

EINHORN DAVID  
Form 4  
July 28, 2005

# FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287  
Expires: January 31, 2005  
Estimated average burden hours per response... 0.5

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 \*  
EINHORN DAVID

2. Issuer Name and Ticker or Trading Symbol  
MERCER INTERNATIONAL INC  
[MERC]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

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

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

140 EAST 45TH STREET, FLOOR 24

07/26/2005

(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 10017

(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)
			Code	V Amount (A) or (D) Price			
Common Shares	07/26/2005		S	(1) 17,900 D \$ 7.25	251,900	I (2)	See Note (1)
Common Shares	07/26/2005		S	(1) 55,800 D \$ 7.25	794,700	I (3)	See Note (1)
Common Shares	07/26/2005		S	(1) 75,300 D \$ 7.25	1,072,230	I (4)	See Note (1)

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form

SEC 1474 (9-02)

displays a currently valid OMB control number.

**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 Security (Instr. 3 and 4)	8. Amount or Number of Shares	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
8.5% Convertible Senior Subordinated Notes (Right to Buy)	\$ 7.75	07/26/2005		P	\$ 119,500	07/26/2005	10/14/2010	Common Shares	15
8.5% Convertible Senior Subordinated Notes (Right to Buy)	\$ 7.75	07/26/2005		P	\$ 374,900	07/26/2005	10/14/2010	Common Shares	48
8.5% Convertible Senior Subordinated Notes (Right to Buy)	\$ 7.75	07/26/2005		P	\$ 505,600	07/26/2005	10/14/2010	Common Shares	65

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
EINHORN DAVID 140 EAST 45TH STREET FLOOR 24 NEW YORK, NY 10017		X		
GREENLIGHT CAPITAL LLC 140 EAST 45TH STREET FLOOR 24 NEW YORK, NY 10017		X		

GREENLIGHT CAPITAL INC  
140 EAST 45TH STREET  
FLOOR 24  
NEW YORK, NY 10017

X

## Signatures

Daniel Roitman, on behalf of David Einhorn	07/28/2005
**Signature of Reporting Person	Date
Daniel Roitman, Chief Operating Officer of Greenlight Capital, L.L.C.	07/28/2005
**Signature of Reporting Person	Date
Daniel Roitman, Chief Operating Officer of Greenlight Capital, Inc.	07/28/2005
**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).

The filing of this Form 4 shall not be construed as an admission that Greenlight Capital, L.L.C. ("Greenlight LLC"), Greenlight Capital, Inc. ("Greenlight Inc" and, together with Greenlight LLC, "Greenlight"), or David Einhorn, the senior managing member of Greenlight LLC and president of Greenlight Inc, are or were for the purposes of Section 16(a) of the Securities Exchange Act of 1934, as amended,

(1) or otherwise the beneficial owner of any of the shares of beneficial interest, par value \$1.00 per share (the "Common Shares") of Mercer International, Inc. ("Mercer") owned by Greenlight Capital, L.P. ("Greenlight Fund"), Greenlight Capital Qualified, L.P. ("Greenlight Qualified"), or Greenlight Capital Offshore, Ltd. ("Greenlight Offshore" and, collectively, the "Greenlight Funds"). Pursuant to Rule 16a-1, Greenlight LLC, Greenlight Inc, and Mr. Einhorn all disclaim such beneficial ownership.

Greenlight LLC holds 251,900 Common Shares of Mercer, excluding Common Shares from conversion of the notes, indirectly through the accounts of Greenlight Fund, of which Greenlight LLC is general partner. Greenlight LLC receives an allocation of net profits from and owns a partnership interest in Greenlight Fund. Mr. Einhorn reports the shares held indirectly by Greenlight LLC because, as the senior managing member of Greenlight LLC at the time of sale, Mr. Einhorn controlled the disposition and voting of the securities.

(2)

Greenlight LLC holds 794,700 Common Shares of Mercer, excluding Common Shares from conversion of the notes, indirectly through the accounts of Greenlight Qualified, of which Greenlight LLC is general partner. Greenlight LLC receives an allocation of net profits from and owns a partnership interest in Greenlight Qualified. Mr. Einhorn reports the shares held indirectly by Greenlight LLC because, as the senior managing member of Greenlight LLC at the time of sale, Mr. Einhorn controlled the disposition and voting of the securities.

(3)

Greenlight Inc. holds 1,072,230 Common Shares of Mercer, excluding Common Shares from conversion of the notes, indirectly through the account of Greenlight Offshore, which is controlled by Greenlight Inc. Greenlight Inc. is the investment advisor of Greenlight Offshore and receives an asset-based fee and an annual fee based on the appreciation of Greenlight Offshore. Greenlight Offshore's total investment in Mercer accounts for less than 10% of its portfolio. Mr. Einhorn, as president and director of Greenlight Inc., has control over the voting and disposition of the securities of Greenlight Offshore. Additionally, Mr. Einhorn owns shares in Greenlight Offshore.

(4)

Greenlight LLC holds 251,900 Common Shares of Mercer, excluding Common Shares from conversion of the notes, indirectly through the accounts of Greenlight Fund, of which Greenlight LLC is general partner. Additionally, Greenlight Fund may convert Mercer's 8.5% Convertible Senior Subordinated Notes into Common Shares at any time. Including the Common Shares it would hold after such conversion, Greenlight LLC holds indirectly 480,609 Common Shares through the account of Greenlight Fund. Greenlight LLC receives an allocation of net profits from and owns a partnership interest in Greenlight Fund. Mr. Einhorn reports the shares held indirectly by Greenlight LLC because, as the senior managing member of Greenlight LLC at the time of sale, Mr. Einhorn controlled the disposition and voting of the securities.

(5)

Greenlight LLC holds 794,700 Common Shares of Mercer, excluding Common Shares from conversion of the notes, indirectly through the accounts of Greenlight Qualified, of which Greenlight LLC is general partner. Additionally, Greenlight Qualified may convert Mercer's 8.5% Convertible Senior Subordinated Notes into Common Shares at any time. Including the Common Shares it would hold after such conversion, Greenlight LLC holds indirectly 1,490,132 Common Shares through the account of Greenlight Qualified. Greenlight LLC receives an allocation of net profits from and owns a partnership interest in Greenlight Qualified. Mr. Einhorn reports the shares held indirectly by Greenlight LLC because, as the senior managing member of Greenlight LLC at the time of sale, Mr. Einhorn controlled the disposition and voting of the securities.

(6)

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(7) Greenlight Inc. holds 1,072,230 Common Shares of Mercer, excluding Common Shares from conversion of the notes, indirectly through the account of Greenlight Offshore, which is controlled by Greenlight Inc. Additionally, Greenlight Offshore may convert Mercer's 8.5% Convertible Senior Subordinated Notes into Common Shares at any time. Including the Common Shares it would hold after such conversion, Greenlight Inc holds indirectly 1,954,539 Common Shares through the account of Greenlight Offshore. Greenlight Inc. is the investment advisor of Greenlight Offshore and receives an asset-based fee and an annual fee based on the appreciation of Greenlight Offshore. Greenlight Offshore's total investment in Mercer accounts for less than 10% of its portfolio. Mr. Einhorn, as president and director of Greenlight Inc., has control over the voting and disposition of the securities of Greenlight Offshore. Additionally, Mr. Einhorn owns shares in Greenlight Offshore.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.