological clarity;
- audit continuity;
- payment-system resilience.

These practices support supervision without altering existing statutory authority.

Recommendation 4 — Preserve the Distinction Between Representation and Execution

The Board should continue recognizing the distinction between informational representation and financial execution.

Informational architecture documents operational activity.

Financial execution performs legally authorized payment activity.

Maintaining this distinction promotes governance while preserving institutional accountability.

Recommendation 5 — Encourage Structured Operational Records

Reserve Banks and participating institutions may benefit from operational records that preserve:

- payment chronology;
- settlement chronology;
- authorization history;
- reconciliation history;
- operational exceptions;
- audit continuity.

These informational characteristics strengthen operational governance while preserving confidentiality and existing legal responsibilities.

Recommendation 6 — Preserve Public Monetary Authority

Payment-system modernization should continue reinforcing the principle that monetary authority, settlement authority, supervisory authority, examination authority, and governmental responsibility remain vested in the public institutions established by Congress.

Operational innovation should never be interpreted as transferring those responsibilities to private systems, private governance structures, or informational architectures.

Recommendation 7 — Continue Public Engagement

The Board's decision to solicit public comment reflects a commitment to transparent policy development.

VeloxVFX LLC respectfully encourages continued public engagement as Payment Accounts evolve through operational experience, supervisory evaluation, and future policy development.

Periodic review will promote consistency while allowing the framework to mature responsibly.

XIV. CONCLUSION

VeloxVFX LLC respectfully appreciates the opportunity to submit this public comment concerning the proposed revisions to the Federal Reserve Policy on Payment System Risk and the Guidelines for Evaluating Account and Services Requests.

This submission has been offered from an independent, architecture-oriented public-record perspective and is intended solely to assist the Board's evaluation of Payment Account governance, Payment System Risk policy, account-access review, supervisory readability, operational transparency, institutional-boundary preservation, and payment-system resilience.

The observations presented throughout this submission are guided by several consistent principles.

Payment-system modernization should encourage innovation while preserving institutional integrity.

Operational transparency should improve supervisory understanding without expanding governmental authority.

Architecture may enhance governance through improved informational organization but should never replace statutory responsibility, supervisory judgment, or lawful regulatory authority.

Payment Accounts should remain limited-purpose operational mechanisms dedicated to payment clearing and settlement.

Institutional boundaries should remain clearly defined.

Public monetary authority should remain vested exclusively in the governmental institutions established by Congress.

VeloxVFX LLC respectfully believes that the Board's proposal provides an important opportunity to modernize payment infrastructure while preserving the legal, operational, and institutional principles that have historically supported confidence in the United States payment system.

The recommendations contained in this submission are therefore respectfully offered for the Board's consideration as it continues development of the proposed Payment Account framework.

Respectfully submitted,

VeloxVFX LLC

Independent Architecture-Oriented Public-Record Perspective

June 30, 2026

APPENDIX A

Proposal Response Matrix

OP-1878 Proposal Topic	Section
Payment System Risk	VII
Account Access Guidelines	VIII
Supervisory Readability	IX
Lifecycle-Separated Operational Representation	X
Institutional-Boundary Preservation	XI
Operational Transparency	XII
Recommendations	XIII
Governor Barr Statement	V
Governor Cook Statement	VI

APPENDIX B

Guiding Governance Principles

The observations contained throughout this submission are guided by the following governance principles:

1. Preserve statutory authority.
2. Preserve institutional boundaries.
3. Preserve the limited-purpose character of Payment Accounts.
4. Promote supervisory readability.
5. Strengthen operational transparency.
6. Preserve settlement integrity.
7. Preserve audit continuity.
8. Distinguish informational representation from regulated financial execution.
9. Encourage responsible innovation within existing statutory frameworks.
10. Preserve public confidence in the United States payment system.

APPENDIX C

Public-Record Clarification

This submission is offered solely as an independent public comment responding to Docket No. OP-1878.

Nothing contained herein should be interpreted as:

- requesting a Federal Reserve Payment Account;
- requesting a Master Account;
- requesting reserve balances;
- requesting discount-window access;
- requesting intraday credit;
- requesting supervisory authority;
- requesting examination authority;
- requesting governmental recognition;
- requesting operational integration;
- requesting procurement, endorsement, or adoption by the Federal Reserve System.

VeloxVFX LLC does not issue, redeem, custody, settle, transmit, process, clear, screen, report, supervise, examine, enforce, operate, or administer any payment account, reserve account, payment rail, monetary system, governmental system, or Federal Reserve service.

The observations presented throughout this submission are intended solely to contribute to the Board's public consideration of payment-system governance, operational resilience, supervisory readability, and institutional-boundary preservation.