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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2016

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number: 001-33277

SYNTA PHARMACEUTICALS CORP.

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	**04-3508648** (I.R.S. Employer Identification No.)
125 Hartwell Avenue **Lexington, Massachusetts** (Address of principal executive offices)	**02421** (Zip Code)

Registrant's telephone number, including area code: **(781) 274-8200**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☐	Accelerated filer ☒
Non-accelerated filer ☐ (Do not check if a smaller reporting company)	Smaller reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of May 2, 2016, the registrant had 137,806,441 shares of common stock outstanding.

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SYNTA PHARMACEUTICALS CORP.

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements.

SYNTA PHARMACEUTICALS CORP.

Condensed Consolidated Balance Sheets

(in thousands, except share and per share amounts)

(unaudited)

	March 31, 2016	December 31, 2015
Assets		
Current assets:		
Cash and cash equivalents	$ 42,815	$ 34,966
Marketable securities	9,227	31,608
Prepaid expenses and other current assets	554	1,201
Total current assets	52,596	67,775
Property and equipment, net	374	420
Total assets	$ 52,970	$ 68,195
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 744	$ 1,299
Accrued contract research costs	2,737	6,863
Other accrued liabilities	2,826	4,976
Current portion of capital lease obligations	33	43
Current portion of term loans	2,299	4,607
Total current liabilities	8,639	17,788
Total liabilities	8,639	17,788
Stockholders' equity:		
Preferred stock, par value $0.0001 per share Authorized: 5,000,000 shares at March 31, 2016 and December 31, 2015; no shares issued and outstanding at each of March 31, 2016 and December 31, 2015	—	—
Common stock, par value $0.0001 per share Authorized: 200,000,000 shares at March 31, 2016 and December 31, 2015; 137,806,441 and 137,788,584 shares issued and outstanding at March 31, 2016 and December 31, 2015, respectively	14	14
Additional paid-in-capital	757,081	756,633
Accumulated other comprehensive income	4	4
Accumulated deficit	(712,768)	(706,244)
Total stockholders' equity	44,331	50,407
Total liabilities and stockholders' equity	$ 52,970	$ 68,195

See accompanying notes to consolidated financial statements.

SYNTA PHARMACEUTICALS CORP.

Condensed Consolidated Statements of Operations

(in thousands, except share and per share amounts)

(unaudited)

	Three Months Ended March 31,	
	2016	**2015**
Revenues:		
Total revenues	$ —	$ —
Operating expenses:		
Research and development	3,407	16,182
General and administrative	3,040	4,150
Total operating expenses	6,447	20,332
Loss from operations	(6,447)	(20,332)
Interest expense, net	(77)	(375)
Net loss	$ (6,524)	$ (20,707)
Net loss per common share:		
Basic and diluted net loss per common share	$ (0.05)	$ (0.19)
Basic and diluted weighted average number of common shares outstanding	137,362,260	108,376,264

See accompanying notes to condensed consolidated financial statements.

SYNTA PHARMACEUTICALS CORP.

Condensed Consolidated Statements of Comprehensive Loss

(in thousands)

(unaudited)

	Three Months Ended March 31,	
	2016	**2015**
Net loss	$ (6,524)	$ (20,707)
Other comprehensive income (loss):		
Unrealized gain on available-for-sale securities	—	2
Comprehensive loss	$ (6,524)	$ (20,705)

See accompanying notes to condensed consolidated financial statements.

SYNTA PHARMACEUTICALS CORP.

Condensed Consolidated Statements of Cash Flows

(in thousands)

(unaudited)

	Three Months Ended March 31,	
	2016	2015
Cash flows from operating activities:		
Net loss	$ (6,524)	(20,707)
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock-based compensation expense	448	1,710
Depreciation and amortization	46	169
Changes in operating assets and liabilities:		
Prepaid expenses and other current assets	647	289
Other assets	—	(259)
Accounts payable	(555)	598
Accrued contract research costs	(4,126)	194
Other accrued liabilities	(2,150)	(769)
Net cash used in operating activities	(12,214)	(18,775)
Cash flows from investing activities:		
Purchases of marketable securities	(9,219)	(28,683)
Maturities of marketable securities	31,600	37,000
Net cash provided by investing activities	22,381	8,317
Cash flows from financing activities:		
Payment of term loans	(2,308)	(2,301)
Payment of capital lease obligations	(10)	(10)
Net cash used by financing activities	(2,318)	(2,311)
Net increase (decrease) in cash and cash equivalents	7,849	(12,769)
Cash and cash equivalents at beginning of period	34,966	46,024
Cash and cash equivalents at end of period	$ 42,815	$ 33,255
Supplemental disclosure of cash flow information:		
Cash paid for interest	$ 96	$ 325

See accompanying notes to condensed consolidated financial statements.

SYNTA PHARMACEUTICALS CORP.

Notes to Condensed Consolidated Financial Statements

(unaudited)

(1) Nature of Business

Synta Pharmaceuticals Corp. (the Company) was incorporated in March 2000 and commenced operations in July 2001. The Company has historically focused on the research, development and commercialization of novel oncology medicines that have the potential to change the lives of cancer patients.

The Company is subject to risks common to emerging companies in the drug development and pharmaceutical industry including, but not limited to, uncertainty of product development and commercialization, lack of marketing and sales history, dependence on key personnel, uncertainty of market acceptance of products and product reimbursement, product liability, uncertain protection of proprietary technology, potential inability to raise additional financing and compliance with the U.S. Food and Drug Administration and other government regulations.

In October 2015, the Company announced the decision to terminate for futility the Phase 3 GALAXY-2 trial of its novel heat shock protein 90 (Hsp90) inhibitor, ganetespib, and docetaxel in the second-line treatment of patients with advanced non-small cell lung adenocarcinoma, and initiated a comprehensive review of its strategy. In November 2015, the Company committed to a restructuring that consisted primarily of a workforce reduction of 45 positions, to a total of 33 positions, to better align its workforce to its revised operating plan.

As announced in March 2016, in order to conserve cash while the Company continues to evaluate business alternatives to maximize value for stockholders, the Company committed to an additional restructuring in February 2016 that consisted primarily of a workforce reduction of 23 positions, including 19 research and development positions, to a total of 10 remaining positions. In connection with this restructuring, the Company discontinued a substantial portion of its research and development activities and no longer anticipates expending material resources on any of its drug candidates.

On April 13, 2016, the Company and Madrigal Pharmaceuticals, Inc. (Madrigal) entered into an Agreement and Plan of Merger and Reorganization pursuant to which Saffron Merger Sub Inc., a wholly owned subsidiary of the Company, will merge with and into Madrigal, with Madrigal surviving as a wholly owned subsidiary of the Company (the Proposed Merger) (See Note 11).

There is no guarantee that the Proposed Merger will be completed. The Company cannot predict whether and to what extent it may continue drug development activities, if at all, if the Proposed Merger is not completed and what its future cash needs may be for any such activities. The Company expects its $52.0 million in cash, cash equivalents and marketable securities as of March 31, 2016, along with significantly lower operating expenses following the termination of the GALAXY-2 trial, subsequent restructurings in the fourth quarter of 2015, and the first quarter of 2016, and the discontinuation of a substantial portion of the Company's research and development activities will be sufficient to fund operations for at least the next twelve months. This estimate assumes no additional funding from new partnership agreements, equity financings or further sales under the Company's at-the-market-issuance sales agreement (ATM) with Cowen and Co. LLC (Cowen) (see Note 5).

The Company does not expect to raise any additional funds prior to the completion of the Proposed Merger. However, if the Proposed Merger is not completed the Company may require significant additional funds earlier than it currently expects in order to continue drug development activities and to continue to fund its operations. There can be no assurances, however, that additional funding will be available on favorable terms, or at all.

(2) Summary of Significant Accounting Policies

The accompanying condensed consolidated financial statements are unaudited, have been prepared on the same basis as the annual financial statements and, in the opinion of management, reflect all adjustments, which include only normal recurring adjustments necessary to present fairly the Company's financial position as of March 31, 2016 and the consolidated results of operations, comprehensive loss and cash flows for the three months ended March 31, 2016 and 2015. The preparation of financial statements in conformity with accounting principles generally accepted in the United States (GAAP) requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates. The results of operations for the three months ended March 31, 2016 are not necessarily indicative of the results to be expected for the year ending December 31, 2016 or for any other interim period or any other future year. For more complete financial information, these condensed financial statements, and the notes hereto, should be read in conjunction with the audited financial statements for the year ended December 31, 2015 included in the Company's Annual Report on Form 10-K.

Principles of Consolidation

The condensed consolidated financial statements include the financial statements of the Company and its wholly owned subsidiaries. All significant intercompany balances and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. Significant items subject to such estimates and assumptions include contract research accruals, recoverability of long-lived assets and measurement of stock-based compensation. The Company bases its estimates on historical experience and various other assumptions that management believes to be reasonable under the circumstances. Changes in estimates are recorded in the period in which they become known. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all highly liquid investments with original maturities of three months or less at the date of purchase and an investment in a money market fund to be cash equivalents. Changes in the level of cash and cash equivalents may be affected by changes in investment portfolio maturities, as well as actual cash disbursements to fund operations.

The primary objective of the Company's investment activities is to preserve its capital for the purpose of funding operations and the Company does not enter into investments for trading or speculative purposes. The Company's cash is deposited in a highly rated financial institution in the United States. The Company invests in money market funds and high-grade, short-term commercial paper and corporate bonds, which management believes are subject to minimal credit and market risk. Declines in interest rates, however, would reduce future investment income.

Marketable Securities

Marketable securities consist of investments in high-grade corporate obligations, and government and government agency obligations that are classified as available-for-sale. Since these securities are available to fund current operations they are classified as current assets on the consolidated balance sheets.

The Company adjusts the cost of available-for-sale debt securities for amortization of premiums and accretion of discounts to maturity. The Company includes such amortization and accretion as a component of interest expense, net. Realized gains and losses and declines in value, if any, that the Company judges to be other-than-temporary on available-for-sale securities are reported as a component of interest expense, net. To determine whether an other-than-temporary impairment exists, the Company considers whether it intends to sell the debt security and, if the Company does not intend to sell the debt security, it considers available evidence to assess whether it is more likely than not that it will be required to sell the security before the recovery of its amortized cost basis. During the three months ended

March 31, 2016 and 2015, the Company determined it did not have any securities that were other-than-temporarily impaired.

Marketable securities are stated at fair value, including accrued interest, with their unrealized gains and losses included as a component of accumulated other comprehensive income or loss, which is a separate component of stockholders' equity. The fair value of these securities is based on quoted prices and observable inputs on a recurring basis. Realized gains and losses are determined on the specific identification method. During the three months ended March 31, 2016 and 2015, the Company did not have any realized gains or losses on marketable securities.

Fair Value of Financial Instruments

The carrying amounts of the Company's financial instruments, which include cash equivalents, marketable securities and term loan obligations, approximate their fair values. The fair value of the Company's financial instruments reflects the amounts that would be received upon sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy has the following three levels:

Level 1—quoted prices in active markets for identical assets and liabilities.

Level 2—observable inputs other than Level 1 inputs. Examples of Level 2 inputs include quoted prices in active markets for similar assets or liabilities and quoted prices for identical assets or liabilities in markets that are not active.

Level 3—unobservable inputs that reflect the Company's own assumptions about the assumptions market participants would use in pricing the asset or liability.

Financial assets and liabilities are classified in their entirety within the fair value hierarchy based on the lowest level of input that is significant to the fair value measurement. The Company measures the fair value of its marketable securities by taking into consideration valuations obtained from third-party pricing sources. The pricing services utilize industry standard valuation models, including both income and market based approaches, for which all significant inputs are observable, either directly or indirectly, to estimate fair value. These inputs include reported trades of and broker-dealer quotes on the same or similar securities, issuer credit spreads, benchmark securities and other observable inputs. As of March 31, 2016, the Company's financial assets valued based on Level 1 inputs consisted of cash and cash equivalents in a money market fund and its financial assets valued based on Level 2 inputs consisted of high-grade corporate bonds and commercial paper. During the three months ended March 31, 2016 and 2015, the Company did not have any transfers of financials assets between Levels 1 and 2. As of March 31, 2016, the Company did not have any financial liabilities that were recorded at fair value on the balance sheet. The disclosed fair value of the Company's term loan obligations is determined using current applicable rates for similar instruments as of the balance sheet date. The carrying value of the Company's term loan obligations approximates fair value as the Company's interest rate yield is near current market rate yields. The disclosed fair value of the Company's term loan obligations is based on Level 3 inputs.

Revenue Recognition

Collaboration and License Agreements

The Company's principal source of revenue to date has been its former collaboration and license agreements, which included upfront license payments, development milestones, reimbursement of research and development costs, potential profit sharing payments, commercial and sales-based milestones and royalties. The accounting for collaboration and license agreements requires subjective analysis and requires management to make estimates and assumptions about whether deliverables within multiple-element arrangements are separable from the other aspects of the contractual arrangement into separate units of accounting and to determine the arrangement consideration to be allocated to each unit of accounting.

For multiple-element arrangements entered into or materially modified after January 1, 2011, the Company follows the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2009-13— *Multiple-deliverable Revenue Arrangements* (ASU No. 2009-13). ASU No. 2009-13 amended certain provisions of Accounting Standards Codification (ASC) Topic 605— *Revenue Recognition*. This standard addresses the determination of the unit(s) of accounting for multiple-element arrangements and how an arrangement's consideration should be allocated to each unit of accounting.

Pursuant to this standard, each required deliverable is evaluated to determine if it qualifies as a separate unit of accounting. For the Company this determination includes an assessment as to whether the deliverable has "stand-alone value" to the customer separate from the undelivered elements. The arrangement's consideration is then allocated to each separate unit of accounting based on the relative selling price of each deliverable. The estimated selling price of each deliverable is determined using the following hierarchy of values: (i) vendor-specific objective evidence of fair value, (ii) third-party evidence of selling price, or (iii) the Company's best estimate of the selling price (BESP). The BESP reflects the Company's best estimate of what the selling price would be if the deliverable was regularly sold by it on a stand-alone basis. The Company expects, in general, to use BESP for allocating consideration to each deliverable in future collaboration agreements. In general, the consideration allocated to each unit of accounting is then recognized as the related goods or services are delivered limited to the consideration not contingent upon future deliverables. The Company did not recognize any revenue related to collaboration and license agreements during the three months ended March 31, 2016 and 2015.

The Company accounts for development milestones under collaboration and license agreements pursuant to ASU No. 2010-17 *Milestone Method of Revenue Recognition* (ASU No. 2010-17). ASU No. 2010-17 codified a method of revenue recognition that has been common practice. Under this method, contingent consideration from research and development activities that is earned upon the achievement of a substantive milestone is recognized in its entirety in the period in which the milestone is achieved. At the inception of each arrangement that includes milestone payments, the Company evaluates whether each milestone is substantive. This evaluation includes an assessment of whether (a) the consideration is commensurate with either (1) the entity's performance to achieve the milestone, or (2) the enhancement of the value of the delivered item(s) as a result of a specific outcome resulting from the entity's performance to achieve the milestone, (b) the consideration relates solely to past performance and (c) the consideration is reasonable relative to all of the deliverables and payment terms within the arrangement. The Company evaluates factors such as the scientific, clinical, regulatory, commercial and other risks that must be overcome to achieve the respective milestone, the level of effort and investment required and whether the milestone consideration is reasonable relative to all deliverables and payment terms in the arrangement in making this assessment. The Company does not have any ongoing collaboration and license agreements under which milestones may be achieved.

