

# FORM 4

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

OMB APPROVAL	
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

## STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person * PAULSON & CO. INC.			2. Issuer Name and Ticker or Trading Symbol SYNERGY PHARMACEUTICALS, INC. [SGYP]			5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director <input type="checkbox"/> 10% Owner <input checked="" type="checkbox"/> Officer (give title below) _____ Other (specify below) _____		
(Last) 1251 AVENUE OF THE AMERICAS	(First)	(Middle)	3. Date of Earliest Transaction (Month/Day/Year) 12/22/2016			6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person		
(Street) NEW YORK, NY 10020	(City)	(State)	4. If Amendment, Date Original Filed (Month/Day/Year)					

**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 Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common stock, par value of \$.0001 <a href="#">(1)</a> <a href="#">(2)</a>							24,088,655	I <a href="#">(1)</a> <a href="#">(2)</a>	By Managed Funds and Accounts	

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)**

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)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V		Date Exercisable	Expiration Date					
Notional Principal Amount Derivative Agreements <a href="#">(1)</a> <a href="#">(2)</a>	<a href="#">(3)</a> <a href="#">(4)</a>	12/22/2016		J/K		271,000	<a href="#">(3)</a> <a href="#">(4)</a>	<a href="#">(3)</a> <a href="#">(4)</a>	Common stock, par value of \$.0001	271,000 \$ 4.8285	1,943,900	I <a href="#">(1)</a> <a href="#">(2)</a>	By Managed Funds and Accounts
Notional Principal Amount Derivative Agreements <a href="#">(1)</a> <a href="#">(2)</a>	<a href="#">(3)</a> <a href="#">(4)</a>	12/23/2016		J/K		144,000	<a href="#">(3)</a> <a href="#">(4)</a>	<a href="#">(3)</a> <a href="#">(4)</a>	Common stock, par value of \$.0001	144,000 \$ 5.712	1,799,900	I <a href="#">(1)</a> <a href="#">(2)</a>	By Managed Funds and Accounts

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
PAULSON & CO. INC. 1251 AVENUE OF THE AMERICAS NEW YORK, NY 10020		X		

## Signatures

/s/ Stuart L. Merzer, General Counsel & Chief Compliance Officer for Paulson & Co. Inc. 12/27/2016  
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).

Paulson & Co. Inc. ("Paulson") is an investment advisor registered under the Investment Advisors Act of 1940. Paulson is the investment manager of investment funds (the "Funds") and (1) certain separately managed accounts (the "Separately Managed Accounts"). John Paulson is the controlling person of Paulson. All securities reported on this Form 4 are owned by the Funds or held in the Separately Managed Accounts.

Each of Paulson and John Paulson may be deemed to indirectly beneficially own the securities directly owned by the Funds or held in the Separately Managed Accounts. Pursuant to (2) Rule 16a-1(a)(4) under the Securities Exchange Act of 1934, as amended (the "Act"), the filing of this Form 4 shall not be deemed an admission by any person reporting on this Form 4 that such person, for purposes of Section 16 of the Act or otherwise, is the beneficial owner of any equity securities covered by this Form 4.

Notional principal amount derivative agreements (the "Derivative Agreement") in the form of a cash settled swaps entered into by the Funds representing a share equivalent of an aggregate of 1,943,900 shares of Common Stock at strike prices ranging from \$3.31 to \$6.347 and expiration dates ranging from 12/31/2016 to 12/12/2017. The Derivative Agreements (3) provide the Funds with economic results that are comparable to the economic results of ownership of Common Stock payable on each settlement date applicable to the expiration or earlier termination of such Derivative Agreements, but does not provide them with the power to vote or direct the voting or dispose of or direct the disposition of the shares of Common Stock that are the subject of the Derivative Agreements (such shares, the "Subject Shares").

(4) Each of Paulson, the Funds, the Separately Managed Accounts and John Paulson disclaims beneficial ownership in the Subject Shares. The counterparties to the Derivative Agreements are unaffiliated third party financial institutions.

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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