

MHR ADVISORS LLC  
 Form 4  
 July 02, 2010

**FORM 4**

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

OMB APPROVAL

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

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, 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)

3. Date of Earliest Transaction (Month/Day/Year)  
**06/30/2010**

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

**40 WEST 57TH STREET, 24TH FLOOR**

(Street)

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

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

**NEW YORK, NY 10019**

(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 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 Underlying Securities
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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	Amount Number Shares
Convertible Note <u>(1)</u>	\$ 3.78	06/30/2010	J <sup>(1)</sup>	\$ 256,291	<u>(6)</u>	09/26/2012	Common Stock	67,8
Convertible Note <u>(1)</u>	\$ 3.78	06/30/2010	J <sup>(1)</sup>	\$ 35,048	<u>(6)</u>	09/26/2012	Common Stock	9,27
Convertible Note <u>(1)</u>	\$ 3.78	06/30/2010	J <sup>(1)</sup>	\$ 278,866	<u>(6)</u>	09/26/2012	Common Stock	73,7
Convertible Note <u>(1)</u>	\$ 3.78	06/30/2010	J <sup>(1)</sup>	\$ 702,548	<u>(6)</u>	09/26/2012	Common Stock	185,8

## 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		
MHR ADVISORS LLC 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		

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

X

## Signatures

/s/ Hal Goldstein, Attorney  
in Fact

07/02/2010

\_\_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 16, 2006, the Reporting Persons have held 11% Senior Secured Convertible Notes of the Issuer (the "Convertible Notes"). The Convertible Notes are convertible into shares of the Issuer's common stock, par value \$.01 per share (the "Common Stock"). Interest on the Convertible Notes is payable in kind semi-annually in arrears through the issuance to the Reporting Persons of additional Convertible Notes. This Form 4 is being filed to report the receipt of additional Convertible Notes as paid-in-kind interest on the Convertible Notes already held by the Reporting Persons.

(2) 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. Mark H. Rachesky, M.D. ("Dr. Rachesky") is the managing member of Advisors. In such capacity, Dr. Rachesky may be deemed to be the beneficial owner of the securities held for the account of Master Account. MHR Fund Management LLC, a Delaware limited liability company ("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 shares held for the account of Master Account and, accordingly, Fund Management may be deemed to beneficially own the securities held for the account of Master Account.

(3) 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). Dr. Rachesky is the managing member of Advisors. In such capacity, Dr. Rachesky may be deemed to be the beneficial owner of the securities held for the account of Capital Partners (100). Fund Management has an investment management agreement with Capital Partners (100) 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 Capital Partners (100) and, accordingly, Fund Management may be deemed to beneficially own the securities held for the account of Capital Partners (100).

(4) 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. Dr. Rachesky is the managing member of Institutional Advisors II. In such capacity, Dr. Rachesky may be deemed to be the beneficial owner of the securities held for the account of Institutional Partners II. Fund Management has an investment management agreement with 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 and, accordingly, Fund Management may be deemed to beneficially own the securities held for the account of Institutional Partners II.

(5) 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. Dr. Rachesky is the managing member of Institutional Advisors II. In such capacity, Dr. Rachesky may be deemed to be the beneficial owner of the securities held for the account of Institutional Partners IIA. Fund Management has an investment management agreement with 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 and, accordingly, Fund Management may be deemed to beneficially own the securities held for the account of Institutional Partners IIA.

(6) The Convertible Notes are exercisable immediately upon receipt thereof by the Reporting Persons.

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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