Royalty revenues are based upon a percentage of net sales. Royalties from the sales of products will be recorded on the accrual basis when results are reliably measurable, collectability is reasonably assured and all other revenue recognition criteria are met. Commercial and sales-based milestones, which are based upon the achievement of certain agreed-upon sales thresholds, will be recognized in the period in which the respective sales threshold is achieved and collectability is reasonably assured. The Company does not have any ongoing collaboration and license agreements under which royalties or commercial and sales-based milestones may be achieved.

Stock-Based Compensation

The Company recognizes stock-based compensation expense based on the grant date fair value of stock options granted to employees, officers and directors. The Company uses the Black-Scholes option pricing model to determine the grant date fair value as management believes it is the most appropriate valuation method for its option grants. The Black-Scholes model requires inputs for risk-free interest rate, dividend yield, volatility and expected lives of the options. Expected volatility is based upon the weighted average historical volatility data of the Company's common stock. The risk-free rate for periods within the expected life of the option is based on the U.S. Treasury yield curve in effect at the time of the grant. The expected lives for options granted represent the period of time that options granted are expected to be outstanding. The Company uses the simplified method for determining the expected lives of options. The Company estimates the forfeiture rate based on historical data. This analysis is re-evaluated at least annually and the forfeiture rate is adjusted as necessary.

For awards with graded vesting, the Company recognizes compensation costs based on the grant date fair value of awards on a straight-line basis over the requisite service period, which is generally the vesting period.

Certain of the employee stock options granted by the Company are structured to qualify as incentive stock options (ISOs). Under current tax regulations, the Company does not receive a tax deduction for the issuance, exercise or disposition of ISOs if the employee meets certain holding requirements. If the employee does not meet the holding requirements, a disqualifying disposition occurs, at which time the Company may receive a tax deduction. The Company does not record tax benefits related to ISOs unless and until a disqualifying disposition is reported. In the event of a disqualifying disposition, the entire tax benefit is recorded as a reduction of income tax expense. The Company has not recognized any income tax benefit for its share-based compensation arrangements due to the fact that the Company does not believe it is more likely than not it

will realize the related deferred tax assets.

Comprehensive Loss

Comprehensive loss is defined as the change in equity of a business enterprise during a period from transactions and other events and circumstances from non-owner sources. Changes in unrealized gains and losses on marketable securities represent the only difference between the Company's net loss and comprehensive loss.

Segment Reporting

Operating segments are determined based on the way management organizes its business for making operating decisions and assessing performance. The Company has a single operating segment, which is the discovery, development and commercialization of drug products.

Basic and Diluted Loss Per Common Share

Basic net loss per share is computed using the weighted average number of common shares outstanding during the period, excluding restricted stock that has been issued but is not yet vested. Diluted net loss per common share is computed using the weighted average number of common shares outstanding and the weighted average dilutive potential common shares outstanding using the treasury stock method. However, for the three months ended March 31, 2016 and 2015, diluted net loss per share is the same as basic net loss per share as the inclusion of weighted average shares of unvested restricted common stock and common stock issuable upon the exercise of stock options would be anti-dilutive.

The following table summarizes outstanding securities not included in the computation of diluted net loss per common share as their inclusion would be anti-dilutive:

	March 31,	
	2016	2015
Common stock options	7,335,500	10,123,204
Unvested restricted common stock	409,786	734,758
Unvested restricted stock units	5,000,000	—

Recent Accounting Pronouncements

In May 2014, the FASB issued ASU No. 2014-09, —*Revenue from Contracts with Customers* (Topic 606), which amends the guidance for accounting for revenue from contracts with customers. This ASU supersedes the revenue recognition requirements in ASC Topic 605, and creates a new Topic 606, *Revenue from Contracts with Customers*. This guidance was originally effective for fiscal years beginning after December 15, 2016, with early adoption not permitted. Two adoption methods are permitted: retrospectively to all prior reporting periods presented, with certain practical expedients permitted; or retrospectively with the cumulative effect of initially adopting the ASU recognized at the date of initial application. The FASB approved a one year deferral of the effective date of this standard to annual periods beginning after December 15, 2017, along with an option to permit companies to early adopt the standard for annual periods beginning after December 15, 2016. The Company has not yet determined the date it plans to adopt ASU No. 2014-09, which adoption method it will utilize, or the effect that the adoption of this guidance will have on its consolidated financial statements.

In June 2014, the FASB issued ASU No. 2014-12, —*Compensation—Stock Compensation (Topic 718), Accounting for Share-Based Payments When the Terms of an Award Provide That a Performance Target Could Be Achieved after the Requisite Service Period*. ASU No. 2014-12 requires that a performance target that affects vesting and that could be achieved after the requisite service period be treated as a performance condition. The amendments in this update apply prospectively to all share-based payment awards that are granted or modified on or after the effective date, or retrospectively to all awards with performance targets that are outstanding as of the beginning of the earliest annual period presented in the consolidated financial statements, and to all new or modified awards thereafter. ASU No. 2014-12 is effective for annual periods and interim periods within those annual periods, beginning after December 15, 2015. The Company adopted ASU No. 2014-12 effective January 1, 2016 and is applying this standard to account for restricted stock units granted to certain executive officers and non-executive employees (See Note 6).

In August 2014, the FASB issued ASU No. 2014-15, —*Presentation of Financial Statements—Going Concern (Subtopic 205-40): Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern*. This ASU is intended to define management's responsibility to evaluate whether there is substantial doubt about an organization's ability to continue as a going concern within one year of the date of issuance of the entity's financial statements and to provide related footnote disclosures. This guidance is effective for fiscal years ending after December 15, 2016, with early application permitted. If this standard had been adopted as of March 31, 2016, the Company believes that it would have concluded there was not substantial doubt about its ability to continue as a going concern. However, the Company faces risks and uncertainties, as further described in Note 1, Nature of Business, that would have been considered in this analysis. The adoption of this guidance may have an effect on the Company's disclosures in future periods.

(3) Cash, Cash Equivalents and Marketable Securities

A summary of cash, cash equivalents and available-for-sale marketable securities held by the Company as of March 31, 2016 and December 31, 2015 was as follows in thousands (see Note 2):

	March 31, 2016			
	Cost	Unrealized gains	Unrealized losses	Fair value
	(in thousands)			
Cash and cash equivalents:				
Cash and money market funds (Level 1)	$ 25,986	$ —	$ —	$ 25,986
Corporate debt securities due within 3 months of date of purchase (Level 2)	16,829	—	—	16,829
Total cash and cash equivalents	42,815	—	—	42,815
Marketable securities:				
Corporate debt securities due within 1 year of date of purchase (Level 2)	9,223	4		9,227
Total cash, cash equivalents and marketable securities	$ 52,038	$ 4	$ —	$ 52,042

	December 31, 2015			
	Cost	Unrealized gains	Unrealized losses	Fair value
	(in thousands)			
Cash and cash equivalents:				
Cash and money market funds (Level 1)	$ 27,473	$ —	$ —	$ 27,473
Corporate debt securities due within 3 months of date of purchase (Level 2)	7,493	—	—	7,493
Total cash and cash equivalents	34,966	—	—	34,966
Marketable securities:				
Corporate debt securities due within 1 year of date of purchase (Level 2)	31,604	5	(1)	31,608
Total cash, cash equivalents and marketable securities	$ 66,570	$ 5	$ (1)	$ 66,574

(4) Property and Equipment

Property and equipment as of March 31, 2016 and December 31, 2015 consisted of the following (in thousands):

	March 31, 2016	December 31, 2015
	(in thousands)	
Laboratory equipment	$ 12,217	$ 12,217
Leasehold improvements	5,030	5,030
Computers and software	3,005	3,136
Furniture and fixtures	1,182	1,182
	21,434	21,565
Less accumulated depreciation and amortization	(21,060)	(21,145)
	$ 374	$ 420

Depreciation and amortization expenses of property and equipment, including equipment purchased under capital leases, were approximately $46,000 and $169,000 in the three months ended March 31, 2016 and 2015, respectively.

(5) Stockholders' Equity

Common Stock

Each common stockholder is entitled to one vote for each share of common stock held. The common stock will vote together with all other classes and series of stock of the Company as a single class on all actions to be taken by the Company's stockholders. Each share of common stock is entitled to receive dividends, as and when declared by the Company's board of directors.

The Company has never declared cash dividends on its common stock and does not expect to do so in the foreseeable future.

At-The-Market Issuance Sales Agreement

In October 2015, the Company entered into an at-the-market issuance sales agreement (October 2015 Sales Agreement), with Cowen and Company, LLC (Cowen), pursuant to which the Company may issue and sell shares of its common stock, having an aggregate offering price of up to $100 million, from time to time, at the Company's option, through Cowen as its sales agent. Sales of common stock through Cowen may be made by any method that is deemed an "at-the-market" offering as defined in Rule 415 promulgated under the Securities Act of 1933, as amended, including by means of ordinary brokers' transactions at market prices, in block transactions or as otherwise agreed by the Company and Cowen. Subject to the terms and conditions of the Sales Agreement, Cowen will use commercially reasonable efforts consistent with its normal trading and sales practices to sell the common stock based upon the Company's instructions (including any price, time or size limits or other customary parameters or conditions the Company may impose). The Company is not obligated to make any sales of its common stock under the Sales Agreement. Any shares sold will be sold pursuant to an effective shelf registration statement on Form S-3 (file no. 333-206135). The Company will pay Cowen a commission of up to 3% of the gross proceeds. The October 2015 Sales Agreement may be terminated by the Company at any time upon 10 days' notice. No shares have been sold to-date under the October 2015 Sales Agreement.

(6) Stock-Based Compensation

In June 2015, upon obtaining stockholder approval at its annual shareholder meeting, the Company implemented its new 2015 Stock Plan and reserved 8,741,000 shares of common stock for future issuance. The 2015 Stock Plan replaced the 2006 Stock Plan which was terminated upon adoption of the 2015 Stock Plan. Shares of common stock reserved for outstanding awards under the 2006 Stock Plan that lapse or are canceled will be added back to the share reserve available for future awards under the 2015 Stock Plan. The 2015 Stock Plan provides for the grant of incentive stock options, non-statutory stock options, restricted stock and other stock-based compensation awards to employees, officers, directors and consultants of the Company. The administration of the 2015 Stock Plan is under the general supervision of the compensation committee of the board of directors. The exercise price of the stock options is determined by the compensation committee of the board of directors, provided that incentive stock options are granted with an exercise price not less than fair market value of the common stock on the date of grant and expire no later than ten years from the date the option is granted. Options generally vest over four years. As of March 31, 2016, the Company had options outstanding to purchase 7,335,500 shares of its common stock, which includes options outstanding under its 2001 Stock Plan and 2006 Stock Plan that were terminated in March 2006 and June 2015, respectively. As of March 31, 2016, 10,636,423 shares were available for future issuance.

The following table summarizes stock option activity during the three months ended March 31, 2016:

	Shares	Weighted average exercise price
Outstanding at January 1, 2016	10,127,257	$ 4.56
Options granted	—	—
Options exercised	—	—
Options cancelled	(2,791,757)	5.85
Outstanding at March 31, 2016	7,335,500	$ 4.07
Exercisable at March 31, 2016	3,895,204	$ 5.68

The total cash received by the Company as a result of stock option exercises was $0 in each of the three months ended March 31, 2016 and 2015. The weighted-average grant date fair values of options granted during the three months ended March 31, 2016 and 2015 were $0 and $1.92, respectively.

Non-Vested ("Restricted") Stock Awards With Service Conditions

Restricted Common Stock

The Company's share-based compensation plan provides for awards of restricted shares of common stock to employees, officers, directors and consultants to the Company. Restricted stock awards are subject to forfeiture if employment or service terminates during the prescribed retention period. Restricted shares vest over the service period. The total fair value of restricted stock that vested in the three months ended March 31, 2016 and 2015 was $8,000 and $19,000, respectively.

The following table summarizes unvested restricted share activity during the three months ended March 31, 2016:

	Shares	Weighted average grant date fair value
Outstanding at January 1, 2016	426,706	$ 2.61
Vested	(34,777)	1.73
Granted	17,857	0.35
Forfeited	—	—
Outstanding at March 31, 2016	409,786	$ 2.59

Restricted Stock Units

In December 2015, in connection with the Company's review of its strategy and the exploration of strategic alternatives, the Compensation Committee approved the grant of five million milestone-based restricted stock units (RSU's), effective on January 4, 2016, to certain executive officers and non-executive employees. The restricted stock units only vest if the executive officer or non-executive employee is employed by the Company at the closing of a defined Transaction that occurs on or prior to December 31, 2016, or if such person is terminated prior to that date by the Company other than for cause. The grant was intended to further align the interests of the Company's executive team with its stockholders by providing equity participation in a strategic transaction and to promote maximizing stockholder value in such a transaction. If completed, the Proposed Merger with Madrigal would be a covered Transaction. The Company will not recognize stock compensation in connection with these restricted stock units until the closing of the Proposed Merger with Madrigal Pharmaceuticals, Inc. (see Note 11), which is expected to occur in the third quarter of 2016, subject to customary closing conditions, including the approval of the Company's stockholders and the Company having a minimum net cash amount of $28.5 million.

Stock-Based Compensation Expense

For the three months ended March 31, 2016 and 2015, the fair value of each employee stock option award was estimated on the date of grant based on the fair value method using the Black-Scholes option pricing valuation model with the following weighted average assumptions:

	Three Months Ended March 31,	
	2016	2015
Risk-free interest rate	—	1.77%
Expected life in years	—	6.25
Volatility	—	101%
Expected dividend yield	—	—

Stock-based compensation expense during the three months ended March 31, 2016 and 2015 was as follows (in thousands):

	Three Months Ended March 31,	
	2016	2015
Stock-based compensation expense by type of award:		
Employee stock options	$ 326	$ 1,508
Restricted stock	122	202
Total stock-based compensation expense	$ 448	$ 1,710
Effect of stock-based compensation expense by line item:		
Research and development	$ (47)	$ 981
General and administrative	495	729
Total stock-based compensation expense included in net loss	$ 448	$ 1,710

Unrecognized stock-based compensation expense as of March 31, 2016 was as follows (dollars in thousands):

	Unrecognized stock compensation expense	Weighted average remaining period (in years)
Employee stock options	$ 4,386	2.96
Restricted stock	777	1.76
Restricted stock units	1,650	0.75
Total	$ 6,813	2.29

7) Other Accrued Liabilities

Other accrued liabilities as of March 31, 2016 and December 31, 2015 consisted of the following (in thousands):

	March 31, 2016	December 31, 2015
Compensation and benefits	$ 1,349	$ 3,072
Professional fees	556	867
Other	921	1,037
	$ 2,826	$ 4,976

(8) Co-Development and License Agreements

Co-Development Agreement

In July 2011, the Company entered into a co-development agreement with a clinical research organization (CRO) for the conduct of certain company-sponsored clinical trials. Under the co-development agreement, this CRO was performing clinical research services under a reduced fee structure in exchange for a share of licensing payments and commercial revenues, if any, resulting from the product under development up to a specified maximum payment, which is defined as a multiple of the fee reduction realized. Research and development expenses were being recognized based on the reduced fee structure and expected payments will be recorded in the future if and when payment is probable. The maximum amount of the service fee discount was realized in the year ended December 31, 2013.

