

MCF CORP
Form S-4
November 21, 2006

As filed with the Securities and Exchange Commission on November 21, 2006

Registration No. 333-

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

FORM S-4

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

MCF CORPORATION

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction
of
Incorporation or
Organization)

11-2936371
(I.R.S. Employee
Identification No.)

**600 California Street,
9th Floor,
San Francisco, California 94108
(415) 248-5600**

(Address and Telephone Number of Executive Offices and Principal Place of Business)

**D. Jonathan Merriman
Chairman and Chief Executive Officer
MCF Corporation
600 California Street,
9th Floor
San Francisco, California 94108
(415) 248-5600**

(Name, Address and Telephone Number of Agent For Service)

Copies of all communications to:

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Approximate date of commencement of proposed sale to the public: As soon as practicable following the effectiveness of this Registration Statement and consummation of the merger contemplated herein.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. "

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment that specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act, or until the registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to such Section 8(a), may determine.

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to Be Registered	Amount to Be Registered(1)	Proposed Maximum Offering Price per Unit	Proposed Maximum Aggregate Offering Price(2)	Amount of Registration Fee(2)
Common stock, par value \$.0001 per share	1,547,619	N/A	\$ 1,266,742	\$ 135.54

(1)

Represents the maximum number of shares of common stock of MCF Corporation issuable in exchange for shares of common stock and preferred stock of MedPanel, Inc., upon the closing of the merger of an MCF subsidiary with and into MedPanel.

(2)

Pursuant to Rule 457(f)(2) of the Securities Act, the proposed maximum aggregate offering price and the registration fee have been calculated on the basis of the book value of the MedPanel common stock and MedPanel preferred stock to be received by MCF Corporation pursuant to the merger as of September 30, 2006, which was \$1,266,742 in the aggregate.

The information in this prospectus/ information statement is not complete and may be changed. MCF may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus/ nformation statement is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED NOVEMBER 21, 2006

Dear Stockholders:

We are pleased to report that the boards of directors of MCF Corporation and MedPanel, Inc. have unanimously approved a merger agreement which provides for the merger of an MCF subsidiary into MedPanel. The merger agreement has also been adopted by written consent by MedPanel's stockholders. As a result of the proposed merger, MedPanel will become a wholly owned subsidiary of MCF. If we complete the proposed merger, you will become a stockholder of MCF, your shares of MedPanel common stock, if any, and preferred stock, if any, will be converted into the right to receive shares of MCF common stock and, under certain circumstances, cash in accordance with the allocation and priority contained in the merger agreement. In addition, holders of MedPanel capital stock will be entitled to receive additional consideration, payable 50% in MCF common stock and 50% in cash, upon achievement of certain financial performance milestones during the three year period commencing January 1, 2007 and ending December 31, 2009.

The proposed merger is more fully described in the accompanying prospectus/ information statement. If the merger were completed on November 6, 2006, based on MedPanel's outstanding capital stock, options and warrants as of November 6, 2006 and the average closing sales prices per share of MCF common stock from October 9, 2006 through November 3, 2006 of \$4.20 per share, as adjusted for the 1-for-7 reverse stock split that was effective on November 16, 2006, MedPanel stockholders would own approximately 12.7% of MCF's outstanding common stock immediately after the proposed merger. MCF common stock is listed on the American Stock Exchange under the trading symbol MEM. On November 17, 2006, the last sale price of shares of MCF common stock on the American Stock Exchange was \$4.27 per share.

MedPanel stockholders have already adopted the merger agreement and we are not soliciting a vote of the MedPanel stockholders. However, this prospectus/ information statement is being provided to you for informational purposes, including to alert you of your right of appraisal of your shares of MedPanel capital stock in connection with the proposed merger, as described in the section entitled Appraisal Rights.

We encourage you to read this prospectus/ information statement carefully. In particular, you should review the matters discussed in the section entitled Risk Factors.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of MCF securities to be issued pursuant to the merger or passed upon the adequacy or accuracy of this prospectus/ information statement. Any representation to the contrary is a criminal offense.

