

CERRONE GABRIEL
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 *
CERRONE GABRIEL

2. Issuer Name and Ticker or Trading Symbol
CALLISTO PHARMACEUTICALS INC [CLSP]

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 CALLISTO PHARMACEUTICALS, INC., 420 LEXINGTON AVENUE, 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 Indirect Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|
| Common Stock | 01/17/2013 | | D | 2,184,672 | D <u>(1)</u> 0 | I | By Panetta Partners, Ltd. <u>(2)</u> |

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

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number.

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

| 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) | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------|----------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount of Number of Shares |
| Stock Options | \$ 1.3 | 01/17/2013 | | D | | 261,000 | 04/22/2003 04/22/2013 | Common Stock | 261,000 |
| Stock Options | \$ 1.3 | 01/17/2013 | | D | | 72,055 | 04/22/2003 04/22/2013 | Common Stock | 72,055 |
| Stock Options | \$ 1.5 | 01/17/2013 | | D | | 75,000 | ⁽³⁾ 06/13/2013 | Common Stock | 75,000 |
| Stock Options | \$ 3.2 | 01/17/2013 | | D | | 100,000 | 04/26/2004 04/26/2014 | Common Stock | 100,000 |
| Stock Options | \$ 1.7 | 01/17/2013 | | D | | 375,000 | ⁽⁴⁾ 01/10/2015 | Common Stock | 375,000 |
| Stock Options | \$ 0.96 | 01/17/2013 | | D | | 225,000 | ⁽⁵⁾ 01/25/2017 | Common Stock | 22,500 |
| Stock Options | \$ 0.26 | 01/17/2013 | | D | | 390,000 | ⁽⁶⁾ 01/25/2020 | Common Stock | 390,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| CERRONE GABRIEL C/O CALLISTO PHARMACEUTICALS, INC. 420 LEXINGTON AVENUE, SUITE 1609 NEW YORK, NY 10170 | X | | | |

Signatures

/s/ Gabriele Cerrone 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) Mr. Cerrone is the sole director of Panetta Partners Ltd. and in such capacity exercise voting and dispositive control over securities owned by Panetta Partners Ltd. despite him having only a small pecuniary interest in such securities.
- (3) 25,000 options vested on each of July 1, 2004, 2005 and 2006, respectively.
- (4) 187,500 options vested on each of December 27, 2005 and 2006, respectively.
- (5) 75,000 options vested on each of December 31, 2007, 2008 and 2009, respectively.
- (6) 130,000 options vested on each of January 25, 2011 and 2012, respectively and 130,000 will vest on January 25, 2013.

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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