License Arrangement

In May 2014, the Company entered into a license arrangement for its CRACM program, including two lead candidates and the associated intellectual property portfolio, with PRCL Research Inc. (PRCL), a company funded by TVM Life Science Venture VII and the Fonds de Solidarité des Travailleurs du Québec, based in Montreal, Canada. PRCL plans to develop one of the two lead candidates licensed from the Company to proof-of-concept. Synta was granted a minority interest in PRCL in exchange for its contribution of know-how and intellectual property and also holds a seat on PRCL's Board of Directors. Synta will not be required to provide any research funding or capital contributions to PRCL. Synta will be reimbursed by PRCL for any ongoing intellectual property management costs in connection with the contributed intellectual property and may conduct preclinical research activities which would be reimbursed by PRCL. If and when proof-of-concept is reached with either drug candidate, Eli Lilly and Company, which is an investor in TVM, will manage the development program through one of its divisions and will have an option to acquire PRCL or its assets at the then fair value.

Elesclomol (Mitochondria-Targeting Agent)

In January 2016, the Company entered into an asset purchase agreement with another party to further develop its drug candidate, elesclomol. The Company will no longer be performing research activities on this drug candidate and, as part of the arrangement, the Company will receive a minority interest and Board representation in the other party, payments based on achievement of certain development milestones and product royalties upon commercialization.

(9) Term Loans

General Electric Capital Corporation

In March 2013, the Company amended its loan and security agreement entered into in September 2010 with General Electric Capital Corporation (GECC) and another lender (the GECC Term Loan) and obtained $12.9 million in additional loan funding and, as a result, increased the principal balance to $22.5 million at March 31, 2013. This amendment was accounted for as a loan modification. Interest on the borrowings under the GECC Term Loan remains at the annual rate of 9.75%. As of March 31, 2016, in accordance with the GECC Term Loan, $2.3 million in remaining principal payments is scheduled to be paid by June 2016, at which time the Company is obligated to pay an exit fee in the amount of $788,000.

The Company has paid various transaction fees and expenses in connection with the GECC Term Loan, which are deferred and are being amortized as interest expense over the remaining term of the GECC Term Loan. In addition, the exit fee of $788,000 payable at the time of the final principal payment is being accreted and expensed as interest over the remaining term of the GECC Term Loan. In the three months ended March 31, 2016 and 2015, the Company recognized GECC Term Loan interest expense of $110,000 and $363,000, respectively, of which $36,000 and $73,000, respectively, was in connection with these transaction and exit fees and expenses in each of the periods. The Company may prepay the full amount of the GECC Term Loan, subject to prepayment premiums under certain circumstances. The Company did not issue any warrants in connection with the GECC Term Loan.

The GECC Term Loan is secured by substantially all of the Company's assets, except its intellectual property. The Company has granted GECC a springing security interest in its intellectual property in the event the Company is not in compliance with certain cash usage covenants, as defined therein. The GECC Term Loan contains restrictive covenants, including the requirement for the Company to receive the prior written consent of GECC to enter into loans, other than up to $4.0 million of equipment financing, restrictions on the declaration or payment of dividends, restrictions on acquisitions, and

customary default provisions that include material adverse events, as defined therein.

Oxford Finance Corporation

In December 2012, the Company entered into an amended loan and security agreement with Oxford Finance Corporation (Oxford) and received $0.6 million in additional equipment financing that is payable in 36 equal monthly payments of principal plus accrued interest on the outstanding balance (collectively, the Oxford Term Loan). Interest on the borrowings under the Oxford Term Loan accrues at an annual rate of 13.35%. As of March 31, 2016, in accordance with the Oxford Term Loan, $49,000 in remaining principal payments is scheduled to be paid by July 2016.

The Company recognized approximately $2,000 and $10,000 in interest expense in the three months ended March 31, 2016 and 2015, respectively, related to the outstanding principal under the Oxford Term Loan. In addition to the interest payable under the Oxford Term Loan, the Company paid approximately $108,000 of administrative and legal fees and expenses in connection with the Oxford Term Loan. These expenses have been deferred and are being amortized as interest expense over the term of the Oxford Term Loan. The Company did not issue any warrants in connection with the Oxford Term Loan. The Company may prepay the Oxford Term Loan, subject to prepayment premiums under certain circumstances. Oxford has the right to require the Company to prepay the Oxford Term Loan if the Company prepays the full amount of the GECC Term Loan under certain circumstances.

The Oxford Term Loan is secured by certain laboratory and office equipment, furniture and fixtures. In connection with the Oxford Term Loan, Oxford and GECC entered into a Lien Subordination Agreement, whereby GECC granted Oxford a first priority perfected security interest in the loan collateral. The Oxford Term Loan contains restrictive covenants, including the requirement for the Company to receive the prior written consent of Oxford to enter into acquisitions in which the Company incurs more than $2.0 million of related indebtedness, and customary default provisions that include material adverse events, as defined therein.

(10) Restructurings — November 2015 and February 2016

In October 2015, the Company announced its decision to terminate for futility its Phase 3 GALAXY-2 trial of ganetespib and docetaxel in the second-line treatment of patients with advanced non-small cell lung adenocarcinoma. Based on a review of a pre-planned interim analysis, the study's Independent Data Monitoring Committee concluded that the addition of ganetespib to docetaxel is unlikely to demonstrate a statistically significant improvement in the primary endpoint of overall survival compared to docetaxel alone.

In November 2015, following the termination of the GALAXY-2 trial, the Company committed to a restructuring that consisted primarily of a workforce reduction of 45 positions, to a total of 33 positions, to better align its workforce to its revised operating plan. The restructuring was substantially completed during the fourth quarter of 2015. Cash payments in connection with the workforce reduction, comprised principally of severance, unused vacation payments, benefits continuation costs and outplacement services, were approximately $2.6 million of which approximately $1.3 million was paid during the fourth quarter of 2015 and approximately $1.2 million was paid during the first quarter of 2016. As of March 31, 2016, approximately $0.1 million was accrued in remaining restructuring-related payments that is expected to be paid in the second quarter of 2016.

In February 2016, in order to conserve cash while the Company continues to evaluate its strategies to maximize value for stockholders, the Company committed to an additional restructuring that consisted primarily of a workforce reduction of 23 positions, including 19 research and development positions, to a total of 10 positions. In connection with this restructuring, the Company discontinued a substantial portion of its research and development activities. The restructuring was completed in the first quarter of 2016. Cash payments in connection with the workforce reduction, comprised principally of severance, unused vacation payments, benefits continuation costs and outplacement services, were approximately $1.5 million of which approximately $0.6 million was paid during the first quarter of 2016. As of March 31, 2016, approximately $0.9 million was accrued in remaining restructuring-related payments that is expected to be substantially paid in the second quarter of 2016.

(11) Subsequent Events

Merger Agreement

On April 13, 2016, the Company and Madrigal Pharmaceuticals, Inc. (Madrigal) entered into an Agreement and Plan of Merger and Reorganization pursuant to which Saffron Merger Sub Inc., a wholly owned subsidiary of the Company, will merge with and into Madrigal, with Madrigal surviving as a wholly owned subsidiary of the Company (the Proposed Merger). Under the terms of the Proposed Merger, the Company will acquire all outstanding shares of Madrigal in exchange for approximately 253.9 million newly issued shares of the Company's common stock. Immediately following the effective time of the Proposed Merger, the Company anticipates that the stockholders of the Company as of immediately prior to the Proposed Merger will own approximately 36% of the combined company and the former Madrigal stockholders will own approximately 64% of the combined company. The Proposed Merger has been approved by the boards of directors of both companies and the stockholders of Madrigal and is expected to close in the third quarter of 2016, subject to customary closing conditions, including the approval of the Company's stockholders and the Company having a minimum net cash amount of $28.5 million.

At the effective time of the Proposed Merger, (i) the officers of the Company will include Dr. Paul A. Friedman, a former director of the Company, who will be Chief Executive Officer and Chairman of the combined company, Rebecca Taub, M.D., a current executive officer of Madrigal who will be the Chief Medical Officer, Executive Vice President, Research & Development, of the combined company (Dr. Taub is the spouse of Dr. Friedman), and Marc Schneebaum, the current Chief Financial Officer of Synta, who will be the Chief Financial Officer of the combined company, and (ii) the initial size of the Board of Directors of the Company shall be seven (7) and the initial directors shall be Paul A. Friedman, M.D., who shall be Chairman; Fred Craves, Ph.D., who shall be the lead director; Rebecca Taub, M.D.; Keith Gollust; and three (3) other individuals to be designated. The resignations from Synta's board of directors of each of Chen Schor, Donald W. Kufe, M.D., William S. Reardon, C.P.A., Scott Morenstein, Robert N. Wilson and Bruce Kovner will be effective as of the effective time of the Proposed Merger.

The Proposed Merger is intended to create a company focused on the development of novel small-molecule drugs addressing major unmet needs in cardiovascular-metabolic diseases and non-alcoholic steatohepatitis (NASH). Madrigal's lead compound, MGL-3196, is a Phase 2-ready once-daily, oral, liver-directed selective thyroid hormone receptor-ß (THR-ß) agonist for the treatment of NASH and heterozygous and homozygous familial hypercholesterolemia (HeFH, HoFH).

The Company continues to conduct limited activities with respect to ganetespib and the drug candidates from its Hsp90 inhibitor drug candidate ("HDC") program, including its lead HDC candidate, STA-12-8666.

Facility Lease Termination

On April 19, 2016, the Company entered into a Lease Termination Agreement (the "Termination") with Duffy Hartwell, LLC (the "Landlord") which terminated the lease, dated as of November 4, 1996, by and between the Company and the Landlord, pursuant to which the Company leased 34,250 square feet of the building located at 45 Hartwell Avenue, Lexington, MA 02421 (as amended, the "Lease"). The Lease was initially scheduled to expire on November 30, 2016. Pursuant to the Termination, the Lease was terminated early, effective as of the date the Company vacated the premises and the Landlord received the final termination payment of approximately $213,000, both of which occurred prior to May 1, 2016 (the "Termination Date"). Following the Termination Date, the Company has no further rent obligations to the Landlord pursuant to the Lease.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

You should read this discussion together with the consolidated financial statements, related notes and other financial information included elsewhere in this Quarterly Report on Form 10-Q. The following discussion may contain predictions, estimates and other forward-looking statements that involve a number of risks and uncertainties, including those discussed under "Risk Factors" in this Quarterly Report on Form 10-Q. These risks could cause our actual results to differ materially from any future performance suggested below.

Overview

Synta Pharmaceuticals Corp. ("Synta" or the "Company") is a company that has been historically focused on research, development and commercialization of novel oncology medicines that have the potential to change the lives of cancer patients. In October 2015, we announced the decision to terminate for futility the Phase 3 GALAXY-2 trial of our novel heat shock protein 90 (Hsp90) inhibitor, ganetespib, and docetaxel in the second-line treatment of patients with advanced non-small cell lung adenocarcinoma. Based on the review of a pre-planned interim analysis, the study's Independent Data Monitoring Committee (IDMC) concluded that the addition of ganetespib to docetaxel was unlikely to demonstrate a statistically significant improvement in overall survival, the primary endpoint of the study, compared to docetaxel alone.

Following termination of the GALAXY-2 trial in October 2015, we initiated a comprehensive review of our strategy. In November 2015, we committed to a restructuring that consisted primarily of a workforce reduction to better align our workforce to our revised operating plans, which included support of key ongoing ganetespib investigator-sponsored studies and continued effort on the development of candidates from our Hsp90 inhibitor drug candidate ("HDC") program, in particular our lead HDC candidate, STA-12-8666. As announced in March 2016, in order to conserve cash while we continue to evaluate strategic alternatives to maximize value for stockholders, we committed to a further restructuring in February 2016 that consisted primarily of a workforce reduction of 23 positions, including 19 research and development positions, to a total of 10 remaining positions. In connection with this restructuring, we discontinued a substantial portion of our research and development activities. We continue to conduct limited activities with respect to ganetespib and the drug candidates from our HDC program, including STA-12-8666, as detailed below.

We were incorporated in March 2000 and commenced operations in July 2001. Since that time, we have principally been engaged in the discovery and development of novel drug candidates. As of March 31, 2016, we have raised an aggregate of approximately $868.9 million in cash proceeds to fund operations, including $665.9 million in net proceeds from private and public offerings of our equity, $30.5 million in gross proceeds from term loans and $167.2 million in non-refundable payments from partnering activities under prior collaborations, as well as $5.3 million from the exercise of common stock warrants and options. We have also generated funds from government grants, equipment lease financings and investment income.

We have historically devoted substantially all of our resources to the discovery and development of our drug candidates, as well as intellectual property prosecution. We currently do not have any drugs that are commercially available and none of our drug candidates have obtained approval of the U.S. Food and Drug Administration, or FDA, or any similar foreign regulatory authority. Since our inception, we have had no revenues from product sales. As of March 31, 2016, we had an accumulated deficit of $712.8 million.

Key Developments

On April 13, 2016, Synta and Madrigal Pharmaceuticals, Inc. (Madrigal) entered into an Agreement and Plan of Merger and Reorganization pursuant to which Saffron Merger Sub Inc., a wholly owned subsidiary of Synta, will merge with and into Madrigal, with Madrigal surviving as a wholly owned subsidiary of the Company (the Proposed Merger). Under the terms of the Proposed Merger, we will acquire all outstanding shares of Madrigal in exchange for approximately 253.9 million newly issued shares of our common stock. Immediately following the effective time of the Proposed Merger, we anticipate that the stockholders of Synta as of immediately prior to the Proposed Merger will own approximately 36% of the combined company and the former Madrigal stockholders will own approximately 64% of the combined company. The Proposed Merger has been approved by the boards of directors of both companies and the stockholders of Madrigal and is expected to close in the third quarter of 2016, subject to customary closing conditions, including the approval of our stockholders and us having a minimum net cash amount of $28.5 million.

At the effective time of the Proposed Merger, (i) the officers of the Company will include Dr. Paul A. Friedman, a former director of the Company, who will be Chief Executive Officer and Chairman of the combined company, Rebecca Taub, M.D., a current executive officer of Madrigal who will be the Chief Medical Officer, Executive Vice President, Research & Development, of the combined company (Dr. Taub is the spouse of Dr. Friedman), and Marc Schneebaum, the current Chief Financial Officer of Synta, who will be the Chief Financial Officer of the combined company, and (ii) the initial size of the Board of Directors of the Company shall be seven (7) and the initial directors shall be Paul A. Friedman, M.D., who shall be Chairman; Fred Craves, Ph.D., who shall be the lead director; Rebecca Taub, M.D.; Keith Gollust; and three (3) other individuals to be designated. The resignations from Synta's board of directors of each of Chen Schor, Donald W. Kufe, M.D., William S. Reardon, C.P.A., Scott Morenstein, Robert N. Wilson and Bruce Kovner will be effective as of the effective time of the Proposed Merger.

The Proposed Merger is intended create a company focused on the development of novel small-molecule drugs addressing major unmet needs in cardiovascular-metabolic diseases and non-alcoholic steatohepatitis (NASH). Madrigal's lead compound, MGL-3196, is a Phase 2-ready once-daily, oral, liver-directed selective thyroid hormone receptor-ß (THR-ß) agonist for the treatment of NASH and heterozygous and homozygous familial hypercholesterolemia (HeFH, HoFH).

