

NEOSE TECHNOLOGIES INC
Form 4
April 03, 2007

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
NEOSE TECHNOLOGIES INC
[NTEC]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

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

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

40 WEST 57TH STREET, 24TH FLOOR

03/30/2007

(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 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			
Common Stock	03/30/2007		J ⁽¹⁾	430,564 D <u>1</u> 0		I	See footnote (1)
Common Stock					3,056,493	I	See footnote (2)
Common Stock					367,832	I	See footnote (3)
Common					42,105	I	See

Stock							footnote (4)
Common Stock		72,195 ⁽¹⁾	I				See footnote (5)

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

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

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Owned Following Reporting Transaction (Instr. 6)
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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			

Signatures

/s/ Mark H. Rachesky, M.D. Mark H. Rachesky,
M.D. 04/03/2007

**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).

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- The Reporting Person previously reported indirect beneficial ownership of securities of the Issuer on the Form 4 dated March 13, 2007 held for the account of MRL Partners LP, a Delaware limited partnership ("MRL"). MRL made pro rata liquidating distributions of
- (1) 72,195 shares of common stock of the Issuer, par value \$.01 per share (the "Common Stock") previously owned by MRL to MHR Advisors LLC, a Delaware limited liability company ("Advisors"), the general partner of MRL, and 430,564 shares of Common Stock previously owned by MRL to a limited partner of MRL, thereby ceasing to beneficially own any shares of Common Stock.

- These securities are held for the account of MHR Capital Partners Master Account LP, an Anguilla, British West Indies limited partnership ("Master Account"). 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 securities 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.
- (2)

- 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).
- (3)

- These securities are held for the account of OTT LLC, a Delaware limited liability company ("OTT"). Dr. Rachesky is the managing member of OTT. In such capacity, Dr. Rachesky may be deemed to be the beneficial owner of the securities held for the account of OTT.
- (4)

- These securities are held for the account of Advisors. Advisors became the direct owner of such securities upon the pro rata liquidating distributions made by MRL, as further described in Footnote 1. 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 Advisors.
- (5)

Remarks:

Remark:

The filing of this statement shall not be deemed an admission that any of the Reporting Persons is the beneficial owner of any

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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