

SYNERGY PHARMACEUTICALS, INC.

Form 4

January 22, 2013

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
BRANCACCIO JOHN P

2. Issuer Name and Ticker or Trading Symbol
SYNERGY PHARMACEUTICALS, INC. [SGYP]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
01/17/2013

Director 10% Owner
 Officer (give title below) Other (specify below)

C/O SYNERGY PHARMACEUTICALS INC., 420 LEXINGTON AVE., SUITE 1609

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)

Form filed by One Reporting Person
 Form filed by More than One Reporting Person

NEW YORK, NY 10170

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)	
				(A) or (D)	Price			
				Code	V	Amount	(D)	Price
Common Stock	01/17/2013		A	20,444	A	20,444	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	Amount or Number of Shares	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Options	\$ 3.2	01/17/2013		A	13,493	(2) 04/06/2014		Common Stock	13,493
Stock Options	\$ 1	01/17/2013		A	3,080	(3) 06/16/2015		Common Stock	3,080
Stock Options	\$ 1.17	01/17/2013		A	1,079	(4) 10/20/2015		Common Stock	1,079
Stock Options	\$ 1.45	01/17/2013		A	1,439	12/23/2006 12/23/2015		Common Stock	1,439
Stock Options	\$ 0.77	01/17/2013		A	1,079	(5) 10/12/2016		Common Stock	1,079
Stock Options	\$ 0.83	01/17/2013		A	1,439	10/19/2007 10/19/2016		Common Stock	1,439
Stock Options	\$ 0.47	01/17/2013		A	1,079	(6) 09/26/2017		Common Stock	1,079
Stock Options	\$ 0.47	01/17/2013		A	1,439	09/26/2008 09/26/2017		Common Stock	1,439
Stock Options	\$ 0.08	01/17/2013		A	1,079	(7) 12/18/2018		Common Stock	1,079
Stock Options	\$ 0.08	01/17/2013		A	1,439	12/18/2009 12/18/2018		Common Stock	1,439
Stock Options	\$ 0.2	01/17/2013		A	1,079	(8) 12/29/2019		Common Stock	1,079
Stock Options	\$ 0.2	01/17/2013		A	1,439	12/29/2009 12/29/2019		Common Stock	1,439
Stock Options	\$ 0.66	01/17/2013		A	1,079	(9) 05/19/2021		Common Stock	1,079
Stock Options	\$ 0.66	01/17/2013		A	1,439	05/19/2011 05/19/2021		Common Stock	1,439

Reporting Owners

Reporting Owner Name / Address

Relationships

Reporting Owners

Director 10% Owner Officer Other

BRANCACCIO JOHN P
C/O SYNERGY PHARMACEUTICALS INC. X
420 LEXINGTON AVE., SUITE 1609
NEW YORK, NY 10170

Signatures

/s/ John P.

Brancaccio

01/22/2013

Signature of
Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Pursuant to the Agreement and Plan of Merger, dated as of July 20, 2012, as amended October 15, 2012, by and between Synergy Pharmaceuticals Inc ("Synergy") and Callisto Pharmaceuticals, Inc. ("Callisto"), Callisto merged with and into Synergy (the "Merger"). Upon the effective time of the Merger, each share of Callisto common stock was cancelled and exchanged for .1799 shares of Synergy

- (1) common stock (the "Exchange Ratio"). Each stock option exercisable for shares of Callisto common stock that is outstanding at the effective time of the Merger was assumed by Synergy and converted into a stock option to purchase the number of shares of Synergy's common stock that the holder would have received if such holder had exercised such stock option for shares of Callisto common stock prior to the Merger and exchanged such shares for Synergy common stock in accordance with the Exchange Ratio.
- (2) 4,498 options vested each year on April 26, 2005, 2006 and 2007, respectively.
- (3) 1,027 options vested immediately and 1,027 options vested on June 16, 2006 and 2007
- (4) 360 options vested each year on October 20, 2006, 2007 and 2008, respectively.
- (5) 360 options vested each year on October 12, 2007, 2008 and 2009, respectively.
- (6) 360 options vested each year on September 26, 2008, 2009 and 2010, respectively.
- (7) 360 options vested on each of December 18, 2009, 2010 and 2011, respectively.
- (8) 360 options vested on each of December 29, 2010, 2011 and 2012, respectively.
- (9) 360 options vested on May 19, 2012 and 2,000 options vest on each of May 19, 2013 and 2014, respectively.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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