We continue to conduct limited activities with respect to ganetespib and the drug candidates from our Hsp90 inhibitor drug candidate ("HDC") program, including our lead HDC candidate, STA-12-8666, as detailed below.

Ganetespib (Hsp90 Inhibitor)

Summary

Ganetespib is a novel, potent, small molecule inhibitor of Hsp90, a molecular chaperone which is required for the proper folding and activation of many cancer-promoting proteins. Inhibition of Hsp90 by ganetespib leads to the simultaneous degradation of many of these client proteins and the subsequent death or cell cycle arrest of cancer cells dependent on those proteins. A number of Hsp90 client proteins are also involved in the resistance of cancer cells to other anti-cancer treatments, such as chemotherapy. The ability to reduce cancer-cell drug resistance suggests that the combination of ganetespib with chemotherapies or other anti-cancer agents may provide greater benefit than those agents administered alone. In preclinical studies, ganetespib has shown potent anti-cancer activity against a broad range of solid and hematologic cancers, both as a monotherapy and in combination with a variety of anti-cancer treatment approaches including chemotherapy, radiation, targeted therapy and immunotherapy.

Ongoing Ganetespib Clinical Trials

We plan to continue to support the clinical trials in ovarian cancer and sarcoma described below by providing ganetespib drug supply and required safety and regulatory oversight until each of these respective studies conclude. We are also currently conducting limited preclinical activities with ganetespib.

GANNET53 Trial—Ganetespib in ovarian cancer

GANNET53, a Seventh Framework Programme (FP7) research project funded by the European Commission, is a pan-European randomized trial designed to evaluate the combination of ganetespib and paclitaxel vs. paclitaxel alone in over 200 patients with metastatic, predominantly p53 mutant, platinum-resistant ovarian cancer. Preclinical models have shown that mutant p53 is critical to the growth and proliferation of these cancers. Many mutations render p53 unable to fold appropriately, leaving the protein highly dependent on Hsp90 for stability. Inhibition of Hsp90 destroys the complex between Hsp90 and mutant p53, leading to the degradation of the protein and cancer cell death. We believe this hypothesized mechanism is further supported by results detailed in a July 2015 Nature publication, Improving survival by exploiting tumor dependence on stabilized mutant p53 for treatment, by E.M. Alexandrova, et al. Mice harboring mutant p53 treated with ganetespib had prolonged survival as compared to treated p53 null mice, and this activity is correlated with degradation of mutant p53 and tumor apoptosis. In the aggregate, we believe these data suggest the potential of mutated p53 to serve as a

predictive biomarker for Hsp90 inhibitors such as ganetespib.

Hsp90 inhibition has also been shown to sensitize mutant p53 cancer cells to treatment with chemotherapies, as has been seen in preclinical studies evaluating ganetespib in other tumor types, supporting the planned trial design evaluating the combination of ganetespib and paclitaxel vs. paclitaxel alone.

Enrollment of the safety lead-in Phase 1 portion of GANNET53 in centers in Austria, Belgium, France, and Germany began in July 2014 and is now complete. Initial results from the Phase 1 portion were presented in June 2015 at the American Society of Clinical Oncology (ASCO) Annual Meeting, and these results demonstrated the feasibility and tolerability of combining ganetespib and paclitaxel in this treatment setting. In June 2015, we announced that the first patient was enrolled into the randomized Phase 2 portion of the trial.

We expect that enrollment in the Phase 2 portion of this trial will continue and be completed in 2017; however, as GANNET53 is an investigator-sponsored trial, we do not ultimately control the enrollment timeline for the study.

SARC 023—Ganetespib in Sarcoma

SARC 023, a clinical trial sponsored by the Sarcoma Alliance for Research through Collaboration (SARC), is an open label Phase 1/2 clinical trial of ganetespib in combination with the mTOR inhibitor sirolimus in patients with refractory sarcoma, including malignant peripheral nerve sheath tumors (MPNSTs). The Pediatric Subcommittee of the Oncologic Drugs Advisory Committee (ODAC) reviewed the design of SARC 023, as well as pre-clinical data demonstrating the scientific rationale for studying this combination in a clinical trial. The Phase 1 portion of the clinical trial, which is currently ongoing, is designed to assess the safety, tolerability, and maximum tolerated/recommended dose of the combination.

We expect completion of enrollment in the Phase 1 portion of this clinical trial to occur in 2017; however, as SARC 023 is an investigator-sponsored trial, we do not ultimately control the enrollment timeline for the study.

Our expectation is that no additional patients will be enrolled on ganetespib containing treatment arms of clinical studies other than the ovarian cancer and sarcoma trials described above. Our intent is to wind down the ganetespib containing arms in all other remaining investigator-sponsored trials by mid-2016.

HDC Program

Our Hsp90 inhibitor drug conjugate, or HDC, program is based on the observation that small molecule inhibitors of Hsp90 are retained in tumors for as much as 20 times longer than in blood or normal tissue. Preclinical experiments have shown that following intravenous administration in animals, ganetespib can persist in tumor cells for over a week, while it is cleared from blood and normal tissues in a matter of hours. Similar results demonstrating this characteristic have been published by others using first-generation Hsp90 inhibitors such as 17-AAG and its derivatives, as well as other classes of Hsp90 inhibitors.

HDCs are drug candidates consisting of an Hsp90 inhibitor (targeting moiety) joined to an anti-cancer agent (payload) via a cleavable chemical linker optimized for controlled release of payload drug inside cancer cells. HDCs are small molecules that do not rely on cell surface antigens for targeting and internalization for cellular uptake. Upon cell entry, typically via small molecule uptake (passive diffusion and possibly active transport), HDCs can bind intracellular Hsp90 that is present in significant amounts in a wide range of cancers.

Upon systemic administration HDCs have the potential to achieve significantly higher concentrations of active anticancer drugs (payloads) in tumors than the concentrations achieved when such anticancer drugs are given in their original, unconjugated form. It is important to note that such high concentrations are sustained over prolonged periods of time, thus significantly increasing the exposure of tumors to the anticancer drug relative to the exposure that can be achieved when such anticancer drugs are given in their original, unconjugated form.

Our lead drug candidate from our HDC program is STA-12-8666, a conjugate of an Hsp90 inhibitor bound to SN-38, the highly potent active metabolite of the widely used chemotherapy irinotecan. We have decided not to pursue an IND submission for STA-12-8666 in the immediate future. However, we are currently conducting preclinical studies for STA-12-8666 to support an IND submission, if we determine to pursue such a submission at some point in the future.

We currently do not have any drugs that are commercially available and none of our drug candidates have obtained the approval of the U.S. Food and Drug Administration, or FDA, or any similar foreign regulatory authority.

Financial Operations Overview

Revenue

We have not yet generated any product revenue and may never do so. Our revenues to date have been generated primarily through our former collaboration and license agreements. The terms of these agreements included payment to us of upfront license fees, milestone payments, research and development cost sharing and royalties. We may seek to generate revenue from product sales and from future collaborative or strategic relationships. In the future, we expect any revenue we may generate will fluctuate from quarter-to-quarter as a result of the timing and amount of payments received and expenses incurred under future collaborations or strategic relationships, if consummated, and the amount and timing of payments we may receive upon the sale of our drug candidates, to the extent any are successfully commercialized.

Research and Development

Research and development expense consists of costs incurred in connection with developing and advancing our drug discovery technology and identifying and developing our drug candidates. We recognize research and development expenses as they are incurred.

Our research and development expenses have consisted primarily of:

- internal costs associated with research, preclinical and clinical activities;
- payments to third party contract research organizations, investigative sites and consultants in connection with our preclinical and clinical development programs;
- costs associated with drug formulation and supply of drugs for clinical trials;
- personnel related expenses, including salaries, bonuses, stock-based compensation, benefits and travel; and
- overhead expenses, including rent and maintenance of our facilities, and laboratory and other supplies.

We anticipate that overall research and development costs will decrease significantly for the foreseeable future as compared to prior periods due to the termination of the GALAXY-2 trial for futility, restructurings in the fourth quarter of 2015 and the first quarter of 2016, and the discontinuation of a substantial portion of our research and development activities for cash conservation purposes.

General and Administrative

General and administrative expense consists primarily of salaries, bonuses and related expenses for personnel in executive, finance, business and commercial development, investor and medical community relations, human resources and administrative functions. Other costs include stock-based compensation costs, directors' and officers' liability insurance premiums, legal costs of pursuing patent protection of our intellectual property, fees for general legal, accounting, public-company requirements and compliance, and other professional services, as well as overhead-related costs not otherwise included in research and development.

We expect that general and administrative expense will increase in 2016 as compared to prior periods related to the transaction costs to complete the Proposed Merger, including professional fees for financial advisory services and legal and audit fees, and the re-allocation of a substantial portion of our facilities overhead costs that would otherwise be charged to research and development expense (until our facilities leases expire in the fourth quarter of 2016). This increase will be partially offset by lower personnel-related costs and stock compensation due to the restructurings in the fourth quarter of 2015 and the first quarter of 2016. In connection with the restructuring in February 2016, we discontinued a substantial portion of our research and development activities for cash conservation purposes, which resulted in a lower level of general and administrative support functions.

Critical Accounting Policies and Estimates

Our management's discussion and analysis of our financial condition and results of operations are based on our financial statements which have been prepared in accordance with U.S. generally accepted accounting principles, or GAAP. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported periods. We are required to make estimates and judgments with respect to contract research accruals, the recoverability of long-lived assets and the measurement of stock-based compensation. We base our estimates on historical experience, known trends and events, and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources and the reported amounts of revenues and expenses. Actual results may differ from these estimates under different assumptions or conditions.

You should read the following discussion of our reported financial results in conjunction with the critical accounting policies disclosed in our Annual Report on Form 10-K for the year ended December 31, 2015, as filed with the Securities and Exchange Commission on March 15, 2016. There have been no significant changes to our critical accounting policies in 2016 to-date.

Consolidated Results of Operations

Three Months Ended March 31, 2016 Compared with Three Months Ended March 31, 2015

Revenues

There were no revenues in each of 2016 and 2015.

Research and Development Expense

	Three Months Ended March 31,		2016 to 2015 Change	
	2016	2015	$	%
	(dollars in millions)			
Ganetespib	$ 1.7	$ 13.2	$ (11.5)	(87)%
STA-12-8666	0.7	1.7	(1.0)	(59)%
Elesclomol	—	0.1	(0.1)	(100)%
CRACM	—	0.1	(0.1)	(100)%
Early stage programs and other	1.0	1.1	(0.1)	(9)%
Total research and development	$ 3.4	$ 16.2	$ (12.8)	(79)%

Ganetespib

In 2016 as compared to 2015, costs incurred under our ganetespib program decreased by $11.5 million, including decreases of $4.4 million in personnel-related costs, related research supplies, operational overhead and stock compensation resulting from a lower level of FTEs, and $7.1 million in external costs. Decreases in internal costs were the result of lower headcount related to restructurings in the first quarter of 2015 to align our then-modified strategy to focus resources on value creating milestones, in the fourth quarter of 2015 following the termination of the GALAXY-2 trial for futility and in the first quarter of 2016 for further cash conservation while we evaluated business alternatives to maximize value for stockholders. In connection with the restructuring in February 2016, we discontinued a substantial portion of our research and development activities for cash conservation. Decreases in external costs principally resulted from costs incurred in 2015 that were not incurred in 2016 related to the conduct of the GALAXY-2 trial that was terminated in October 2015 for futility and the I-SPY-2 trial that was fully enrolled by the fourth quarter of 2015, as well as trial close-outs of the GALAXY-1 and ENCHANT-1 trials. We anticipate that overall research and development costs in support of the ganetespib program will decrease significantly for the foreseeable future as compared to prior periods.

STA-12-8666

In 2016 as compared to 2015, costs incurred under our STA-12-8666 program decreased by $1.0 million, including decreases of $0.6 million for personnel-related costs, related research supplies, operational overhead and stock compensation, and $0.4 million for external costs. Decreases in internal costs were the result of lower headcount related to restructurings in the first quarter of 2015, the fourth quarter of 2015 and the first quarter of 2016. In connection with the restructuring in February 2016, we discontinued a substantial portion of our research and development activities for cash conservation. Decreases in external costs principally resulted from costs incurred in 2015 that were not incurred in 2016 related to the pre-clinical development of our lead HDC candidate, STA-12-8666. We anticipate that overall research and development costs in support of the STA-8666 program will decrease significantly for the foreseeable future as compared to prior periods, as highlighted above, and based on our decision not to pursue submitting an IND submission for STA-12-8666 in the immediate future.

Elesclomol

In 2016 as compared to 2015, costs incurred under our elesclomol program decreased by $0.1 million in external costs.

CRACM

In 2016 as compared to 2015, costs incurred under our CRACM program decreased by $0.1 million in internal costs.

Early-stage programs

In 2016 as compared to 2015, costs incurred under our early stage programs decreased by $0.1 million in personnel-related costs, related research supplies, operational overhead and stock compensation.

General and Administrative Expense

	Three Months Ended March 31,		2016 to 2015 Change	
	2016	2015	$	%
	(dollars in millions)			
General and administrative	$ 3.0	$ 4.1	$ (1.1)	(27)%

In 2016 as compared to 2015, general and administrative expenses decreased by $1.1 million, including decreases of $0.6 million in personnel-related costs, related overhead and stock compensation and $0.5 million in external professional fees. These decreases were the result of lower head count and realized cost savings initiatives related to the restructurings in the fourth quarter of 2015 and the first quarter of 2016. We expect that general and administrative expense will increase in 2016 as compared to prior periods related to the transaction costs to complete the Proposed Merger, including financial advisory services and legal and audit fees, and the re-allocation of a substantial portion of facilities overhead costs that would otherwise be charged to research and development expense (until our facilities leases expire in the fourth quarter of 2016). These increases will be partially offset by lower personnel-related costs and stock compensation due to the restructurings in the fourth quarter of 2015 and the first quarter of 2016. In connection with the restructuring in February 2016, we discontinued a substantial portion of our research and development activities for cash conservation, which resulted in a lower level of general and administrative support functions.

Interest Expense, net

	Three Months Ended March 31,		2016 to 2015 Change	
	2016	2015	$	%
	(dollars in millions)			
Interest expense, net	0.1	$ 0.4	$ (0.3)	(75)%

In 2016 as compared to 2015, interest expense decreased due to principal payments under the GECC Term Loan and the Oxford Term Loan. Interest expense will continue to decrease as a result of scheduled maturities of the GECC Term Loan and the Oxford Term Loan in June 2016 and July 2016, respectively.

Liquidity and Capital Resources

Cash Flows

The following table provides information regarding our cash position, cash flows and capital expenditures for the three months ended March 31, 2016 and 2015.

	Three Months Ended March 31,	
	2016	2015
	(dollars in millions)	
Cash, cash equivalents and marketable securities	$ 52.0	$ 76.6
Working capital	44.0	47.1
Cash flows (used in) provided by:		
Operating activities	(12.2)	(18.8)
Investing activities	22.4	8.3
Financing activities	(2.3)	(2.3)

Our operating activities used cash of $12.2 million and $18.8 million in 2016 and 2015, respectively. The use of cash in these periods principally resulted from our losses from operations, as adjusted for non-cash charges for depreciation and stock-based compensation, and changes in our working capital accounts.

