

# BANK OF ADVANCE, HAROLD MILES

## Proposal and Comment Information

**Title:** Loans to Executive Officers, Directors, and Principal Shareholders of Member Banks; Bank Holding Companies (Reg O and Y), R-1896

**Comment ID:** FR-2026-0028-01-C30

## Submitter Information

**Organization Name:** Bank of Advance

**Organization Type:** Organization

**Name:** Harold Miles

**Submitted Date:** 10/05/2026

To the Board:

I am writing in support of the Federal Reserve's proposed amendments to Regulation O.

Our institution is a community bank serving a rural market. The current Regulation O thresholds have not kept pace with inflation, economic growth, or the size of modern lending relationships. As a result, transactions that were once considered significant insider loans now represent routine credit accommodations that do not present elevated safety and soundness concerns.

We strongly support the proposal to increase the outdated dollar thresholds and to index those thresholds going forward. The current limits impose unnecessary administrative burden on community banks and their boards by requiring regulatory treatment of ordinary credit requests that would not have triggered heightened review when the thresholds were originally established. The proposal appropriately restores the thresholds to their intended level and reduces burden while maintaining the core safeguards against preferential treatment and insider abuse. The Board specifically notes that these outdated limits can create hardship for community banks in smaller and rural markets, and that observation accurately reflects our experience.

We also support the proposed modernization of the definition of "executive officer." Banking organizations have changed significantly over time, and titles such as Vice President, Secretary, and Cashier no longer reliably indicate a policymaking role. Conversely, modern leadership positions such as Chief Executive Officer, Chief Financial Officer, and Chief Lending Officer are generally more reflective of individuals who actually participate in major policymaking functions. The proposal's focus on true policymaking authority is a more accurate and practical approach for today's banking environment.

From a community bank perspective, outdated title-based presumptions often require unnecessary analysis and documentation for employees whose responsibilities do not involve strategic policy decisions. The proposed revisions would better align the regulation with actual management structures while preserving appropriate oversight of those individuals who truly influence bank policies.

We believe the proposed amendments achieve an appropriate balance between maintaining protections against insider abuse and reducing unnecessary regulatory burden. We encourage the Federal Reserve to adopt the proposal substantially as written.

Thank you for considering our comments.

Sincerely,  
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