

MHR Institutional Advisors II LLC
 Form 4
 January 03, 2014

FORM 4

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

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

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

(Print or Type Responses)

1. Name and Address of Reporting Person *
RACHESKY MARK H MD

2. Issuer Name and Ticker or Trading Symbol
EMISPHERE TECHNOLOGIES INC [EMIS]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
40 WEST 57TH STREET, 24TH FLOOR

3. Date of Earliest Transaction (Month/Day/Year)
12/31/2013

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

(Street)
NEW YORK, NY 10019

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

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

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

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

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SEC 1474 (9-02)

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

1. Title of Derivative	2. Conversion	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if	4. Transaction	5. Number of Derivative	6. Date Exercisable and Expiration Date	7. Title and Amount of Underlying Security
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Security (Instr. 3)	or Exercise Price of Derivative Security	any (Month/Day/Year)	Code (Instr. 8)	Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	(Month/Day/Year)	(Instr. 3 and 4)				
			Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	An Nu Sha
Convertible Note <u>(1)</u> <u>(2)</u>	\$ 1.25	12/31/2013	J <u>(1)</u> <u>(2)</u>		\$ 453,025		<u>(11)</u>	09/26/2017	Common Stock	36
Convertible Note <u>(1)</u> <u>(2)</u>	\$ 1.25	12/31/2013	J <u>(1)</u> <u>(2)</u>		\$ 61,952		<u>(11)</u>	09/26/2017	Common Stock	4
Convertible Note <u>(1)</u> <u>(2)</u>	\$ 1.25	12/31/2013	J <u>(1)</u> <u>(2)</u>		\$ 492,928		<u>(11)</u>	09/26/2017	Common Stock	39
Convertible Note <u>(1)</u> <u>(2)</u>	\$ 1.25	12/31/2013	J <u>(1)</u> <u>(2)</u>		\$ 1,241,836		<u>(11)</u>	09/26/2017	Common Stock	99
Convertible Bridge Note <u>(1)</u> <u>(2)</u>	\$ 0.5	12/31/2013	J <u>(1)</u> <u>(2)</u>		\$ 27,219		<u>(11)</u>	09/26/2017	Common Stock	5
Convertible Bridge Note <u>(1)</u> <u>(2)</u>	\$ 0.5	12/31/2013	J <u>(1)</u> <u>(2)</u>		\$ 3,621		<u>(11)</u>	09/26/2017	Common Stock	7
Convertible Bridge Note <u>(1)</u> <u>(2)</u>	\$ 0.5	12/31/2013	J <u>(1)</u> <u>(2)</u>		\$ 20,801		<u>(11)</u>	09/26/2017	Common Stock	4
Convertible Bridge Note <u>(1)</u> <u>(2)</u>	\$ 0.5	12/31/2013	J <u>(1)</u> <u>(2)</u>		\$ 52,403		<u>(11)</u>	09/26/2017	Common Stock	10

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
RACHESKY MARK H MD 40 WEST 57TH STREET 24TH FLOOR NEW YORK, NY 10019	X	X		
MHR Capital Partners Master Account LP 40 WEST 57TH STREET 24TH FLOOR NEW YORK, NY 10019		X		
		X		

MHR ADVISORS LLC
 40 WEST 57TH STREET
 24TH FLOOR
 NEW YORK, NY 10019

MHR Institutional Partners II LP
 40 WEST 57TH STREET
 24TH FLOOR
 NEW YORK, NY 10019 X

MHR Institutional Partners IIA LP
 40 WEST 57TH STREET
 24TH FLOOR
 NEW YORK, NY 10019 X

MHR Institutional Advisors II LLC
 40 WEST 57TH STREET
 24TH FLOOR
 NEW YORK, NY 10019 X

MHRC LLC
 40 WEST 57TH STREET
 24TH FLOOR
 NEW YORK, NY 10019 X

MHRC II LLC
 40 WEST 57TH STREET
 24TH FLOOR
 NEW YORK, NY 10019 X

MHR FUND MANAGEMENT LLC
 40 WEST 57TH STREET
 24TH FLOOR
 NEW YORK, NY 10019 X

MHR Holdings LLC
 40 WEST 57TH STREET
 24TH FLOOR
 NEW YORK, NY 10019 X

Signatures

/s/ Janet Yeung, Attorney
 in Fact

01/03/2014

**Signature of Reporting Person

Date

Explanation of Responses:

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

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

(1) Since May 7, 2013, the Reporting Persons have held Amended and Restated 13% Senior Secured Convertible Notes of the Issuer (the "Convertible Notes") and Amended and Restated Senior Secured Promissory Notes of the Issuer (the "Bridge Notes"). The Convertible Notes and the Bridge Notes are convertible into shares of the Issuer's common stock, par value \$.01 per share (the "Common Stock"). Interest on the Convertible Notes and the Bridge Notes is payable in kind semi-annually in arrears through the issuance to the Reporting Persons of additional Convertible Notes and Bridge Notes, respectively. (Continued to Footnote 2)

(2)

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(Continued from Footnote 1) This Form 4 is being filed to report the receipt of additional Convertible Notes and Bridge Notes as paid-in-kind interest on the Convertible Notes and Bridge Notes, respectively, already held by the Reporting Persons.