In 2016, our investing activities provided cash of $22.4 million, including the maturities of marketable securities in our investment portfolio in the amount of $31.6 million, offset by purchases of marketable securities in the amount of $9.2 million. In 2015, our investing activities provided cash of $8.3 million, including the maturities of marketable securities in our investment portfolio in the amount of $37.0 million, offset by purchases of marketable securities in the amount of $28.7 million.

In each of 2016 and 2015, our financing activities used cash of $2.3 million related to the principal payments in connection with the GECC Term Loan and Oxford Term Loan.

Contractual Obligations and Commitments

There were no material changes to the contractual obligations and commitments included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2015, except that in April 2016, we entered into a Lease Termination Agreement (the "Termination") with Duffy Hartwell, LLC (the "Landlord") which terminated the lease, dated as of November 4, 1996, by and between us and the Landlord, pursuant to which we leased 34,250 square feet of the building located at 45 Hartwell Avenue, Lexington, MA 02421 (as amended, the "Lease"). The Lease was initially scheduled to expire on November 30, 2016. Pursuant to the Termination, the Lease was terminated early, effective as of the date we vacated the premises and the Landlord received the final termination payment of approximately $213,000, both of which occurred prior to May 1, 2016 (the "Termination Date"). Following the Termination Date, we have no further rent obligations to the Landlord pursuant to the Lease.

At-The-Market Issuance Sales Agreement with Cowen and Company, LLC

In October 2015, we entered into an at-the-market issuance sales agreement (October 2015 Sales Agreement), with Cowen and Company, LLC (Cowen), pursuant to which we may issue and sell shares of our common stock, having an aggregate offering price of up to $100 million, from time to time, at our option, through Cowen as our sales agent. Sales of common stock through Cowen may be made by any method that is deemed an "at-the-market" offering as defined in Rule 415 promulgated under the Securities Act of 1933, as amended, including by means of ordinary brokers' transactions at market prices, in block transactions or as otherwise agreed by us and Cowen. Subject to the terms and conditions of the Sales

Agreement, Cowen will use commercially reasonable efforts consistent with its normal trading and sales practices to sell the common stock based upon our instructions (including any price, time or size limits or other customary parameters or conditions we may impose). We are not obligated to make any sales of our common stock under the Sales Agreement. Any shares sold will be sold pursuant to an effective shelf registration statement on Form S-3 (file no. 333-206135). We will pay Cowen a commission of up to 3% of the gross proceeds. The October 2015 Sales Agreement may be terminated by us at any time upon 10 days' notice. No shares have been sold to-date under the October 2015 Sales Agreement.

Term Loans

General Electric Capital Corporation (GECC)

In March 2013, we amended our loan and security agreement entered into in September 2010 with GECC and one other lender, or the GECC Term Loan, and obtained $12.9 million in additional loan funding and, as a result, increased the principal balance to $22.5 million at March 31, 2013. Interest on the borrowings under the GECC Term Loan remains at the annual rate of 9.75%. As of March 31, 2016, in accordance with the GECC Term Loan, $2.3 million in remaining principal payments is scheduled to be paid by June 2016, at which time we are obligated to pay an exit fee in the amount of $788,000. (See Note 9 of the accompanying condensed consolidated financial statements.)

Oxford Finance Corporation (Oxford)

In December 2012, we entered into an amended loan modification agreement with Oxford, or the Oxford Term Loan, under which we received $0.6 million in additional equipment financing. Interest on the borrowings under the Oxford Term Loan accrues at an annual rate of 13.35%. As of March 31, 2016, in accordance with the Oxford Term Loan, $49,000 in remaining principal payments is scheduled to be paid by July 2016. (See Note 9 of the accompanying condensed consolidated financial statements.)

Facilities Leases

We currently lease three research and office facilities under non-cancelable and renewable operating leases with terms expiring in the fourth quarter of 2016. These lease agreements include customary provisions for rent increases, escalations for operating costs and renewals. As a result of the restructurings in November 2015 and February 2016, and related events, we have terminated one of our leases and are evaluating possible early lease terminations for our other office locations. See "- Contractual Obligations and Commitments" above for a discussion of the termination of one of our leases.

Liquidity

Funding Requirements

We do not plan to use our existing capital resources to fund the completion of the development of any of our product candidates. Our future capital requirements as a stand-alone company, if the Proposed Merger were not to be completed, are difficult to forecast. Our future funding requirements will depend on many factors, including, but not limited to:

- the completion of the ongoing investigator-sponsored clinical trials of ganetespib;
- the costs involved in conducting preclinical and clinical activities for our ganetespib and HDC programs;
- the costs of preparing, filing, and prosecuting patent applications and maintaining, enforcing and defending intellectual property-related claims;
- the extent to which we may elect to continue drug development activities in the future, if at all; and
- the timing and completion of the Proposed Merger.

As of March 31, 2016, we had $52.0 million in cash, cash equivalents and marketable securities, a decrease of $14.6 million from $66.6 million as of December 31, 2015. This decrease principally reflects cash used in operations and term loan principal payments as discussed under "Cash Flows" above.

We have not yet generated any product revenue and may never do so. We cannot predict whether and to what extent

we may continue drug development activities, if at all, and what our future cash needs may be for any such activities. We expect our $52.0 million in cash resources as of March 31, 2016, along with significantly lower operating expenses following the termination of the GALAXY-2 trial, subsequent restructurings in the fourth quarter of 2015 and the first quarter of 2016, and the discontinuation of a substantial portion of our research and development activities will be sufficient to fund operations for at least the next twelve months. This estimate assumes no additional funding from new partnership agreements, equity financings or further sales under our ATM. We have an effective shelf registration statement on Form S-3 (File No. 333-206135) under which we have up to $300 million in securities available for future issuance, including up to $100 million in shares of common stock that we have reserved and that may be offered and sold under the October 2015 Sales Agreement with Cowen. However, pursuant to the instructions to Form S-3, we only have the ability to sell shares under the shelf registration statement, during any 12-month period, in an amount less than or equal to one-third of the aggregate market value of our common stock held by non-affiliates.

We do not expect to raise any additional funds prior to the completion of the Proposed Merger. However, if the Proposed Merger is completed, or if the Proposed Merger does not close, we may require significant additional funds earlier than we currently expect in order to conduct additional clinical trials and conduct additional preclinical and discovery activities. Because of the numerous risks and uncertainties associated with the development and commercialization of our drug candidates, we are unable to estimate the amounts of increased capital outlays and operating expenditures associated with future research and development activities.

To the extent our capital resources are insufficient to meet our future operating and capital requirements, we will need to finance our future cash needs through public or private equity offerings, collaboration agreements, debt financings or licensing arrangements. However, additional funding may not be available to us on acceptable terms or at all. In addition, the terms of any financing may adversely affect the holdings or the rights of our stockholders. For example, if we raise additional funds by issuing equity securities or by selling convertible debt securities, further dilution to our existing stockholders may result. If we raise funds through collaboration agreements or licensing arrangements, we may be required to relinquish rights to our technologies or drug candidates, or grant licenses on terms that are not favorable to us.

If adequate funds are not available, we may be required to obtain funds through collaborators that may require us to relinquish rights to our technologies or drug candidates that we might otherwise seek to develop or commercialize independently. Conversely, we may elect to raise additional funds even before we need them if the conditions for raising capital are favorable due to market conditions or strategic considerations even if we believe we have sufficient funds for our current or future operating plans.

Recent Accounting Pronouncements

Refer to Note 2, “Summary of Significant Accounting Policies,” in the accompanying notes to the condensed consolidated financial statements for a discussion of recent accounting pronouncements.

Certain Factors That May Affect Future Results of Operations

The Securities and Exchange Commission, or SEC, encourages companies to disclose forward-looking information so that investors can better understand a company’s future prospects and make informed investment decisions. This Quarterly Report on Form 10-Q contains such “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995.

Words such as “may,” “anticipate,” “estimate,” “expects,” “projects,” “intends,” “plans,” “believes” and words and terms of similar substance used in connection with any discussion of future operating or financial performance, identify forward-looking statements. All forward-looking statements are management’s present expectations of future events and are subject to a number of risks and uncertainties that could cause actual results to differ materially and adversely from those described in the forward-looking statements. These risks include, but are not limited to those set forth below under the heading “Risk Factors” contained in Part II, Item 1A of this Quarterly Report on Form 10-Q.

In light of these assumptions, risks and uncertainties, the results and events discussed in the forward-looking statements contained in this Quarterly Report on Form 10-Q might not occur. Stockholders are cautioned not to place undue reliance on the forward-looking statements, which speak only as of the date of this Quarterly Report on Form 10-Q. We are

not under any obligation, and we expressly disclaim any obligation, to update or alter any forward-looking statements, whether as a result of new information, future events or otherwise. All subsequent forward-looking statements attributable to Synta or to any person acting on its behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Interest Rate Sensitivity. As of March 31, 2016, we had cash, cash equivalents and marketable securities of $52.0 million consisting of cash deposited in a highly rated financial institution in the United States and in a short-term U.S. Treasury money market fund, as well as high-grade corporate bonds and commercial paper. The primary objective of our investment activities is to preserve our capital for the purpose of funding operations and we do not enter into investments for trading or speculative purposes. We believe that we do not have material exposure to high-risk investments such as mortgage-backed securities, auction rate securities or other special investment vehicles within our money-market fund investments. We believe that we do not have any material exposure to changes in fair value as a result of changes in interest rates. Declines in interest rates, however, would reduce future investment income.

Capital Market Risk. We currently have no product revenues and depend on funds raised through other sources. One possible source of funding is through further equity offerings. Our ability to raise funds in this manner depends upon capital market forces affecting our stock price.

Item 4. Controls and Procedures.

(a) *Evaluation of Disclosure Controls and Procedures*. Our principal executive officer and principal financial officer evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended, or the Exchange Act) as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on this evaluation, our principal executive officer and principal financial officer have concluded that our disclosure controls and procedures were effective to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms, and is accumulated and communicated to our management, including our principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

(b) *Changes in Internal Controls*. There were no changes in our internal control over financial reporting, identified in connection with the evaluation of such internal control that occurred during our last fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

We are currently not a party to any material legal proceedings.

Item 1A. Risk Factors.

The following risk factors section amends, restates and supersedes the risk factors section included in Part I, Item 1A of our 2015 Annual Report on Form 10-K, filed with the Securities and Exchange Commission ("SEC") on March 15, 2016. Our business, financial condition and operating results can be affected by a number of factors, whether currently known or unknown, including but not limited to those described below, any one or more of which could, directly or indirectly, cause our actual results of operations and financial condition to vary materially from past, or from anticipated future, results of operations and financial condition. Any of these factors, in whole or in part, could materially and adversely affect our business, financial condition, results of operations and common stock price. Further, the following risk factors do not include all risk factors that may be faced by the combined company, should the Proposed Merger be completed. A more comprehensive set of risk factors relating to the combined company will be included in a proxy statement to be filed with the SEC by us in connection with the Proposed Merger.

The following discussion of risk factors contains forward-looking statements. These risk factors may be important to understanding any statement in this quarterly report or elsewhere. The following information should be read in conjunction with the condensed consolidated financial statements and related notes in Part I, Item 1, "Financial Statements" and Part I, Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operations" of this Quarterly Report on Form 10-Q.

Because of the following factors, as well as other factors affecting our financial condition and operating results, past financial performance should not be considered to be a reliable indicator of future performance, and investors should not use historical trends to anticipate results or trends in future periods.

Risks Related to the Proposed Merger

The announcement and pendency of the Proposed Merger could have an adverse effect on our business, financial condition, results of operations, or business prospects.

While there have been no significant adverse effects to date, the announcement and pendency of the Proposed Merger could disrupt our businesses in the following ways, among others:

- third parties may seek to terminate and/or renegotiate their relationships with us as a result of the Proposed Merger, whether pursuant to the terms of their existing agreements with us or otherwise; and
- the attention of our management may be directed toward the completion of the Proposed Merger and related matters and may be diverted from the day-to-day business operations of Synta, including from other opportunities that might otherwise be beneficial to us.

Should they occur, any of these matters could adversely affect our financial condition, results of operations, or business prospects.

The market price of our common stock following the Proposed Merger may decline as a result of the transaction.

The market price of our common stock may decline as a result of the Proposed Merger for a number of reasons, including if:

- investors react negatively to the prospects of the combined company's business and prospects; or
- the performance of the combined company's business or its future prospects are not consistent with the expectations of financial or industry analysts.

Our stockholders will have a reduced ownership and voting interest in, and will exercise less influence over the management of, the combined company following the completion of the Proposed Merger.

After the completion of the Proposed Merger, the current stockholders of Synta will own a significantly smaller percentage of the combined company than their ownership of Synta prior to the Proposed Merger. At the effective time of the Proposed Merger, our stockholders will collectively own approximately 36% of the outstanding shares of the combined company, assuming no future, unanticipated issuances of Synta or Madrigal capital stock prior to closing of the Proposed Merger. In addition, the seven-member board of directors of the combined company will initially be comprised of five Madrigal directors, one current Synta director and one additional director mutually agreed to by Synta and Madrigal. Consequently, our stockholders will be able to exercise less influence over the management and policies of the combined company than they currently exercise over the management and policies of Synta.

Our stockholders may not realize a benefit from the Proposed Merger commensurate with the ownership dilution they will experience in connection with the Proposed Merger.

If the combined company is unable to realize the full strategic and financial benefits anticipated from the Proposed Merger, our stockholders will have experienced substantial dilution of their ownership interests without receiving any commensurate benefit, or only receiving part of the commensurate benefit to the extent the combined company is able to realize only part of the strategic and financial benefits currently anticipated from the Proposed Merger.

Failure to complete the Proposed Merger may adversely affect our common stock price and our future business and operations.

If the Proposed Merger is not completed, we are subject to the following risks:

- if the Merger Agreement is terminated under certain circumstances, we will be required to pay Madrigal a termination fee of $1.25 million, or to reimburse Madrigal for up to $250,000 in certain transaction expenses;
- the attention of our management will have been diverted to the Proposed Merger instead of being directed solely to our own operations and the pursuit of other opportunities that may have been beneficial to us;
- the loss of our time and resources;
- the price of our stock may decline and remain volatile; and
- costs related to the Proposed Merger, such as legal, accounting and transaction agent fees, some of which must be paid even if the Proposed Merger is not completed.

In addition, if the Merger Agreement is terminated and our board of directors determines to seek another business combination, there can be no assurance that we will be able to find a transaction that is superior or equal in value to the Proposed Merger.

The conditions under the Merger Agreement to Madrigal's consummation of the Proposed Merger may not be satisfied at all or in the anticipated timeframe.

The obligation of Madrigal to complete the Proposed Merger is subject to certain conditions, including the approval by our stockholders of certain matters and other customary closing conditions, including, among other things, the accuracy of the representations and warranties contained in the Merger Agreement, subject to certain materiality qualifications, compliance by the parties with their respective covenants under the Merger Agreement and no law or order preventing the Proposed Merger and related transactions. These conditions are described in more detail in the Merger Agreement, which is filed as Exhibit 2.1 hereto and incorporated herein by reference.

We also intend to pursue all required approvals in accordance with the Merger Agreement. However, no assurance can be given that the required approvals will be obtained and, even if all such approvals are obtained, no assurance can be given as to the terms, conditions and timing of the approvals or that they will satisfy the terms of the Merger Agreement.

During the pendency of the Proposed Merger, we may not be able to enter into a business combination with another party at a favorable price because of restrictions in the Merger Agreement, which could adversely affect our business.