This prospectus/ information statement is dated November 20, 2006, and is first being mailed on or about _____, 2006.

Sincerely,

/s/ D. Jon Merriman

D. Jon Merriman
Chairman and Chief Executive Officer of MCF Corporation

REFERENCES TO ADDITIONAL INFORMATION

This prospectus/information statement incorporates important business and financial information about MCF from documents filed with the Securities and Exchange Commission that have not been included in or delivered with this document. This information is available at the Internet website that the Securities and Exchange Commission maintains at <http://www.sec.gov>, as well as from other sources.

You may also request copies of these documents from MCF, without charge, upon written or oral request to:

**MCF CORPORATION
600 California Street,
9th Floor,
San Francisco, California 94108
(415) 248-5600**

To obtain timely delivery, such a request must be made no later than five business days before the date on which you make an investment decision, and, in any event, before _____, 2006.

For more information, see the section entitled Where You Can Find More Information.

**IMPORTANT NOTE REGARDING MCF CORPORATION
SHARE PRICES AND NUMBERS**

At 11:59pm Eastern Standard Time on November 15, 2006, MCF Corporation effected a 1-for-7 reverse stock split of its common stock. All share prices and numbers used herein have been adjusted to reflect this reverse stock split.

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CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING INFORMATION

This prospectus/information statement and the documents incorporated by reference into this prospectus/information statement contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that involve risks and uncertainties, as well as assumptions, that, if they materialize or prove incorrect, could cause the results of MCF and its consolidated subsidiaries, on the one hand, or MedPanel, on the other, to differ materially from those expressed or implied by such forward-looking statements. All statements other than statements of historical fact are statements that could be deemed forward-looking statements, including any projections of earnings, revenues, synergies, accretion, margins or other financial items; any statements of the plans, strategies and objectives of management for future operations, including the execution of integration plans and the anticipated timing of filings, approvals and closings relating to the merger or other planned acquisitions; any statements concerning proposed new products, services, developments or industry rankings; any statements regarding future economic conditions or performance; any statements of belief; and any statements of assumptions underlying any of the foregoing.

The risks, uncertainties and assumptions referred to above include the challenges of integration associated with the merger and the challenges of achieving anticipated synergies; the challenge of managing asset levels; the difficulty of keeping expense growth at modest levels while increasing revenues; the possibility that the merger or other planned acquisitions may not close or that MCF, MedPanel or other parties to planned acquisitions may be required to modify some aspects of the acquisition transactions in order to obtain regulatory approvals; the assumption of maintaining revenues on a combined company basis following the merger; and other risks that are described in the section entitled Risk Factors, which follows on the next page, and in the documents that are incorporated by reference into this prospectus/information statement.

If any of these risks or uncertainties materialize or any of these assumptions prove incorrect, results of MCF and MedPanel could differ materially from the expectations in these statements. Except for our ongoing obligation to disclose material information as required by federal securities laws, we do not intend to update you concerning any future revisions to any forward-looking statements to reflect events or circumstances occurring after the date of this prospectus/information statement.

QUESTIONS AND ANSWERS ABOUT THE PROPOSED TRANSACTION

Q:

Why am I receiving this prospectus/ information statement?

A:

MCF has agreed to acquire MedPanel under the terms of a merger agreement that is described in this prospectus/ information statement. Please see the discussion in the section entitled Certain Terms of the Merger Agreement. A copy of the merger agreement is attached to this prospectus/ information statement as Annex A. On November 7, 2006, MedPanel stockholders adopted the merger agreement and approved the merger pursuant to an action by written consent. As a result, no further approval of MedPanel stockholders is needed to complete the merger.

Q:

What will happen in connection with the proposed transaction?

A:

In the merger, MedPanel and a wholly owned subsidiary of MCF will merge and, as a result, MedPanel will become a wholly owned subsidiary of MCF. Pursuant to this merger, the stockholders of MedPanel will become stockholders of MCF. In this prospectus/ information statement we sometimes refer to this merger as the first merger, and references to the merger, unless specified otherwise, shall also refer to this merger. Immediately following the merger, in a second merger, MedPanel will merge into another wholly owned subsidiary of MCF, with the surviving company of the second merger being a wholly owned subsidiary of MCF and the ultimate surviving entity of the mergers. In this prospectus/ information statement we sometimes refer to the first merger and second merger, taken together as a whole, as the mergers.

