FARMERS & MERCHANTS BANK, SHON MYERS

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

Comment ID: FR-2026-0013-01-C09

Subject

Docket No. OP-[1878]

Submitter Information

Organization Name: Farmers & Merchants Bank

Organization Type: Organization

Name: Shon Myers

Submitted Date: 07/14/2026

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Benjamin W. McDonough
Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue NW
Washington, DC 20551

Dear Secretary McDonough:

Please see attached a comment letter in regard to payment accounts. Thank you for your consideration.

Shon B. Myers

President & CEO

Farmers & Merchants Bank

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July 14, 2026

Benjamin W. McDonough
Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue NW
Washington, DC 20551

RE: Proposed Revisions to the Federal Reserve Policy on Payment System Risk and the Guidelines for Account and Services Requests [Docket No. OP-1878]

Dear Secretary McDonough:

I am Shon Myers, President & CEO at Farmers & Merchants Bank, a community bank based in Miamisburg, OH that serves families, small businesses, and farmers across the region. I appreciate the opportunity to comment on the Board's proposal to establish a special-purpose payment account.

Community banks meet rigorous standards for capital, supervision, consumer protection, and deposit insurance. These requirements protect depositors, support responsible local lending, and help keep the payment system safe. By granting direct access to the Federal Reserve payment system to institutions that are not subject to the same prudential, supervisory, and community-focused requirements, the proposal extends the benefits of Federal Reserve access without the corresponding safeguards. It could also divert deposits and payment activity away from the community banks like mine that support local economic development and would lead to less lending activity as we rely on deposits to support our loan activity.

I am also concerned about the risk to the payment system. Extending this access shifts critical responsibilities, including Bank Secrecy Act/anti-money laundering and sanctions compliance, onto entities that may have less oversight than banks.

If the Board proceeds, I urge it to adopt strong, mandatory guardrails: a low limit on account balances and on the number of accounts during an initial period; mandatory Bank Secrecy Act/anti-money laundering and sanctions compliance requirements for every account holder; clear off-ramps and ongoing review if risks emerge; and an explicit statement that a payment account is not a pathway to a master account. Access to the Federal Reserve's accounts and services should remain tied to strong prudential oversight.

Please consider that community banks are the last lifeline to ensure small communities across America thrive. Just yesterday I received four donation requests to support our local schools and arts. I assure you that we will be the only institution that donates to these organizations. We also are the last lifeline for small business loans to help them through a rough time or startup. Keeping deposits in our communities through a fair and equal playing field is critical.

Thank you for considering my views.

Respectfully,

Shon Myers
President & CEO
Farmers & Merchants Bank
Miamisburg, OH