Covenants in the Merger Agreement generally prohibit Synta and Madrigal from entering into certain extraordinary transactions with any third party, including mergers, purchases or sales of assets, or other business combinations, subject to certain exceptions relating to fiduciary duties, or from completing other transactions that are not in the ordinary course of business pending completion of the Proposed Merger, including transactions that may be favorable to the companies or their stockholders. As a result, if the Proposed Merger is not completed, our stockholders may be adversely impacted by our inability to pursue other beneficial opportunities during the pendency of the Proposed Merger.

Provisions of the Merger Agreement may discourage third parties from submitting alternative acquisition proposals, including proposals that may be superior to the Proposed Merger.

The terms of the Merger Agreement prohibit us from soliciting alternative takeover proposals or cooperating with persons making unsolicited takeover proposals, except in limited circumstances when our board of directors determines in good faith that an unsolicited alternative takeover proposal constitutes, or is reasonably likely to result in, a superior acquisition proposal, and that failure to pursue such proposal would be considered a breach of the board's fiduciary duties. If we terminate the Merger Agreement because we enter into an alternative superior transaction, we would be required to pay a termination fee of $1.25 million to Madrigal. Such termination fee may discourage third parties from submitting alternative takeover proposals to us, and may cause the board of directors to be less inclined to recommend an alternative proposal.

The lack of a public market for Madrigal shares makes it difficult to determine the fair market value of Madrigal, and the merger consideration to be issued to Madrigal stockholders may exceed the actual value of Madrigal.

The outstanding capital stock of Madrigal is privately held and is not traded on any public market, which makes it difficult to determine the fair market value of Madrigal. There can be no assurances that the merger consideration to be issued to Madrigal stockholders will not exceed the actual value of Madrigal.

Even if the Proposed Merger is consummated, we may fail to realize the anticipated benefits of the Proposed Merger.

The success of the Proposed Merger will depend on, among other things, the combined company's ability to achieve its business objectives, including the successful development of its product candidates. If the combined company is not able to achieve these objectives, the anticipated benefits of the Proposed Merger may not be realized fully, may take longer to realize than expected, or may not be realized at all.

Synta and Madrigal have operated and, until the completion of the Proposed Merger, will continue to operate independently. Even if the Proposed Merger is completed, it is possible that the integration process could result in the loss of key employees, the disruption of each company's ongoing business, an adverse impact on the value of our assets, or inconsistencies in standards, controls, procedures or policies that could adversely affect our ability to comply with reporting obligations as a public company, to satisfy our obligations to third parties or to achieve the anticipated benefits of the Proposed Merger. Integration efforts between the two companies will also divert management's attention and resources. Any delays in the integration process or inability to realize the full extent of the anticipated benefits of the Proposed Merger could have an adverse effect on our business and the results of our operations. Such an adverse effect on our business may impact the value of the shares of the combined company's common stock after the completion of the Proposed Merger.

Potential difficulties that may be encountered in the integration process include the following:

- using the combined company's cash and other assets efficiently to develop the business of the combined company;
- appropriately managing the liabilities of the combined company;
- potential unknown or currently unquantifiable liabilities associated with the Proposed Merger and the operations of the combined company; and
- performance shortfalls at one or both of the companies as a result of the diversion of management's attention caused by completing the Proposed Merger and integrating the companies' operations.

In addition, Madrigal could be materially adversely affected prior to the closing of the Proposed Merger, which could have a material adverse effect on the combined company if we are required to complete the Proposed Merger. For example, we are required under the Merger Agreement to complete the Proposed Merger despite any changes in general economic or political conditions or the securities market in general, to the extent they do not disproportionately affect Madrigal; any changes in or affecting the industries in which Madrigal operates, to the extent they do not disproportionately affect Madrigal; any changes, effects or circumstances resulting from the announcement or pendency of the Merger Agreement or the completion of the contemplated transactions or compliance with the terms of the Merger Agreement; and continued losses from operations or decreases in cash balances of Madrigal. If any such adverse changes occur and the Proposed Merger is still completed, the combined company's stock price may suffer. This in turn may reduce the value of the Proposed Merger to our stockholders.

We may not be able to complete the Proposed Merger and may elect to pursue another strategic transaction similar to the Proposed Merger, which may not occur on commercially reasonably terms or at all.

We cannot assure you that we will complete the Proposed Merger in a timely manner or at all. The Merger Agreement is subject to many closing conditions and termination rights. Our assets currently consist primarily of cash, cash equivalents and marketable securities, and our listing on the NASDAQ Global Market. If we do not complete the Proposed Merger, our board of directors may elect to attempt to complete another strategic transaction similar to the Proposed Merger. Such attempts will likely be costly and time consuming, and we cannot make any assurances that a future strategic transaction will occur on commercially reasonable terms or at all.

If the Proposed Merger is not completed, we may elect to liquidate our remaining assets, and there can be no assurances as to the amount of cash available to distribute to stockholders after paying our debts and other obligations.

If we do not complete the Proposed Merger, the board of directors may elect to take the steps necessary to

liquidate all of our remaining assets. The process of liquidation may be lengthy and we cannot make any assurances regarding the timing of completing such a process. In addition, we would be required to pay all of our debts and contractual obligations, and to set aside certain reserves for potential future claims. There can be no assurance as to the amount of available cash that will be available to distribute to stockholders after paying our debts and other obligations and setting aside funds for reserves, nor as to the timing of any such distribution.

We will incur substantial transaction-related costs in connection with the Proposed Merger.

We have incurred, and expect to continue to incur, a number of non-recurring transaction-related costs associated with completing the Proposed Merger and combining the two companies. These fees and costs have been, and will continue to be, substantial. Non-recurring transaction costs include, but are not limited to, fees paid to legal, financial and accounting advisors, severance and benefit costs, filing fees and printing costs. Additional unanticipated costs may be incurred in the integration of our business with Madrigal's business, which may be higher than expected and could have a material adverse effect on the combined company's financial condition and operating results.

If we fail to continue to meet all applicable NASDAQ Global Market requirements and The NASDAQ Stock Market determines to delist our common stock, the delisting could adversely affect the market liquidity of our common stock, impair the value of your investment and harm our business and would impair our ability to complete the Proposed Merger.

It is a condition to Madrigal's obligation to complete the Proposed Merger that Synta maintain the listing of its common stock on NASDAQ. Our common stock is currently listed on the NASDAQ Global Market. In order to maintain that listing, we must satisfy minimum financial and other requirements. On December 3, 2015, we received notice from the Listing Qualifications Department of the NASDAQ Stock Market, or NASDAQ, that our common stock had not met the $1.00 per share minimum bid price requirement for the last 30 consecutive business days pursuant to NASDAQ Listing Rule 5450(a)(1) and that, if we were unable to demonstrate compliance with this requirement during the applicable grace periods, our common stock would be delisted after that time. The notification letter stated that pursuant to NASDAQ Listing Rule 5810(c)(3)(A) we would be afforded 180 calendar days, or until May 31, 2016, to regain compliance with the minimum bid price requirement. In order to regain compliance, shares of our common stock must maintain a minimum closing bid price of at least $1.00 per share for a minimum of ten consecutive business days. If we do not regain compliance by May 31, 2016, NASDAQ will provide written notification to us that our common stock will be delisted. At that time, we may appeal NASDAQ's delisting determination to a NASDAQ Listing Qualifications Panel. Alternatively, we may be eligible for an additional 180 day grace period if we satisfy all of the requirements, other than the minimum bid price requirement, for listing on the NASDAQ Capital Market set forth in NASDAQ Listing Rule 5505. The closing bid price of our common stock on the NASDAQ Global Market was $xx on May 6, 2016.

While we intend to engage in efforts to regain compliance, and thus maintain our listing, there can be no assurance that we will be able to regain compliance during the applicable time periods set forth above. If we fail to continue to meet all applicable NASDAQ Global Market requirements in the future and NASDAQ determines to delist our common stock, the delisting could substantially decrease trading in our common stock and adversely affect the market liquidity of our common stock; adversely affect our ability to obtain financing on acceptable terms, if at all, for the continuation of our operations; and harm our business. Additionally, the market price of our common stock may decline further and stockholders may lose some or all of their investment.

A failure by the combined company upon completion of the Proposed Merger to comply with the initial listing standards of the NASDAQ Global Market or the NASDAQ Capital Market may subject our stock to delisting from the NASDAQ Global Market, which listing is a condition to the completion of the Proposed Merger.

Upon the completion of the Proposed Merger, we will be required to meet the initial listing requirements to maintain the listing and continued trading of our shares on the NASDAQ Global Market or the NASDAQ Capital Market. These initial listing requirements are more difficult to achieve than the continued listing requirements under which we are now trading. Based on information currently available to us, we anticipate that it will be unable to meet the $4.00 minimum bid price initial listing requirement at the closing of the Proposed Merger unless we effect a reverse stock split. If we are unable to satisfy these requirements, NASDAQ may notify us that our stock will be subject to delisting from the NASDAQ Global Market. It is a condition to Madrigal's obligation to complete the Proposed Merger that Synta maintain the listing of its common stock on NASDAQ. In addition, oftentimes a reverse stock split will not result in a trading price for the affected

common stock that is proportional to the ratio of the split. We believe that a reverse stock split will be in the best interest of the combined company and our stockholders. However, we cannot assure you that the implementation of the reverse stock split will have a positive impact on the price of our common stock.

We may become involved in securities class action litigation that could divert management's attention and harm the company's business, and insurance coverage may not be sufficient to cover all costs and damages.

In the past, securities class action or shareholder derivative litigation often follows certain significant business transactions, such as the sale of a business division or announcement of a merger. The combined company may become involved in this type of litigation in the future. Litigation often is expensive and diverts management's attention and resources, which could adversely affect the combined company's business.

Risks Related to our Business

Despite the failure of ganetespib in the Phase 3 GALAXY-2 trial in NSCLC, ganetespib is still in clinical development for other cancer indications. As a result, we must continue to supply ganetespib drug product and maintain our safety data reporting systems.

Following the failure of ganetespib in the GALAXY-2 clinical trial, we provided termination notice to most of the clinical trial sites where there were ongoing investigator-sponsored trials, or ISTs. However, we are contractually bound to continue supplying ganetespib drug product for two active and ongoing ISTs in ovarian cancer (GANNET53) and sarcoma (SARC 023). As a result, we must also maintain the safety data reporting systems required to collect adverse events and incur the costs associated therewith. In addition, we retain certain potential liability in the event that patients receiving ganetespib are harmed in connection with these ongoing trials.

We currently have only one product candidate in preclinical development. As we have closed our laboratory operations and no longer have the capability to discover new product candidates internally, we may not be able to overcome employee attrition without purchasing or relying on other sources for new product candidates.

Following two workforce reductions in November 2015 and February 2016, we have closed our laboratory operations and discontinued a substantial portion of our research and development activities. Following these actions, we do not have internal discovery and research capabilities to identify and discover new product candidates. We have no current plan to resume discovery or research activities. If in the future we were to resume these activities, we would need to recruit additional scientific and technical personnel and obtain access to laboratory facilities.

We currently have only one product candidate in preclinical trials and, without internal discovery and research, we will not be able to expand our pipeline with internal candidates. If we are unable to expand our portfolio of product candidates through acquisitions or in-licensing, which we may be unable to do on reasonable terms or at all, our business would be materially and adversely affected

Our success may be largely dependent on the success of STA-12-8666 and any other HDC drug candidates that we may develop, and we cannot be certain that we will be able to obtain regulatory approval for or successfully commercialize any of these drug candidates.

If we do not complete the Proposed Merger, we anticipate that our success may depend largely on the receipt of regulatory approval and successful commercialization of STA-12-8666 and any other HDC drug candidates we may develop. The future success of our drug candidates will depend on several factors, including the following:

- our ability to recruit appropriate patients into our clinical trials and to complete the necessary preclinical studies and clinical trials to support regulatory approval;
- our ability to provide acceptable evidence of their safety and efficacy;
- receipt of marketing approval from the U.S. Food and Drug Administration, or FDA, and any similar foreign regulatory authorities;
- obtaining and maintaining commercial manufacturing arrangements with third-party manufacturers or establishing commercial-scale manufacturing capabilities;

- approval or use of competitive products in the indications for which we will market our drug candidates;
- validation of the molecular targets or mechanisms of action of our drug candidates by us or by third parties;
- approval of reimbursement in foreign countries with centralized health care; and
- acceptance of any approved drug in the medical community and by patients and third-party payors.

Many of these factors are beyond our control. Accordingly, there can be no assurance that we will ever be able to generate revenues through the sale of an approved product or through strategic collaborations based on our products.

A small number of our stockholders beneficially own a substantial amount of our common stock and have substantial control over us; therefore, your ability to influence corporate matters may be limited.

Certain stockholders affiliated with Synta's officers and directors collectively beneficially own or control approximately 18.8% of Synta's outstanding common stock as of April 15, 2016 and acting together, may have the ability to affect matters submitted to our stockholders for approval, including the approval of significant transactions, like the Proposed Merger. This concentration of ownership may have the effect of delaying, deferring or preventing a strategic transaction, even if such a transaction would benefit other stockholders.

Our ability to use net operating loss and tax credit carryforwards and certain built-in losses to reduce future tax payments is limited by provisions of the Internal Revenue Code, and may be subject to further limitation as a result of prior or future offerings of our stock or other transactions.

Sections 382 and 383 of the Internal Revenue Code of 1986, as amended, or the Code, contain rules that limit the ability of a company that undergoes an ownership change, which is generally an increase in the ownership percentage of certain stockholders in the stock of a company by more than 50 percent over a three-year period, to utilize its net operating loss and tax credit carryforwards and certain built-in losses recognized in years after the ownership change. These rules generally operate by focusing on ownership changes involving stockholders owning directly or indirectly 5% or more of the stock of a company and any change in ownership arising from a new issuance of stock by the company. Generally, if an ownership change as defined by Section 382 occurs, the yearly taxable income limitation on the use of net operating loss and tax credit carryforwards and certain built-in losses is equal to the product of the applicable long term tax exempt rate and the value of the company's stock immediately before the ownership change. The Proposed Merger will result in such an ownership change. If any of our past or future transactions are determined to have caused one or more Section 382 ownership changes, we generally would not be able to use our pre-change loss or credit carryovers or certain built-in losses prior to such ownership change to offset future taxable income in excess of the annual limitations imposed by Sections 382 and 383, which may result in the expiration of a portion of our tax attributes before utilization.

Risks Related to Our Financial Results

We have a substantial accumulated deficit and expect to continue to incur losses for future periods.

As of March 31, 2016, we had an accumulated deficit of $712.8 million. We had a net loss of $6.5 million for the quarter ended March 31, 2016, and net losses of $68.7 million and $86.2 million for the years ended December 31, 2015 and December 31, 2014, respectively. Our losses for other periods have historically resulted principally from costs incurred in connection with our research and development activities, including clinical trials, and from general and administrative expenses associated with our operations. We expect to continue to incur losses for future periods, including periods following completion of the Proposed Merger. As a result, following the completion of the Proposed Merger, the combined company will need to generate significant revenues to achieve profitability in the future or, if it does achieve profitability for any particular period, to sustain or grow our profitability on a quarterly or annual basis.

We derived a substantial portion of our revenue in past years from our strategic alliances and collaborations, which have all terminated. We do not currently have any source of product revenue.