Q:

Why is MedPanel proposing the merger?

A:

We believe that the proposed transaction will provide substantial benefits to the MedPanel stockholders. The MedPanel board of directors believes the merger provides MedPanel stockholders with liquidity and strategic and growth opportunities that would not have been available to MedPanel on a stand-alone basis. To review the MedPanel reasons for the transaction in greater detail, see The Merger MedPanel s Reasons for the Merger; Recommendation of the MedPanel Board of Directors.

Q:

What will I be entitled to receive pursuant to the merger?

A:

Upon the closing of the merger, holders of MedPanel capital stock and options to acquire MedPanel common stock will be entitled to receive for each share of MedPanel capital stock or option, consideration, payable in shares of MCF common stock, equal to such holders portion of the aggregate \$6.5 million merger consideration payable at the closing of the merger. The merger consideration payable at closing will be subject to certain potential adjustments and an

escrow of 10% of such merger consideration, which will be established to satisfy certain potential liabilities of MedPanel. The MCF common stock and all other merger consideration, described below, will be distributed first, to the holders of MedPanel preferred stock in satisfaction of the liquidation preference of such shares under MedPanel's certificate of incorporation and thereafter, to the holders of MedPanel capital stock on a fully-diluted as converted basis, after deducting from any amount payable to the holders of preferred stock such amounts previously distributed in satisfaction of the liquidation preference. Holders of options to purchase MedPanel common stock will receive, in exchange for the options, an amount equal to what each holder would receive if he or she exercised the options, minus the exercise price for each option and all applicable taxes. Of the merger consideration to be held in escrow, 7% of the shares of MCF common stock will be held in escrow for a period of 18 months after the closing date of the merger. These shares will be held as collateral to satisfy any indemnification claims that may be made by MCF under the merger agreement. Shares that have not been used to satisfy indemnification claims, or used to cover expenses of the MedPanel stockholder representative, will be released promptly after the 18 month anniversary of the closing of the merger and will be distributed in accordance with the allocation formula described above. The remaining 3% of the shares of MCF common stock held in escrow will be used to satisfy adjustments, if any, to the merger consideration if the net working capital or cash on hand of MedPanel, as of the date of consummation of the merger, are less than target amounts established in the merger agreement. Shares that have not been returned to MCF to satisfy any reduction in the merger consideration or to cover the expenses of the stockholder representative will be released to the former MedPanel stockholders. MedPanel has appointed William J. Febbo, the current Chief Executive Officer of MedPanel, as the MedPanel stockholder representative with respect to the escrow account. Mr. Febbo will be authorized to make decisions and take actions regarding the escrow account on the stockholders' behalf.

MedPanel stockholders will also be entitled to receive additional consideration if the MedPanel business unit of MCF achieves certain financial performance milestones. If the MedPanel business unit of MCF achieves cumulative revenue and cumulative earnings before interest, taxes, depreciation and amortization (EBITDA) of at least \$20 million and \$1.5 million respectively, for the three year period commencing January 1, 2007 and ending December 31, 2009, then the MedPanel stockholders will be entitled to receive additional merger consideration payable 50% in shares of MCF common stock and 50% in cash (the number of shares of MCF common stock to be issued will be based on the then current average trading price of MCF common stock, but in no event less than \$5.25 or greater than \$29.75). The actual amount of additional merger consideration, if any, that may become payable pursuant to the merger agreement will be based on a formula tied to the actual cumulative revenue and cumulative EBITDA achieved. The consideration payable if the minimum cumulative revenue and cumulative EBITDA thresholds of \$20 million and \$1.5 million, respectively, are achieved is \$210,000 and the maximum additional merger consideration that may become payable is \$11.455 million. Holders of options to purchase MedPanel common stock at the closing will receive, in consideration for their respective options, an aggregate amount (taking into account the consideration payable at closing and any incentive consideration) equal to the amount each holder would have received if the option had been exercised immediately prior to closing, less the exercise price for each option share and all applicable taxes.