These securities are held for the account of MHR Capital Partners Master Account LP, an Anguilla, British West Indies limited partnership ("Master Account"). MHR Advisors LLC, a Delaware limited liability company ("Advisors"), is the general partner of Master Account. MHRC LLC, a Delaware limited liability company ("MHRC"), is the managing member of Advisors. Mark H.

- (3) Rachesky, M.D. ("Dr. Rachesky") is the managing member of MHRC. MHR Fund Management LLC ("Fund Management") has an investment management agreement with Master Account pursuant to which it has the power to vote or direct the vote and to dispose or to direct the disposition of the securities held for the account of Master Account. MHR Holdings LLC, a Delaware limited liability company ("MHR Holdings"), is the managing member of Fund Management. (Continued in footnote 4)

- (4) (Continued from footnote 3) Accordingly, Advisors, MHRC, Fund Management, MHR Holdings and Dr. Rachesky may be deemed to beneficially own the securities held for the account of Master Account. Each of Advisors, MHRC, Fund Management, MHR Holdings and Dr. Rachesky disclaims beneficial ownership of such securities except to the extent of their pecuniary interest therein

These securities are held for the account of MHR Capital Partners (100) LP, a Delaware limited partnership ("Capital Partners (100)"). Advisors is the general partner of Capital Partners (100). MHRC is the managing member of Advisors. Dr. Rachesky is the managing member of MHRC. Fund Management has an investment management agreement with Capital Partners (100) pursuant to which it has

- (5) the power to vote or direct the vote and to dispose or to direct the disposition of the securities held for the account of Capital Partners (100). MHR Holdings is the managing member of Fund Management. Accordingly, Advisors, MHRC, Fund Management, MHR Holdings and Dr. Rachesky may be deemed to beneficially own the securities held for the account of Capital Partners (100). (Continued in footnote 6)

- (6) (Continued from footnote 5) Each of Advisors, MHRC, Fund Management, MHR Holdings and Dr. Rachesky disclaims beneficial ownership of such securities except to the extent of their pecuniary interest therein.

These securities are held for the account of MHR Institutional Partners II LP, a Delaware limited partnership ("Institutional Partners II"). MHR Institutional Advisors II LLC, a Delaware limited liability company ("Institutional Advisors II"), is the general partner of Institutional Partners II. MHRC II LLC, a Delaware limited liability company ("MHRC II"), is the managing member of Institutional Advisors II. Dr. Rachesky is the managing member of MHRC II. Fund Management has an investment management agreement with

- (7) Institutional Partners II pursuant to which it has the power to vote or direct the vote and to dispose or to direct the disposition of the securities held for the account of Institutional Partners II. MHR Holdings is the managing member of Fund Management. Accordingly, Institutional Advisors II, MHRC II, Fund Management, MHR Holdings and Dr. Rachesky may be deemed to beneficially own the securities held for the account of Institutional Partners II. (Continued in Footnote 8)

- (8) (continued from footnote 7) Each of Institutional Advisors II, MHRC II, Fund Management, MHR Holdings and Dr. Rachesky disclaims beneficial ownership of such securities except to the extent of their pecuniary interest therein.

These securities are held for the account of MHR Institutional Partners IIA LP, a Delaware limited partnership ("Institutional Partners IIA"). Institutional Advisors II is the general partner of Institutional Partners IIA. MHRC II is the managing member of Institutional Advisors II. Dr. Rachesky is the managing member of MHRC II. Fund Management has an investment management agreement with

- (9) Institutional Partners IIA pursuant to which it has the power to vote or direct the vote and to dispose or to direct the disposition of the securities held for the account of Institutional Partners IIA. MHR Holdings is the managing member of Fund Management. Accordingly, Institutional Advisors II, MHRC II, Fund Management, MHR Holdings and Dr. Rachesky may be deemed to beneficially own the securities held for the account of Institutional Partners IIA. (Continued in footnote 10)

- (10) (continued from footnote 9) Each of Institutional Advisors II, MHRC II, Fund Management, MHR Holdings and Dr. Rachesky disclaims beneficial ownership of such securities except to the extent of their pecuniary interest therein.

- (11) The Convertible Notes and the Bridge Notes are convertible at any time upon the option of the holder.

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

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