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BY ELECTRONIC MAIL: tsxrequestforcomments@tsx.com, TradingandMarkets@osc.gov.on.ca, mbrady@bcsc.bc.ca

Dear Sirs and Mesdames,

Re: Notice of Proposed Amendments and Request for Comments – TSX MOO, July 3rd, 2025

National Bank Financial Inc. (NBF) appreciates the opportunity to comment on TSX and TSX Venture Exchange's Notices of Proposed Amendments and Requests for Comments regarding certain amendments to their respective rule books to modify the functionality of their Market on Open (MOO) auctions.

While significant study clearly went into this proposal, the amendments respecting RT obligations do not adequately resolve the underlying issues respecting odd lot execution at the open. In fact, the proposed model for RT participation would force the market maker to enter in-effect wash trades in order match offsetting liquidity demands. This is a functionality that should instead be performed by the matching engine itself, and not by a dealer. The dealer would effectively become responsible for choosing an opening price that incorporates odd lot liquidity demands, which raises market integrity concerns.

It would also require significant development work for the automated market making group as well as introduce technological complexity around the open, which is already a heavy time for trading infrastructure.

These concerns were previously raised at "a roundtable discussion with selected market participants" but "no alternatives were considered."

The proposal does include several other, smaller changes which are to the benefit of all participants and should be approved independently of the larger proposal. For example, identification of opening trades, introduction of a Market-on-Open order type, and publication of additional data, would improve user experience without any likely negative consequences.

In conclusion, while we appreciate the effort that the TSX has put into proposing these changes, we believe that these adjustments would introduce significant risks, harm liquidity, and ultimately result poorer outcomes for end investors.

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

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