Of the aggregate consideration that MedPanel stockholders are entitled to receive, assuming payment in full of the milestone amount, approximately 68% of such consideration will be payable in shares of MCF common stock and approximately 32% will be payable in cash.

Q:

What will happen to options to acquire MedPanel common stock upon the merger?

A:

Each option to purchase shares of MedPanel common stock that is outstanding immediately prior to the effective time of the merger will be cancelled in exchange for the right to receive payment of the merger consideration in an amount equal to the amount of merger consideration distributable per share of common stock (after giving effect to the amounts distributable to the MedPanel option holders) minus the exercise price of such option share and applicable taxes. Please review the preceding Q&A for additional information.

Q:

Will there be restrictions on reselling MCF common stock issued in the Merger? (Page 12 and 34)

A:

All of MedPanel's stockholders will be subject to a lock-up which prohibits the sale of MCF common stock they receive in the merger for a period of twelve months after the closing of the merger. In addition, recipients of MCF common stock who are considered affiliates of either MedPanel or MCF will have to comply with Rule 145 of the Securities Act in reselling their shares.

Q:

What do I need to do now?

A:

We urge you to read this prospectus/ information statement carefully, including its annexes, and to consider how the merger affects you. The merger has already been approved by the board of directors of each of MCF and MedPanel,

and by the stockholders of MedPanel. You are not being asked to vote on the merger agreement. Instead, this prospectus/ information statement is being provided to you for informational purposes, including to alert you of appraisal rights you may have if you hold MedPanel capital stock.

Q: What vote was needed to adopt the merger agreement?

A:

The merger did not require the vote of MCF stockholders. The vote required of the stockholders of MedPanel was the affirmative vote of the holders of a majority of the outstanding shares of capital stock of MedPanel, voting as a single class on an as-converted basis. On November 7, 2006, the requisite vote from MedPanel stockholders was received by written consent and the merger agreement was adopted by the MedPanel stockholders.

Q:

Did the MedPanel board of directors recommend the merger?

A:

Yes. The MedPanel board of directors unanimously determined that the merger is advisable and fair to, and in the best interests of, MedPanel's stockholders. The MedPanel board of directors has also unanimously approved the merger agreement, the merger and the other transactions contemplated by the merger agreement. The reasons for MedPanel's board of directors' determination are discussed in greater detail in the section entitled "The Merger - MedPanel's Reasons for the Merger; Recommendation of the MedPanel Board of Directors."

Q:

Do persons involved in the merger have interests that may conflict with mine as a MedPanel stockholder?

A:

Yes. When considering the recommendations of MedPanel's board of directors, you should be aware that certain MedPanel directors and officers have interests in the merger that may be different from, or are in addition to, yours. These interests include employment of certain MedPanel executive officers by MCF after the merger and the indemnification of directors and officers of MedPanel by MCF. To review the interests of MedPanel's directors and management in the merger in greater detail, see "The Merger" Interests of MedPanel's Directors and Management in the Merger.

Q:

What are the conditions to completion of the merger?

A:

The obligations of MCF and MedPanel to complete the proposed merger are subject to the satisfaction or waiver of certain specified closing conditions. To review the conditions to closing in greater detail, see "Certain Terms of the Merger Agreement" Conditions to the Closing of the Merger.

Q:

Should I send in my MedPanel stock certificates now?

A:

No. After the merger is completed, holders of MedPanel common stock and preferred stock will receive written instructions for exchanging stock certificates representing shares of MedPanel capital stock for the merger consideration described above, subject to the terms of the merger agreement.

Q:

When do you expect the merger to be completed?

A:

We are working toward completing the merger as quickly as possible. There are certain conditions that must be satisfied or waived prior to the completion of the merger, including the registration of the MCF common stock to be issued in connection with the merger.

Q:

Will the proposed merger be completed?

