



June 13, 2025

Trading & Markets Division
Ontario Securities Commission
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Matt Thompson
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BY ELECTRONIC MAIL: TradingAndMarkets@osc.gov.on.ca, matthew.thompson@nasdaq.com

Dear Sirs and Mesdames,

RE: Nasdaq CXC Limited – Proposed Change – Notice and Request for Comment, June, 2025

National Bank Financial Inc. (NBF) appreciates the opportunity to comment on Nasdaq Canada's Notice and Request for Comments (RFC) regarding the proposed enhancements to M-ELO and Mid-Peg order functionalities. We support the Ontario Securities Commission's stated mission to foster fair, efficient, and competitive capital markets.

NBF is part of the diverse National Bank Financial Group (NBFG) which: (i) manufactures mutual funds, owns proprietary distribution channels and supplies services to third party distributors; (ii) operates a discount brokerage firm; and (iii) is a CIRO-regulated investment dealer across Canada.

NBF is supportive of the proposed changes. There is precedent in Canadian equity markets for different types of dark and mid-point order types interacting and the proposed change to how M-ELO orders would interact with Mid-Peg orders is consistent with this precedent.

The OSC highlights in the proposal two specific areas for comment:

1. **Fair Access** - We believe the proposal aligns with the principles of Fair Access as all members have equal opportunity to utilize Mid-Peg and M-ELO orders under the same conditions. The ability for participants to opt out of interacting with M-ELO orders through the Post-Only condition ensures full discretion and control. As such, the proposal does not disadvantage any participant but instead enhances optionality and liquidity access for those who choose to engage.
2. **Informational Advantage** - We do not believe the proposed matching behaviour would introduce any new forms of information leakage. Any mid-peg order that trades with a M-ELO order is tagged and all market participants can see that it was M-ELO generated. We acknowledge that some asymmetry may arise — trades between a Mid-Peg order and a M-ELO order will be publicly reported as M-ELO trades but only the participant who entered the Mid-Peg order will be aware of their role in the execution. However, it is both expected and reasonable for participants to have greater insight into their own order flow. Therefore, it does not compromise market fairness or transparency.

We view harmonizing Canadian and global markets as essential to ensuring that global investors can efficiently and confidently transact in Canada.

As always, we appreciate the opportunity to comment on the subject notice and request for comments.

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