If we decide to develop and commercialize our product candidates, we will need to obtain additional funding necessary to support our operations.

Although we have raised substantial funding to date, if we decide to further develop and commercialize our product candidates, we will require additional funding in order to complete clinical development and conduct the research and development and clinical and regulatory activities necessary to bring such drug candidates to market.

We have not yet generated any product revenue and may never do so. We cannot predict whether and to what extent we may continue drug development activities, if at all, and what our future cash needs may be for any such activities. We expect our $52.0 million in cash, cash equivalents and marketable securities, along with significantly lower operating expenses following the termination of the GALAXY-2 trial, subsequent restructurings in the fourth quarter of 2015 and in the first quarter of 2016, and the discontinuation of a substantial portion of our research and development activities, will be sufficient to fund operations for at least the next twelve months. This estimate assumes no additional funding from new partnership agreements, equity financings or further sales under our at-the-market sales agreement, or the ATM Agreement, with Cowen and Company. The timing and nature of certain activities contemplated for the remainder of 2016 will be conducted subject to the availability of sufficient financial resources. We have an effective shelf registration statement on Form S-3 (File No. 333-206135) under which we have up to $300 million in securities available for future issuance, including up to $100 million in shares of common stock that we have reserved and that may be offered and sold under the ATM Agreement. However, pursuant to the instructions to Form S-3, we only have the ability to sell shares under the shelf registration statement, during any 12-month period, in an amount less than or equal to one-third of the aggregate market value of our common stock held by non-affiliates.

Our operating plans may change as a result of many factors currently unknown to us, and we may need additional funds sooner than planned. For instance, we cannot predict whether and to what extent we may continue drug development activities. In addition, we may seek additional capital due to favorable market conditions or strategic considerations even if we believe we have sufficient funds for our current or future operating plans.

Risks Related to Our Intellectual Property

If our patent position does not adequately protect our drug candidates or any future products, others could compete against us more directly, which would harm our business.

Our success depends in part on our ability to obtain and maintain proprietary protection for our drug candidates, technology, and know-how, to operate without infringing on the proprietary rights of others, and to prevent others from infringing our proprietary rights. Our policy is to seek to protect our proprietary position by, among other methods, filing U.S. and foreign patent applications related to our proprietary technology, inventions, and improvements that are important to the development of our business. We also rely on trade secrets, know-how, continuing technological innovation, and in-licensing opportunities, as appropriate, to develop and maintain our proprietary position.

Our commercial success will depend in part on our ability to obtain additional patents and protect our existing patent position as well as our ability to maintain adequate protection of other intellectual property for our technologies, drug candidates, and any future products in the United States and other countries. If we do not adequately protect our intellectual property, competitors may be able to use our technologies and erode or negate any competitive advantage we may have, which could harm our business and ability to achieve profitability. The laws of some foreign countries do not protect our proprietary rights to the same extent as the laws of the United States, and we may encounter significant problems in protecting our proprietary rights in these countries.

The patent positions of biotechnology and pharmaceutical companies, including our patent position, involve complex legal and factual questions, and, therefore, validity and enforceability cannot be predicted with certainty. Patents may be challenged, deemed unenforceable, invalidated, or circumvented. We will be able to protect our proprietary rights from unauthorized use by third parties only to the extent that our proprietary technologies, drug candidates, and any future products are covered by valid and enforceable patents or are effectively maintained as trade secrets.

In addition, although we do not believe that any of the patents or patent applications that we currently license are material to our business, we may in the future license intellectual property that is material to us. In such cases, we may be dependent upon the licensors to obtain, maintain and enforce patent protection for the licensed intellectual property. These licensors may not successfully prosecute patent applications or may fail to maintain issued patents. The licensors may also determine not to pursue litigation against other companies that infringe the patents, or may pursue such litigation less aggressively than we would. If any of the foregoing occurs, and the terms of any such future license do not allow us to assume control of patent prosecution, maintenance and enforcement, any competitive advantage we may have due to the license may be diminished or eliminated.

The degree of future protection for our proprietary rights is uncertain, and we cannot ensure that:

- we or our licensors were the first to make the inventions covered by each of our pending patent applications;
- we or our licensors were the first to file patent applications for these inventions;
- others will not independently develop similar or alternative technologies or duplicate any of our technologies;
- any of our or our licensors' pending patent applications will result in issued patents;
- any of our or our licensors' patents will be valid or enforceable;
- any patents issued to us or our licensors and collaborators will provide a basis for commercially viable products, will provide us with any competitive advantages or will not be challenged by third parties;
- we will develop additional proprietary technologies or drug candidates that are patentable; or
- the patents of others will not have an adverse effect on our business.

Although third parties may challenge our rights to, or the scope or validity of our patents, to date we have not received any communications from third parties challenging our patents or patent applications covering our drug candidates.

We typically file for patent protection first on the composition-of-matter of our drug candidates and also claim their activities and methods for their production and use to the extent known at that time. As we learn more about the mechanisms of action and new methods of manufacture and use of these drug candidates, we generally file additional patent applications for these new inventions. Although our patents may prevent others from making, using, or selling similar products, they do not ensure that we will not infringe the patent rights of third parties. For example, because we sometimes identify the mechanism of action or molecular target of a given drug candidate after identifying its composition-of-matter and

therapeutic use, we may not be aware until the mechanism or target is further elucidated that a third party has an issued or pending patent claiming biological activities or targets that may cover our drug candidate. If such a patent exists or is granted in the future, we cannot provide assurances that a license will be available on commercially reasonable terms, or at all.

We may be unable to adequately prevent disclosure of trade secrets and other proprietary information.

We rely on trade secrets to protect our proprietary technologies, especially where we do not believe patent protection is appropriate or obtainable. However, trade secrets are difficult to protect. We rely in part on confidentiality agreements with our employees, consultants, outside scientific collaborators, sponsored researchers, and other advisors to protect our trade secrets and other proprietary information. These agreements may not effectively prevent disclosure of confidential information and may not provide an adequate remedy in the event of unauthorized disclosure of confidential information. In addition, others may independently discover our trade secrets and proprietary information. Costly and time-consuming litigation could be necessary to enforce and determine the scope of our proprietary rights, and failure to obtain or maintain trade secret protection could adversely affect our competitive business position.

Litigation or other proceedings or third-party claims of intellectual property infringement would require us to spend time and money and could prevent us from developing or commercializing our drug candidates.

Our commercial success will depend in part on not infringing upon the patents and proprietary rights of other parties and enforcing our own patents and proprietary rights against others. Certain of our research and development programs are in highly competitive fields in which numerous third parties have issued patents and patent applications with claims closely related to the subject matter of our programs. We are not currently aware of any litigation or other proceedings or claims by third parties that our drug candidates, technologies or methods infringe their intellectual property.

However, while it is our practice to conduct freedom to operate searches and analyses, we cannot guarantee that we have identified every patent or patent application that may be relevant to the research, development or commercialization of our drug candidates. In the case of patent applications, we assess the likelihood of claims in pending, third party patent applications being allowed which may interfere with our freedom to operate relative to our drug candidates. We cannot provide assurances that our assessments in this regard will be correct and that patent claims covering our drug candidates that were assessed a low likelihood of issuance by us will not issue to a third party in the future. Moreover, there can be no assurance that third parties will not assert against us patents that we believe are not infringed by us or are invalid.

In the event of a successful infringement action against us with respect to any third party patent rights, we may be required to:

- pay substantial damages;
- stop developing, commercializing, and selling the infringing drug candidates or approved products;
- stop utilizing the infringing technologies and methods in our drug candidates or approved products;
- develop non-infringing products, technologies, and methods; and
- obtain one or more licenses from other parties, which could result in our paying substantial royalties or our granting of cross licenses to our technologies.

We may not be able to obtain licenses from other parties at a reasonable cost, or at all. If we are not able to obtain necessary licenses at a reasonable cost, or at all, we could encounter substantial delays in product introductions while we attempt to develop alternative technologies, methods, and products, which we may not be able to accomplish.

We may be subject to claims that we have wrongfully hired an employee from a competitor or that we or our employees have wrongfully used or disclosed alleged confidential information or trade secrets of their former employers.

As is commonplace in our industry, we employ individuals who were previously employed at other biotechnology or pharmaceutical companies, including our competitors or potential competitors. Although no claims against us are currently pending, we have previously been subject to a claim by an alleged competitor that a prospective employee we sought to hire was bound by an ongoing non-competition obligation which prevented us from hiring this employee. We may be subject in the future to claims that our employees or prospective employees are subject to a continuing obligation to their former employers (such as non-competition or non-solicitation obligations) or claims that our employees or we have

inadvertently or otherwise used or disclosed trade secrets or other proprietary information of their former employers. Litigation may be necessary to defend against these claims. Even if we are successful in defending against these claims, litigation could result in substantial costs and be a distraction to management.

Risks Related to Our Common Stock

The market price of our common stock has historically been highly volatile and the Proposed Merger may result in significant stock price and trading volume fluctuations.

The trading price of our common stock has historically been highly volatile, and the Proposed Merger may result in significant stock price and trading volume fluctuations. We cannot predict precisely the impact the announcement, pendency or completion of the Proposed Merger will have on our stock price. Additionally, the stock market in general has experienced extreme price and volume fluctuations. The market prices of securities of pharmaceutical, biopharmaceutical and biotechnology companies in particular have been extremely volatile and have experienced fluctuations that have often been unrelated or disproportionate to operating performance.

Fluctuations in our operating results could adversely affect the price of our common stock.

Our operating results are likely to fluctuate significantly from quarter to quarter and year to year. These fluctuations could cause our stock price to decline. Some of the factors that may cause our operating results to fluctuate on a period-to-period basis include:

- whether we pursue and complete any merger, acquisition or other significant corporate transaction, and, if we do, the associated terms in each case;
- restructuring costs;
- implementation or termination of collaborations, licensing, manufacturing or other material agreements with third parties, and any non-recurring revenue or expenses under any such agreement;
- the extent of our general and administrative expenses;
- general and industry-specific economic conditions; and
- general conditions in the pharmaceutical, biopharmaceutical or biotechnology industries or in the U.S. or global credit or financial markets.

Due to fluctuations in our operating results, a period-to-period comparison of our results of operations may not be meaningful, and investors should not rely on them as a good indication of our future performance. Fluctuations in our operating results may not meet the expectations of securities analysts or investors. Failure to meet these expectations may cause the price of our common stock to decline.

These and other external factors may cause the market price and demand for our common stock to fluctuate substantially, which may limit or prevent investors from readily selling their shares of common stock and may otherwise negatively affect the liquidity of our common stock. In addition, in the past, when the market price of a stock has been volatile, holders of that stock have instituted securities class action litigation against the company that issued the stock. If any of our stockholders brought a lawsuit against us, we could incur substantial costs defending the lawsuit. Such a lawsuit could also divert the time and attention of our management.

If our stockholders sell a substantial number of shares of our common stock in the public market, our stock price may decline.

Our current trading volumes are modest, and sales of a substantial number of shares of our common stock in the public market, or the perception that these sales could occur, could cause the market price to decline. Such sales also might make it more difficult for us to sell equity securities in the future at a time and at a price that we deem appropriate. If there are more shares of our common stock offered for sale than buyers are willing to purchase, the market price of our common stock may decline to a market price at which buyers are willing to purchase the offered shares and sellers remain willing to sell the shares. The number of shares of our common stock owned by our stockholders and available for sale in the public market is limited only to the extent provided under applicable federal securities laws. In addition, we may, in the future, issue additional shares of our common stock as compensation to our employees, directors or consultants, in connection with strategic

alliances, collaborations, acquisitions or other transactions or to raise capital. Accordingly, sales of a substantial number of shares of our common stock in the public market could occur at any time.

Provisions of our charter, bylaws, and Delaware law may make an acquisition of us or a change in our management more difficult.

Certain provisions of our restated certificate of incorporation and restated bylaws could discourage, delay, or prevent a merger, acquisition, or other change in control that stockholders may consider favorable, including transactions in which stockholders might otherwise receive a premium for their shares. These provisions also could limit the price that investors might be willing to pay in the future for shares of our common stock, thereby depressing the market price of our common stock. Stockholders who wish to participate in these transactions may not have the opportunity to do so. Furthermore, these provisions could prevent or frustrate attempts by our stockholders to replace or remove our management.

These provisions:

- allow the authorized number of directors to be changed only by resolution of our board of directors;
- establish a classified board of directors, providing that not all members of the board of directors be elected at one time;
- authorize our board of directors to issue without stockholder approval blank check preferred stock that, if issued, could operate as a "poison pill" to dilute the stock ownership of a potential hostile acquirer to prevent an acquisition that is not approved by our board of directors;
- require that stockholder actions must be effected at a duly called stockholder meeting and prohibit stockholder action by written consent;
- establish advance notice requirements for stockholder nominations to our board of directors or for stockholder proposals that can be acted on at stockholder meetings;
- limit who may call stockholder meetings; and
- require the approval of the holders of 80% of the outstanding shares of our capital stock entitled to vote in order to amend certain provisions of our restated certificate of incorporation and restated bylaws.

In addition, because we are incorporated in Delaware, we are governed by the provisions of Section 203 of the Delaware General Corporation Law, which may, unless certain criteria are met, prohibit large stockholders, in particular those owning 15% or more of our outstanding voting stock, from merging or combining with us for a prescribed period of time.

We do not anticipate paying cash dividends, and accordingly, our stockholders must rely on stock appreciation for any return on their investment.

We currently intend to retain our future earnings, if any, to fund the development and growth of our business. In addition, we are currently prohibited from making a dividend payment under the terms of our loan and security agreement with GECC. As a result, capital appreciation, if any, of our common stock will be the sole source of gain on an investment in our common stock for the foreseeable future.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

None.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

None.

Item 6. Exhibits.

(a) *Exhibits*

2.1	Agreement and Plan of Merger and Reorganization dated as of April 13, 2016 by and among Synta, Madrigal and Saffron Merger Sub, Inc. (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K, as filed with the SEC on april 14, 2016)(File No. 001-33277).
3.1	Bylaws of Synta, as amended April 13, 2016 (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, as filed with the SEC on April 14, 2016)(File No. 001-33277).
10.1*	Form of Restricted Stock Unit Agreement.
10.2	Form of Synta Voting Agreement dated as of April 13, 2016, entered into by and among Synta, Madrigal and certain stockholders of Synta (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, as filed with the SEC on April 14, 2016)(File No. 001-33277).
10.3	Form of Madrigal Voting Agreement dated as of April 13, 2016, entered into by and among Madrigal, Synta and certain stockholders of Madrigal (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, as filed with the SEC on April 14, 2016)(File No. 001-33277).
10.4	Form of Lock-Up Agreement dated as of April 13, 2016, entered into by and among Madrigal, Synta and certain stockholders of Madrigal (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K, as filed with the SEC on April 14, 2016) (File No. 001-33277).
31.1	Certification of principal executive officer under Section 302(a) of the Sarbanes-Oxley Act of 2002.
31.2	Certification of principal financial officer under Section 302(a) of the Sarbanes-Oxley Act of 2002.
32.1	Certifications of the principal executive officer and the principal financial officer under Section 906 of the Sarbanes-Oxley Act of 2002.
101	The following materials from Synta Pharmaceuticals Corp.'s Quarterly Report on Form 10-Q for the quarter ended March 31, 2016, formatted in XBRL (eXtensible Business Reporting Language): (i) the Unaudited Condensed Consolidated Balance Sheets, (ii) the Unaudited Condensed Consolidated Statements of Operations, (iii) the Unaudited Condensed Consolidated Statements of Comprehensive Loss, (iv) the Unaudited Condensed Consolidated Statements of Cash Flows, and (v) Notes to Unaudited Condensed Consolidated Financial Statements.