A:

It is possible that the proposed merger will not be completed for any one of a number of reasons, such as the failure of one of the parties to satisfy a condition of closing.

Q:

Am I entitled to appraisal rights?

A:

Holders of MedPanel capital stock who did not vote in favor of adoption of the merger agreement and approval of the mergers, who hold their shares of MedPanel capital stock of record and continue to own those shares through the effective time of the merger and who properly demand appraisal of their shares in writing are entitled to appraisal rights pursuant to the merger agreement under Section 262 of the General Corporation Law of the State of Delaware, or the DGCL, which is attached to this prospectus/information statement as Annex B.

Under Section 262, MedPanel stockholders who comply with the procedures set forth in Section 262 will be entitled to have their shares appraised by the Delaware Court of Chancery and to receive payment of the fair value of the shares, exclusive of any element of value arising from the accomplishment or expectation of the merger, together with a fair rate of interest, if any, as determined by the court.

Q:

Are there risks I should consider in deciding whether to exercise my appraisal rights in connection with the merger?

A:

Yes. In evaluating the merger, you should carefully consider the factors discussed in the section entitled Risk Factors.

Q:

Will MedPanel stockholders recognize a taxable gain or loss for United States federal income tax purposes as a result of the mergers?

A:

It is expected that the merger of a MCF subsidiary into MedPanel, followed by a second merger of MedPanel into another MCF subsidiary, taken together as a whole, will qualify as a reorganization under Section 368(a) of the Internal Revenue Code. Assuming that the mergers qualify as a reorganization under the Internal Revenue Code, then the exchange of shares of MedPanel common stock and MedPanel preferred stock solely for shares of MCF common stock will not be a taxable transaction to MedPanel stockholders for United States federal income tax purposes. MedPanel stockholders will, however, recognize gain with respect to the cash portion, if any, of the merger consideration, in the amount equal to the lesser of the amount of gain realized, or the amount of cash received.

Tax matters are very complicated and the tax consequences of the mergers to a MedPanel stockholder will depend on the facts of each holder's own situation. We encourage each MedPanel stockholder to carefully read the discussion in the section entitled "The Merger - Material United States Federal Income Tax Consequences of the Mergers" and to consult the stockholder's own tax advisor for a full understanding of the tax consequences of the mergers.

Q:

Are there any regulatory consents or approvals that are required to complete the merger?

A:

Neither MCF nor MedPanel is aware of the need to obtain any regulatory approvals in order to complete the merger other than that the registration statement of which this prospectus/information statement is a part must be declared effective by the Securities and Exchange Commission. MCF and MedPanel intend to obtain this approval and make the necessary filings and any additional regulatory approvals and filings that may be required. However, neither of the parties can assure you that all of the approvals will be obtained.

Q:

Who can help answer my questions?

A:

If you would like additional copies, without charge, of this prospectus/information statement or if you have questions about the merger, you should contact:

MCF Corporation

Attn: Christopher Aguilar

600 California Street, 9th Floor

San Francisco, California 94108

Telephone No. (415) 248-5600

MedPanel, Inc.

Attn: William J. Febbo

44 Brattle Street, Suite 4

Cambridge, Massachusetts 02138

Telephone No. (617) 661-8080

SUMMARY

Because this is a summary, it does not contain all information that may be important to you. You should read this entire prospectus/information statement, including the information incorporated by reference and the financial data and related notes, before making an investment decision. When used in this prospectus, the terms we, our and us refer to MCF. You should carefully read this entire document and the other documents to which this document refers in order to fully understand the merger. See the section entitled Where You Can Find Additional Information beginning on page 94. The merger agreement is attached as Annex A to this prospectus/information statement. For a discussion of the risk factors that you should carefully consider, see the section entitled Risk Factors beginning on page 12.

