



XSP Binary Options and Quoted XSP Vertical Spreads Integration Guide.

Introduction

Cboe is enabling streaming quotes for a designated set of \$1-wide XSP vertical spreads via the Quoted Spread Book (QSB) service. Brokers can display and route these spreads using existing complex order / complex market-data rails (Complex TOP/PITCH + FIX/BOE).

The intended broker implementation is to present these QSB-designated vertical spreads together with XSP binaries in a prediction-style user experience, so customers can choose between a standard all-or-nothing outcome and an “extra payout zone” alternative that provides partial payout near the strike.

This guide focuses on ways users may implement that combined experience (binaries + vertical spreads) and how to integrate the necessary market data and routing. Detailed technical integration reference is provided in the Appendix.

Product Overview

A broker may present an event-style flow where a user selects an event question (e.g., “Mini-SPX price today at 4PM EST?”), selects a strike row K from a ladder, and then chooses between two payout profiles. The standard profile references the XSP binary at strike K and provides a \$0 / \$100 outcome. The extra payout zone profile references an adjacent \$1-wide vertical spread, which preserves the same strike line K but introduces a partial payout region near K while remaining risk-defined.

Brokers may optionally include a lightweight education moment in the trade ticket, such as a “What is the extra payout zone?” modal that shows the payoff diagram first and explains in plain language that the extra payout zone is implemented via a \$1-wide vertical spread. Brokers may also provide a deep link labeled “Open in Spread Builder” that routes users to the broker’s existing spread-builder screen with strikes and expiry pre-populated, allowing users to view the legs and potentially adjust the width and visualize payoff vs. profit in the broker’s standard tooling.

UI Reference Example

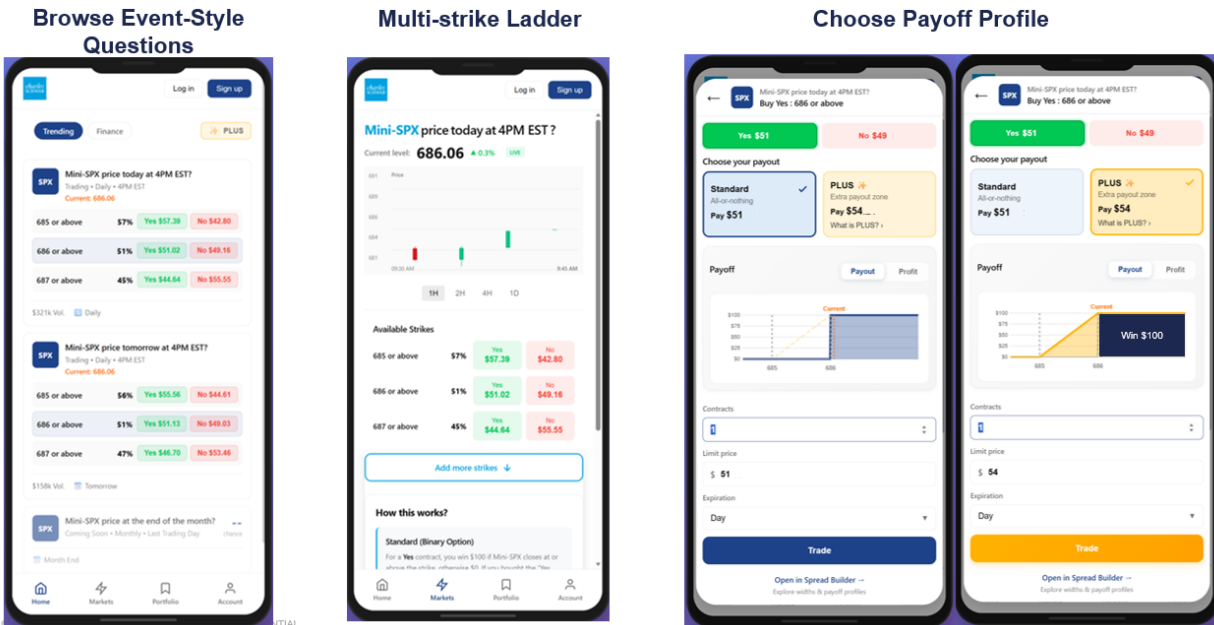


Figure 1. Retail broker UI illustrating Standard (Yes/No) and “extra payout zone” payout selections, including: (left) event list, (center) multi-strike ladder, and (right) ticket showing Standard vs extra payout zone choices with payoff diagrams.

How the binary and vertical spreads presentation are related?

Let K be the strike displayed on a ladder row. The Standard choice references the XSP binary at strike K .

For the extra payout zone choices, the vertical spreads are paired to the same strike K in a symmetric way that reduces customer confusion. The “Yes + extra payout zone” choice references the \$1-wide call vertical ($K-1 / K$), with a long call at $K-1$ and a short call at K , which creates the partial payout region immediately below K . The “No + extra payout zone” choice references the \$1-wide put vertical ($K / K+1$), with a short put at K and a long put at $K+1$, which creates the partial payout region immediately above K . In the ladder UI, brokers typically place the call vertical conceptually on the left of the K binary row and the put vertical on the right, matching the geometry of the extra payout region around the strike.