* Management contract, compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

SYNTA PHARMACEUTICALS CORP.

Date: May 10, 2016

By: /s/ Chen Schor
President and Chief Executive Officer
(principal executive officer)

Date: May 10, 2016

By: /s/ Marc Schneebaum
Marc Schneebaum
Senior Vice President and
Chief Financial Officer
(principal accounting and financial officer)

Exhibit 10.1

Restricted Stock Unit No.

SYNTA PHARMACEUTICALS CORP.

Restricted Stock Unit Award Grant Notice
Restricted Stock Unit Award Grant under the Company's
2015 Stock Plan

1. Name and Address of Participant: _____

2. Date of Grant of Restricted Stock Unit Award: January 4, 2016

3. Maximum Number of Shares underlying Restricted Stock Unit Award: _____

4. Vesting of Award: The shares subject to this Restricted Stock Unit Award shall vest in full upon the consummation of a Transaction which closes on or prior to December 31, 2016 provided that the Participant is employed by the Company or an Affiliate at the time of the Transaction or the Participant is terminated by the Corporation other than for "cause" (as defined in the officer's Severance and Change of Control Agreement) prior to the Transaction.

   For the purposes of this Grant Notice and the accompanying Restricted Stock Unit Agreement, **"Transaction"** means, whether effected in one transaction or a series of related transactions, (a) any merger, consolidation, reorganization, recapitalization or restructuring, formation of a joint venture, partnership or other business combination pursuant to which the business of the Company or any of its subsidiaries or a substantial portion thereof is acquired by or combined with that of an another person or entity or group of persons or entities (such person, entity or group, a **"Counterparty");** (b) any acquisition, directly or indirectly, by a Counterparty of a majority of the capital stock of the Company or any of its subsidiaries, by way of purchase or any other means; (c) any acquisition, directly or indirectly, by a Counterparty of at least 25% of the assets of the Company and its subsidiaries (determined either on the basis of fair market value or book value); (d) any acquisition, directly or indirectly, by the Company of a majority of the capital stock of a Counterparty or any of its subsidiaries, by way of purchase or any other means; or (e) any acquisition, directly or indirectly, by the Company of a substantial portion of the assets of a Counterparty and its subsidiaries (determined either on the basis of fair market value or book value) for consideration in excess of $20 million. For purposes of this Grant Notice and the accompanying Restricted Stock Unit Agreement, a **"person"** includes any person within the meaning of Section 13(d)(3) under the Securities Exchange Act of 1934.

5. Termination of Award: If the Transaction does not occur on or prior to December 31, 2016, this Restricted Stock Unit Award shall not vest, no Shares shall be issued hereunder and this Notice and the accompanying Restricted Stock Unit Agreement shall terminate and be of no further force and effect.

The Company and the Participant acknowledge receipt of this Restricted Stock Unit Award Grant Notice and agree to the terms of the Restricted Stock Unit Agreement attached hereto and incorporated by reference herein, the Company's 2015 Stock Plan and the terms of this Restricted Stock Unit Award as set forth above.

SYNTA PHARMACEUTICALS CORP.

By: _____
Name: _____
Title: _____

_____
Participant

ATTACHMENTS: Restricted Stock Unit Agreement and 2015 Stock Plan

SYNTA PHARMACEUTICALS CORP.
2015 STOCK PLAN

RESTRICTED STOCK UNIT AGREEMENT

AGREEMENT made as of the date of grant set forth in the Restricted Stock Unit Award Grant Notice between SYNTA PHARMACEUTICALS CORP. (the "**Company**"), a Delaware corporation, and the individual whose name appears on the Restricted Stock Unit Award Grant Notice (the "**Participant**").

WHEREAS, the Company has adopted the 2015 Stock Plan (the "**Plan**"), to promote the interests of the Company by providing an incentive for Employees, directors and Consultants of the Company and its Affiliates;

WHEREAS, pursuant to the provisions of the Plan, the Company desires to grant to the Participant restricted stock units ("**RSUs**") related to the Company's common stock, $0.0001 par value per share ("**Common Stock**"), in accordance with the provisions of the Plan, all on the terms and conditions hereinafter set forth; and

WHEREAS, the Company and the Participant understand and agree that any terms used and not defined herein have the meanings ascribed to such terms in the Plan.

NOW, THEREFORE, in consideration of the promises and the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Grant of Award. The Company hereby grants to the Participant an award for the number of RSUs set forth in the Restricted Stock Unit Award Grant Notice (the "**Award**"). Each RSU represents a contingent entitlement of the Participant to receive one share of Common Stock, on the terms and conditions and subject to all the limitations set forth herein, in the Notice and in the Plan, which is incorporated herein by reference. The Participant acknowledges receipt of a copy of the Plan.

2. Vesting of Award.

(a) Subject to the terms and conditions set forth in this Agreement and the Plan, the Award granted hereby shall vest as set forth in the Restricted Stock Unit Award Grant Notice and is subject to the other terms and conditions of this Agreement and the Plan. Upon vesting, the Participant shall be entitled to receive such number of shares of Common Stock equivalent to the number of RSUs specified in the Restricted Stock Unit Award Grant Notice provided that unless otherwise set forth in the Notice, the Participant is employed by the Company or an Affiliate on such vesting date. Such shares of Common Stock shall thereafter be delivered by the Company to the Participant within five days of the applicable vesting date and in accordance with this Agreement and the Plan.

(b) Except as otherwise set forth in this Agreement and the Notice, if the Participant ceases to be employed for any reason by the Company or an Affiliate (the "**Termination**") prior to the vesting condition set forth in the Restricted Stock Unit Award Grant Notice, then as of the date on which the Participant's employment terminates, all unvested RSUs shall immediately be forfeited to the Company and this Agreement shall terminate and be of no further force or effect.

3. Prohibitions on Transfer and Sale. This Award (including any additional RSUs received by the Participant as a result of stock dividends, stock splits or any other similar transaction affecting the Company's securities without receipt of consideration) shall not be transferable by the Participant otherwise than (i) by will or by the laws of descent and distribution, or (ii) pursuant to a qualified domestic relations order as defined by the Internal Revenue Code or Title I of the Employee Retirement Income Security Act or the rules thereunder. Except as provided in the previous sentence, the shares of Common Stock to be issued pursuant to this Agreement shall be issued, during the Participant's lifetime, only to the Participant (or, in the event of legal incapacity or incompetence, to the Participant's guardian or representative). This Award shall not be assigned, pledged or hypothecated in any way (whether by operation of law or otherwise) and shall not be subject to execution, attachment or similar process. Any attempted transfer, assignment, pledge, hypothecation or other disposition of this Award or of any rights granted hereunder contrary to the provisions of this Section 3, or the levy of any attachment or similar process upon this Award shall be null and void.

4. Adjustments. The Plan contains provisions covering the treatment of RSUs and shares of Common Stock in a number of contingencies such as stock splits and Corporate Transactions. Provisions in the Plan for adjustment with respect to this Award and the related provisions with respect to successors to the business of the Company are hereby made applicable hereunder and are incorporated herein by reference.

5. Securities Law Compliance. The Participant specifically acknowledges and agrees that any sales of shares of Common Stock shall be made in accordance with the requirements of the Securities Act. The Company currently has an effective registration statement on file with the United States Securities and Exchange Commission with respect to the Common Stock to be granted hereunder. The Company intends to maintain this registration statement but has no obligation to do so. If the registration statement ceases to be effective for any reason, Participant will not be able to transfer or sell any of the shares of Common Stock issued to the Participant pursuant to this Agreement unless exemptions from registration or filings under applicable securities laws are available. Furthermore, despite registration, applicable securities laws may restrict the ability of the Participant to sell his or her Common Stock, including due to the Participant's affiliation with the Company. The Company shall not be obligated to either issue the Common Stock or permit the resale of any shares of Common Stock if such issuance or resale would violate any applicable securities law, rule or regulation.

6. Rights as a Stockholder. The Participant shall have no right as a stockholder, including voting and dividend rights, with respect to the RSUs subject to this Agreement.

7. Incorporation of the Plan. The Participant specifically understands and agrees that the RSUs and the shares of Common Stock to be issued under the Plan will be issued to the Participant pursuant to the Plan, a copy of which Plan the Participant acknowledges he or she has read and understands and by which Plan he or she agrees to be bound. The provisions of the Plan are incorporated herein by reference. In addition, this RSU (and any compensation paid or shares issued pursuant to this Restricted Stock Unit Agreement) is subject to recoupment in accordance with The Dodd—Frank Wall Street Reform and Consumer Protection Act and any implementing regulations thereunder, any clawback policy adopted by the Company and any compensation recovery policy otherwise required by applicable law. No recovery of compensation under such a clawback policy will be an event giving rise to a right to resign for "good reason" or for a "constructive termination" (or similar term) under any agreement with the Company.

8. Tax Liability of the Participant and Payment of Taxes. The Participant acknowledges and agrees that any income or other taxes due from the Participant with respect to this Award or the shares of Common Stock to be issued pursuant to this Agreement or otherwise sold shall be the Participant's responsibility. Without limiting the foregoing, the Participant agrees that if under applicable law the Participant will owe taxes at each vesting date on the portion of the Award then vested the Company shall be entitled to immediate payment from the Participant of the amount of any tax or other amounts required to be withheld by the Company by applicable law or regulation. Any taxes or other amounts due shall be paid through reducing the number of shares of Common Stock entitled to be issued to the Participant on the applicable vesting date in an amount equal to the statutory minimum of the Participant's total tax and other withholding obligations due and payable by the Company. Fractional shares will not be retained to satisfy any portion of the Company's withholding obligation. Accordingly, the Participant agrees that in the event that the amount of withholding required would result in a fraction of a share being owed, that amount will be satisfied by withholding the fractional amount from the Participant's paycheck.

The Company shall not deliver any shares of Common Stock to the Participant until it is satisfied that all required withholdings have been made.

9. Participant Acknowledgements and Authorizations.

The Participant acknowledges the following:

(a) The Company is not by the Plan or this Award obligated to continue the Participant as an Employee, director or Consultant of the Company or an Affiliate.

(b) The Plan is discretionary in nature and may be suspended or terminated by the Company at any time.

(c) The grant of this Award is considered a one-time benefit and does not create a contractual or other right to receive any other award under the Plan, benefits in lieu of awards or any other benefits in the future.

(d) The Plan is a voluntary program of the Company and future awards, if any, will be at the sole discretion of the Company, including, but not limited to, the timing of any grant, the amount of any award, vesting provisions and the purchase price, if any.

(e) The value of this Award is an extraordinary item of compensation outside of the scope of the Participant's employment or consulting contract, if any. As such the Award is not part of normal or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments. The future value of the shares of Common Stock is unknown and cannot be predicted with certainty.

(f) The Participant (i) authorizes the Company and each Affiliate and any agent of the Company or any Affiliate administering the Plan or providing Plan recordkeeping services, to disclose to the Company or any of its Affiliates such information and data as the Company or any such Affiliate shall request in order to facilitate the grant of the Award and the administration of the Plan; and (ii) authorizes the Company and each Affiliate to store and transmit such information in electronic form for the purposes set forth in this Agreement.

10. Notices. Any notices required or permitted by the terms of this Agreement or the Plan shall be given by recognized courier service, facsimile, registered or certified mail, return receipt requested, addressed as follows:

If to the Company:

45 Hartwell Avenue
Lexington, MA 02421
Attn: General Counsel

If to the Participant at the address set forth on the Restricted Stock Unit Award Grant Notice or to such other address or addresses of which notice in the same manner has previously been given. Any such notice shall be deemed to have been given on the earliest of receipt, one business day following delivery by the sender to a recognized courier service, or three business days following mailing by registered or certified mail.

11. Assignment and Successors.

(a) This Agreement is personal to the Participant and without the prior written consent of the Company shall not be assignable by the Participant otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Participant's legal representatives.

(b) This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns.

12 Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Delaware, without giving effect to the conflict of law principles thereof. For the purpose of litigating any dispute that arises under this Agreement, whether at law or in equity, the parties hereby consent to exclusive jurisdiction in the Commonwealth of Massachusetts and agree that such litigation shall be conducted in the state courts of the Commonwealth of Massachusetts or the federal courts of the United States for the District of Massachusetts, Boston Division.

13. Severability. If any provision of this Agreement is held to be invalid or unenforceable by a court of competent jurisdiction, then such provision or provisions shall be modified to the extent necessary to make such provision valid and enforceable, and to the extent that this is impossible, then such provision shall be deemed to be excised from this Agreement, and the validity, legality and enforceability of the rest of this Agreement shall not be affected thereby.

14. Entire Agreement. This Agreement, together with the Plan, constitutes the entire agreement and understanding between the parties hereto with respect to the subject matter hereof and supersedes all prior oral or written agreements and understandings relating to the subject matter hereof. No statement, representation, warranty, covenant or agreement not expressly set forth in this Agreement shall affect or be used to interpret, change or restrict the express terms and provisions of this Agreement provided, however, in any event, this Agreement shall be subject to and governed by the Plan.

15. Modifications and Amendments; Waivers and Consents. The terms and provisions of this Agreement may be modified or amended as provided in the Plan. Except as provided in the Plan, the terms and provisions of this Agreement may be waived, or consent for

the departure therefrom granted, only by written document executed by the party entitled to the benefits of such terms or provisions. No such waiver or consent shall be deemed to be or shall constitute a waiver or consent with respect to any other terms or provisions of this Agreement, whether or not similar. Each such waiver or consent shall be effective only in the specific instance and for the purpose for which it was given, and shall not constitute a continuing waiver or consent.

16. Section 409A. The Award of RSUs evidenced by this Agreement is intended to be exempt from the nonqualified deferred compensation rules of Section 409A of the Code as a "short term deferral" (as that term is used in the final regulations and other guidance issued under Section 409A of the Code, including Treasury Regulation Section 1.409A-1(b)(4)(i)), and shall be construed accordingly.

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Exhibit 31.1

CERTIFICATIONS UNDER SECTION 302

I, Chen Schor, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Synta Pharmaceuticals Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 10, 2016

/s/ Chen Schor
Chen Schor
President and Chief Executive Officer
(principal executive officer)

Exhibit 31.2

CERTIFICATIONS UNDER SECTION 302

I, Marc Schneebaum, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Synta Pharmaceuticals Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 10, 2016

/s/ Marc Schneebaum
Marc Schneebaum,
Senior Vice President and
Chief Financial Officer
(principal accounting and financial officer)

Exhibit 32.1

CERTIFICATIONS UNDER SECTION 906

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code), each of the undersigned officers of Synta Pharmaceuticals Corp., a Delaware corporation (the "Company"), does hereby certify, to such officer's knowledge, that:

The Quarterly Report on Form 10-Q for the period ended March 31, 2016 (the "Form 10-Q") of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 10, 2016

/s/ Chen Schor
Chen Schor
President and Chief Executive Officer
(principal executive officer)

Dated: May 10, 2016

/s/ Marc Schneebaum
Marc Schneebaum.
Senior Vice President and
Chief Financial Officer
(principal accounting and financial officer)

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.