

# EMISPHERE TECHNOLOGIES INC

Reported by  
**MHR ADVISORS LLC**

## **FORM 4**

(Statement of Changes in Beneficial Ownership)

Filed 01/04/17 for the Period Ending 12/31/16

Address	240 CEDAR KNOLLS RD. SUITE 200 CEDAR KNOLLS, NJ 07927
Telephone	973-532-8000
CIK	0000805326
Symbol	EMIS
SIC Code	2834 - Pharmaceutical Preparations
Industry	Biotechnology & Medical Research
Sector	Healthcare
Fiscal Year	12/31

# FORM 4

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

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continue. See Instruction 1(b).

## STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

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

1. Name and Address of Reporting Person *			2. Issuer Name and Ticker or Trading Symbol			5. Relationship of Reporting Person(s) to Issuer (Check all applicable)		
<b>RACHESKY MARK H MD</b>			<b>EMISPHERE TECHNOLOGIES INC [EMIS]</b>			<input checked="" type="checkbox"/> Director <span style="margin-left: 150px;"><input checked="" type="checkbox"/> 10% Owner</span> <input type="checkbox"/> Officer (give title below) <span style="margin-left: 50px;"><input type="checkbox"/> Other (specify below)</span>		
(Last) (First) (Middle) <b>1345 AVENUE OF THE AMERICAS, 42ND FLOOR</b>			3. Date of Earliest Transaction (MM/DD/YYYY) <b>12/31/2016</b>					
(Street) <b>NEW YORK, NY 10105</b>			4. If Amendment, Date Original Filed (MM/DD/YYYY)			6. Individual or Joint/Group Filing (Check Applicable Line)		
(City) (State) (Zip)						<input type="checkbox"/> Form filed by One Reporting Person <input checked="" type="checkbox"/> Form filed by More than One Reporting Person		

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

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

**Table II - Derivative Securities Beneficially Owned ( e.g. , puts, calls, warrants, options, convertible securities)**

1. Title of Derivate Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Trans. Date	3A. Deemed Execution Date, if any	4. Trans. Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	6. Date Exercisable and Expiration Date		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V		Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Convertible Note (1)(2)	\$1.25	12/31/2016		J (1)(2)		\$667724.00	(11)	3/31/2022	Common Stock	534179	(1)(2)	\$10665684.00	I	See Footnotes (3)(4)
Convertible Note (1)(2)	\$1.25	12/31/2016		J (1)(2)		\$91313.00	(11)	3/31/2022	Common Stock	73050	(1)(2)	\$1458553.00	I	See Footnotes (5)(6)
Convertible Note (1)(2)	\$1.25	12/31/2016		J (1)(2)		\$726539.00	(11)	3/31/2022	Common Stock	581231	(1)(2)	\$11605136.00	I	See Footnotes (7)(8)
Convertible Note (1)(2)	\$1.25	12/31/2016		J (1)(2)		\$1830372.00	(11)	3/31/2022	Common Stock	1464297	(1)(2)	\$29236879.00	I	See Footnotes (9)(10)
Bridge Note (1)(2)	\$0.50	12/31/2016		J (1)(2)		\$40349.00	(11)	3/31/2022	Common Stock	80698	(1)(2)	\$631017.00	I	See Footnotes (3)(4)
Bridge Note (1)(2)	\$0.50	12/31/2016		J (1)(2)		\$5367.00	(11)	3/31/2022	Common Stock	10734	(1)(2)	\$83940.00	I	See Footnotes (5)(6)
Bridge Note (1)(2)	\$0.50	12/31/2016		J (1)(2)		\$30834.00	(11)	3/31/2022	Common Stock	61668	(1)(2)	\$482210.00	I	See Footnotes (7)(8)
Bridge Note (1)(2)	\$0.50	12/31/2016		J (1)(2)		\$77680.00	(11)	3/31/2022	Common Stock	155360	(1)(2)	\$1214832.00	I	See Footnotes (9)(10)
Reimbursement Notes (1)(2)	\$0.50	12/31/2016		J (1)(2)		\$8336.00	(11)	(12)	Common Stock	16672	(1)(2)	\$167998.00	I	See Footnotes (3)(4)
Reimbursement Notes (1)(2)	\$0.50	12/31/2016		J (1)(2)		\$1161.00	(11)	(12)	Common Stock	2322	(1)(2)	\$23404.00	I	See Footnotes (5)(6)
Reimbursement Notes (1)(2)	\$0.50	12/31/2016		J (1)(2)		\$9083.00	(11)	(12)	Common Stock	18166	(1)(2)	\$183043.00	I	See Footnotes (7)(8)

**Table II - Derivative Securities Beneficially Owned ( e.g. , puts, calls, warrants, options, convertible securities)**

1. Title of Derivate Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Trans. Date	3A. Deemed Execution Date, if any	4. Trans. Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Reimbursement Notes (1)(2)	\$0.50	12/31/2016		J	(1)(2)	\$22894.00		(11)	(12)	Common Stock	45788	(1)(2)	\$461369.00	I	See Footnotes (9)(10)