Prediction-style Ladder construction

A simple day-1 strike coverage policy is to list strikes across a broad range relative to the current level (i.e., the exchange might list all binaries and QSB verticals 20% down / 10% up). Because retail users typically focus near the at-the-money region, brokers may display by default only the top 3 to top 5 strikes closest to ATM, with an option to expand the ladder. This balances usability and depth without preventing access to the full listed universe.

Market data, order entry, and positions

For market data, brokers can continue to source binary pricing through their existing market-data integration ([Complex TOP](#) and [Complex PITCH](#) data feeds). For the vertical spreads, brokers can source best bid/offer and prints through Complex TOP/PITCH, filtering to the QSB-designated Quoted XSP Vertical Spreads identified in the exchange-designated reference data described in the Appendix. For order entry, binary orders are submitted through the broker's standard binary order entry, and vertical spread orders are submitted as complex orders using standard FIX/BOE complex order entry (known complex instrument).

No change to the broker's core routing rails is expected; these instruments route through existing listed-options infrastructure. Confirmations and account statements will reflect the underlying listed options positions (binary contract for standard; two-leg spread position for the verticals). Brokers may present a simplified event-style view in the ladder/ticket while preserving full options detail in the standard options account view. If desired, brokers may support early exit ("cash out") by enabling users to close positions prior to expiry at prevailing market prices via standard closing trades (sell-to-close), consistent with a risk-defined event-style experience.

Extensibility

The same event-style ladder, strike pairing, and integration pattern is designed to extend beyond the initial 0DTE/1DTE XSP implementation. Over time, it can be expanded to additional expirations (end-of-month / end-of-quarter), additional sessions (curb / GTH), and additional underlyings (e.g., MGTN, MRUT). The pattern can also be adapted to new contract families subject to product design, regulatory review, and clearing support.

Appendix — Technical Integration Guide

This appendix provides the technical protocol references that support the product implementation described in Sections 2 to 8.

Introduction

Cboe Options Exchanges enable customers to trade complex instruments (also known as “spread” instruments). A complex instrument allows customers to place a single order for a multi-leg instrument, that when matched, the customer receives positions in each leg.

Each trading day, options exchanges may begin the session with no new customer-created complex instruments available for trading (other than complex instruments that remain active from prior days due to Good ‘Till Cancelled (GTC) orders). Customers create complex instruments using the Binary Order Entry ([BOE](#)) Protocol New Complex Instrument message or the [FIX](#) protocol Security Definition Request message. See the Complex Instruments section of the [Cboe Titanium U.S. Options Complex Book Process](#) for details on complex instruments and their creation.

Exchange Designated Complex Instruments

In addition to customer creation of complex instruments, the Exchange may designate certain complex instruments to exist as needed by dependent Cboe products and services. The Exchange ensures designated instruments exist, either from having been created by a customer request or by Exchange directed creation.

BOE Complex Quoting functionality, using the Complex Quote Update family of BOE messages over BOE Bulk Quoting ports is available during Regular Trading Hours (RTH) for all Exchange Designated Complex Instruments. The Cboe service known as Quoted Spread Book (QSB) references the subset of Exchange Designated Complex instruments (“QSB-designated” instruments) for which Market Makers are able to use the BOE Complex Quoting functionality. See [Quoted Spread Book](#) for more information.

Customers can access the list of Exchange Designated Complex instruments each trading day via: (i) file download from the Cboe.com [U.S. Options Reference Data](#) page, or (ii) using Exchange Designated Complex Instrument Definition Messages disseminated on [Complex PITCH](#) and [Complex TOP](#) data feed messages.

Quoted XSP Vertical Spreads

Customers identify the Quoted XSP Vertical Spreads using either downloadable files from the Cboe.com U.S. Options Reference Data page or Exchange Designated Complex Instrument Definition messages on Complex PITCH and Complex TOP.

The EDCI Type value associated with Quoted XSP Verticals is “CPM” (Cboe Prediction Markets EDCI classification label) and the Subtypes are “VERT_CALL_SPRD” and “VERT_PUT_SPRD”.

The exchange disseminates Exchange Designated Complex Instrument definition information (including Quoted XSP Vertical Spreads) at 7:00am ET via file download and data feeds.

Customers wishing to identify Quoted XSP Vertical Spread instruments will source the symbol reference data at or after 7:00am ET each trading day. Starting at the beginning of the RTH session, Market Makers can stream quotes into QSB-designated Quoted XSP Vertical Spreads.

Customers and partners building interfaces specifically for Quoted XSP Vertical Spreads data and trading will use the subset of Cboe Symbol Ids communicated in Exchange Designated Complex Instrument definition reference data to

- filter current markets from Complex PITCH and Complex TOP data feeds (e.g., best bid, best offer, last trade, etc.), and
- submit orders using FIX “New Order Multileg using Short Form” (i.e., known complex instrument symbol) or BOE “New Complex Order” messages.

Trading interfaces specific to Quoted XSP Vertical Spreads will typically use the Complex TOP feed Single Side Update and Two Side Update messages to present current Best Bid and Best offer, and the TOP Trade message for tracking consummated trades in Quoted XSP Vertical Spreads instruments. See the Market Update Messages section of the [U.S. Options Complex TOP](#) feed specification for more detail.

This document is a high-level overview of what is currently contemplated. The information included is subject to change and to more detailed provisions to be put in place in connection with the launch of this product. Additionally, the planned launch of this product remains subject to regulatory review.