The Merger and the Merger Agreement

MCF, MedPanel, MedPanel Acquisition I Corp., Panel Intelligence, LLC and William Febbo as Principal Stockholder and Stockholder Representative, have entered into an Agreement and Plan of Merger dated November 6, 2006, which we refer to in this document as the merger agreement, that provides for the acquisition of MedPanel by MCF. We encourage you to read the merger agreement as it is the legal document that governs the merger. Under the terms of the merger agreement, two mergers will actually take place. In the first merger, MedPanel Acquisition I Corp will merge with and into MedPanel, with MedPanel being the surviving corporation. This is referred to in the merger agreement as the first merger. Next, the surviving corporation will be merged with and into Panel Intelligence, LLC, with Panel Intelligence, LLC being the surviving LLC. This is referred to in the merger agreement as the second merger. The surviving company of the two mergers will be Panel Intelligence, LLC.

The Companies

MCF is a financial services holding company that provides investment research, capital markets services, corporate and venture services, investment banking, asset management and wealth management through its operating subsidiaries, Merriman Curhan Ford & Co., MCF Asset Management, LLC and MCF Wealth Management, LLC. We are focused on providing a full range of specialized and integrated services to institutional investors and corporate clients. Merriman Curhan Ford & Co. is registered with the Securities and Exchange Commission as a broker-dealer and is a member of the National Association of Securities Dealers, Inc. and the Securities Investor Protection Corporation.

Merriman Curhan Ford & Co. is a securities broker-dealer and investment bank focused on fast growing companies and institutional investors. Our mission is to become a leader in the researching, advising, financing and trading of fast growing companies under \$2 billion in market capitalization. We provide investment research, brokerage and trading services primarily to institutions, as well as advisory and investment banking services to corporate clients. By the end of the 1990 s, many of the investment banks that previously served this niche were acquired by large commercial banks and subsequently refocused to serve larger clients and larger transactions. We are gaining market share by originating differentiated research for our institutional investor clients and providing specialized services for our fast-growing corporate clients.

MedPanel Acquisition I Corp. is a Delaware corporation and a wholly-owned subsidiary of MCF, incorporated in 2006 solely for the purpose of effecting the merger.

Panel Intelligence, LLC is a Delaware limited liability company and a wholly-owned subsidiary of MCF, incorporated in 2006 solely for the purpose of effecting the merger.

The mailing address of our principal executive offices is 600 California Street, 9th Floor, San Francisco, California 94108. Our telephone number is (415) 248-5600 and our web site address is www.merrimanco.com. Information contained on our web site is not part of this prospectus/information statement.

MedPanel, Inc. is an online medical market intelligence firm that serves life sciences companies and health care investors through its proprietary methodologies and vast network of leading physicians, medical researchers, allied health professionals and other important healthcare constituencies. MedPanel, based in Cambridge, Massachusetts, offers an online research platform providing clients around the globe greater strategic direction for investment decisions, product development, and marketing. MedPanel offers customized qualitative, quantitative and syndicated health care and medical research, and is best known for its in-depth, customized online focus groups.

The mailing address of MedPanel's principal executive office is 44 Brattle St., Suite 4, Cambridge, Massachusetts 02138. MedPanel's telephone number is (617) 661-8080. MedPanel maintains a website at www.medpanel.com. However, information found on MedPanel's website is not a part of this prospectus/information statement.

Summary of the Merger (Page 32)

Upon the closing of the merger, holders of MedPanel capital stock and options to acquire MedPanel common stock will be entitled to receive for each share of MedPanel capital stock or option, consideration, payable in shares of MCF common stock, equal to such holder's portion of the aggregate merger consideration consisting of 1,547,619 shares of MCF common stock payable at the closing of the merger, subject to certain potential adjustments and an escrow of 10% of the shares. The MCF common stock and all other merger consideration will be distributed first, to the holders of MedPanel preferred stock in satisfaction of the liquidation preference of such shares under MedPanel's certificate of incorporation and thereafter, to the holders of MedPanel capital stock on a fully-diluted as converted basis, after deducting from any amount payable to the holders of preferred stock such amounts previously distributed in satisfaction of the liquidation preference. Holders of options to purchase MedPanel common stock will receive, in exchange for the options, an amount equal to what each holder would receive if he or she exercised the options, minus the exercise price for each option and all applicable taxes. Of the merger consideration to be held in escrow, 7% of the shares of MCF common stock will be held in escrow for a period of 18 months after the closing date of the merger. These shares will be held as collateral to satisfy any indemnification claims that may be made by MCF under the merger agreement. Shares that have not been used to satisfy indemnification claims, or used to cover expenses of the MedPanel Stockholder Representative, will be released to former MedPanel stockholders promptly after the 18 month anniversary of the closing of the merger. The remaining 3% of the shares of MCF common stock held in escrow will be used to satisfy adjustments, if any, to the merger consideration if the net working capital or cash on hand of MedPanel, as of the date of consummation of the merger, are less than target amounts established in the merger agreement.