**Explanation of Responses:**

- ( 1) The Reporting Persons hold Amended and Restated 13% Senior Secured Convertible Notes of the Issuer (the "Convertible Notes"), Amended and Restated 13% Senior Secured Promissory Notes of the Issuer (the "Bridge Notes") and Amended and Restated 10% Senior Secured Reimbursement Notes of the Issuer (the "Reimbursement Notes"). The Convertible Notes, Bridge Notes and Reimbursement Notes are convertible into shares of the Issuer's common stock, par value \$.01 per share (the "Common Stock"). Interest on the Convertible Notes, the Bridge Notes and Reimbursement Notes is payable in kind semi-annually in arrears through the issuance to the Reporting Persons of additional Convertible Notes, Bridge Notes and Reimbursement Notes respectively. (Continued to Footnote 2)
- ( 2) (Continued from Footnote 1) This Form 4 is being filed to report the receipt of additional Convertible Notes, Bridge Notes and Reimbursement Notes as paid-in-kind interest on the Convertible Notes, Bridge Notes and Reimbursement Notes, respectively, already held by the Reporting Persons.
- ( 3) 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. 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.
- ( 5) 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 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.
- ( 7) 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 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.
- ( 9) 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 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, Reimbursement Notes and Bridge Notes are convertible into Common Stock at any time upon the option of the holder.
- ( 12) The Reimbursement Notes mature on the earlier of (a) March 31, 2022 and (b) immediately prior to the time that any amounts outstanding are paid under that certain senior secured loan facility, dated August 20, 2014, by and among the Issuer, Master Account, Capital Partners (100), Institutional Partners II and Institutional Partners IIA.

**Reporting Owners**

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other

RACHESKY MARK H MD 1345 AVENUE OF THE AMERICAS 42ND FLOOR NEW YORK, NY 10105	X	X		
MHR Capital Partners Master Account LP 1345 AVENUE OF THE AMERICAS 42ND FLOOR NEW YORK, NY 10105		X		
MHR ADVISORS LLC 1345 AVENUE OF THE AMERICAS 42ND FLOOR NEW YORK, NY 10105		X		
MHR Institutional Partners II LP 1345 AVENUE OF THE AMERICAS 42ND FLOOR NEW YORK, NY 10105		X		
MHR Institutional Partners IIA LP 1345 AVENUE OF THE AMERICAS 42ND FLOOR NEW YORK, NY 10105		X		
MHR Institutional Advisors II LLC 1345 AVENUE OF THE AMERICAS 42ND FLOOR NEW YORK, NY 10105		X		
MHRC LLC 1345 AVENUE OF THE AMERICAS 42ND FLOOR NEW YORK, NY 10105		X		
MHRC II LLC 1345 AVENUE OF THE AMERICAS 42ND FLOOR NEW YORK, NY 10105		X		
MHR FUND MANAGEMENT LLC 1345 AVENUE OF THE AMERICAS 42ND FLOOR NEW YORK, NY 10105		X		
MHR Holdings LLC 1345 AVENUE OF THE AMERICAS 42ND FLOOR NEW YORK, NY 10105		X		

**Signatures**

/s/ Janet Yeung, Attorney in Fact

1/4/2017

--Signature of Reporting Person

Date

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

\* 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).

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

MHR CAPITAL PARTNERS MASTER ACCOUNT LP

By: MHR Advisors LLC,  
its General Partner

By: /s/ Janet Yeung  
-----  
Name: Janet Yeung  
Title: Authorized Signatory

Address: 1345 AVENUE OF THE AMERICAS,  
42ND FLOOR  
NEW YORK, NY 10105

MHR ADVISORS LLC

By: /s/ Janet Yeung  
-----  
Name: Janet Yeung  
Title: Authorized Signatory

Address: 1345 AVENUE OF THE AMERICAS,  
42ND FLOOR  
NEW YORK, NY 10105

MHR INSTITUTIONAL PARTNERS II LP

By: MHR Institutional Advisors II LLC,  
its General Partner

By: /s/ Janet Yeung  
-----  
Name: Janet Yeung  
Title: Authorized Signatory

Address: 1345 AVENUE OF THE AMERICAS,  
42ND FLOOR  
NEW YORK, NY 10105

MHR INSTITUTIONAL PARTNERS IIA LP

By: MHR Institutional Advisors II LLC,  
its General Partner

By: /s/ Janet Yeung  
-----  
Name: Janet Yeung  
Title: Authorized Signatory

Address: 1345 AVENUE OF THE AMERICAS,  
42ND FLOOR  
NEW YORK, NY 10105

MHR INSTITUTIONAL ADVISORS II LLC

By: /s/ Janet Yeung  
-----  
Name: Janet Yeung  
Title: Authorized Signatory

Address: 1345 AVENUE OF THE AMERICAS,  
42ND FLOOR  
NEW YORK, NY 10105

MHRC LLC

By: /s/ Janet Yeung  
-----  
Name: Janet Yeung  
Title: Authorized Signatory

Address: 1345 AVENUE OF THE AMERICAS,

42ND FLOOR  
NEW YORK, NY 10105

MHRC II LLC

By: /s/ Janet Yeung  
-----

Name: Janet Yeung  
Title: Authorized Signatory

Address: 1345 AVENUE OF THE AMERICAS,  
42ND FLOOR  
NEW YORK, NY 10105

MHR FUND MANAGEMENT LLC

By: /s/ Janet Yeung  
-----

Name: Janet Yeung  
Title: Authorized Signatory

Address: 1345 AVENUE OF THE AMERICAS,  
42ND FLOOR  
NEW YORK, NY 10105

MHR HOLDINGS LLC

By: /s/ Janet Yeung  
-----

Name: Janet Yeung  
Title: Authorized Signatory

Address: 1345 AVENUE OF THE AMERICAS,  
42ND FLOOR  
NEW YORK, NY 10105