

Special Cash Dividend December 10, 2010

Exchange/Memo ID: 202308



PAIN THERAPEUTICS, INC. (PTIE) – SPECIAL CASH DIVIDEND

Ex - Distribution Date: 12/13/2010

DESCRIPTION:

Pain Therapeutics Inc. (PTIE) has announced a Special Cash Dividend of \$2.00 per PTIE Common Share payable to shareholders of record on Wednesday, December 1, 2010. The payable date is on Friday, December 10, 2010. **The ex-distribution date for this special cash dividend will be Monday, December 13, 2010.**

Contract Adjustments:

Pursuant to the By-Laws of the Options Clearing Corporation ("OCC"), the below Pain Therapeutics, Inc. options will be adjusted as follows.

Adjustment Date:	Monday, December 13, 2010
Option Symbol:	PTIE remains the same
Underlying Security:	PTIE remains the same
Contract Multiplier:	1
Strike Price:	Changed by reducing the existing strikes by \$2.00
New Multiplier:	100 (e.g. Premium of 1.00 = \$100)
New Deliverable:	100 Pain Therapeutics Inc. (PTIE) Common Shares

GTC Order Cancellation:

On Friday, December 10, 2010, immediately after the BOX close, all resting orders for PTIE in the order book will be canceled by the BOX Market Operations Center. If a BOX Participant wishes to enter orders for the adjusted PTIE series, the BOX Participant will need to reenter the orders before the open on Monday, December 13, 2010.

Additional Exchange Info:

Old Option Symbol	Old PutCall Code	Old Strike Price	Old Contract Date	New Option Symbol	New PutCall Code	New Strike Price	New Contract Date
PTIE	C/P	2.50	12/18/2010	PTIE	C/P	0.50	12/18/2010
PTIE	C/P	5.00	12/18/2010	PTIE	C/P	3.00	12/18/2010
PTIE	C/P	7.50	12/18/2010	PTIE	C/P	5.50	12/18/2010
PTIE	C/P	10.00	12/18/2010	PTIE	C/P	8.00	12/18/2010
PTIE	C/P	12.50	12/18/2010	PTIE	C/P	10.50	12/18/2010
PTIE	C/P	2.50	01/22/2011	PTIE	C/P	0.50	01/22/2011
PTIE	C/P	5.00	01/22/2011	PTIE	C/P	3.00	01/22/2011
PTIE	C/P	7.50	01/22/2011	PTIE	C/P	5.50	01/22/2011
PTIE	C/P	10.00	01/22/2011	PTIE	C/P	8.00	01/22/2011
PTIE	C/P	2.50	04/16/2011	PTIE	C/P	0.50	04/16/2011
PTIE	C/P	5.00	04/16/2011	PTIE	C/P	3.00	04/16/2011
PTIE	C/P	7.50	04/16/2011	PTIE	C/P	5.50	04/16/2011
PTIE	C/P	10.00	04/16/2011	PTIE	C/P	8.00	04/16/2011
PTIE	C/P	2.50	07/16/2011	PTIE	C/P	0.50	07/16/2011
PTIE	C/P	5.00	07/16/2011	PTIE	C/P	3.00	07/16/2011

Old Option Symbol	Old PutCall Code	Old Strike Price	Old Contract Date	New Option Symbol	New PutCall Code	New Strike Price	New Contract Date
PTIE	C/P	7.50	07/16/2011	PTIE	C/P	5.50	07/16/2011
PTIE	C/P	10.00	07/16/2011	PTIE	C/P	8.00	07/16/2011
PTIE	C/P	12.50	07/16/2011	PTIE	C/P	10.50	07/16/2011

Questions regarding this memo can be addressed to the BOX Market Operations Center at 617-235-2291 or toll free at 1-866-768-8845.