Shares that have not been returned to MCF to satisfy any reduction in the merger consideration to be used to cover the expenses of the stockholder representative will be released to the former MedPanel stockholders. MedPanel has appointed William J. Febbo, the current Chief Executive Officer of MedPanel, as the MedPanel stockholders representative with respect to the escrow account. Mr. Febbo will be authorized to make decisions and take actions regarding the escrow account on the stockholders' behalf.

MCF is registering the 1,547,619 shares of MCF common stock with the Securities and Exchange Commission pursuant to this prospectus/information statement prior to the closing of the transaction. The consummation of the acquisition is subject to the effectiveness of this prospectus/information statement with the Securities and Exchange Commission.

Additionally, holders of MedPanel capital stock and options to acquire MedPanel common stock will be entitled to receive additional consideration on or about March 2010 if the MedPanel business unit of MCF achieves specific revenue and profitability milestones. The payment of the incentive consideration will be 50% in cash and 50% in the MCF's common stock and may not exceed \$11.455 million (the number of shares of MCF common stock to be issued will be based on the then current average trading price of MCF common stock, but in no event less than \$5.25 or greater than \$29.75).

Share Ownership of Directors and Executive Officers of MCF and MedPanel; Stockholder Vote

At the close of business on November 6, 2006, directors and executive officers of MCF and their affiliates beneficially owned and were entitled to vote approximately 3,215,650 shares of MCF common stock, collectively representing approximately 25% of the shares of MCF common stock outstanding on that date.

At the close of business on November 6, 2006, directors and executive officers of MedPanel and their affiliates beneficially owned and were entitled to vote approximately 14,504,000 shares of MedPanel common stock, collectively representing approximately 79.3% of the shares of MedPanel common stock outstanding on that date, and approximately 1,845,295 shares of MedPanel preferred stock, collectively representing approximately 61.7% of the shares of MedPanel capital stock outstanding on that date.

The merger did not require the vote of MCF's stockholders. The vote required of the stockholders of MedPanel was the affirmative vote of the holders of a majority of the outstanding shares of capital stock of MedPanel, voting

as a single class on an as-converted basis. On November 7, 2006, the requisite vote from MedPanel stockholders was received by written consent and the merger agreement was adopted by the MedPanel stockholders.

MCF Market Price Data

MCF common stock is listed on The American Stock Exchange under the symbol MEM. On November 6, 2006, the last full trading day prior to the public announcement of the proposed merger, the last sale price of MCF's common stock was \$4.20 per share as adjusted for the 1-for-7 reverse stock split that was effective on November 16, 2006. On November 17, 2006, the last sale price of MCF's common stock was \$4.27 per share.

Material United States Federal Income Tax Consequences of the Mergers (Page 26)

It is expected that the merger of an MCF subsidiary into MedPanel, followed by a second merger of MedPanel into another MCF subsidiary, taken together as a whole, will qualify as a reorganization under Section 368(a) of the Internal Revenue Code. Assuming that the mergers qualify as a reorganization under the Internal Revenue Code, then the exchange of shares of MedPanel common stock and MedPanel preferred stock solely for shares of MCF common stock will not be a taxable transaction to MedPanel stockholders for United States federal income tax purposes. MedPanel stockholders will, however, recognize gain with respect to the cash portion, if any, of the merger consideration, in an amount equal to the lesser of the amount of gain realized, or the amount of cash received. Additionally, a MedPanel stockholder will recognize gain or loss with respect to any cash received in lieu of a fractional share of MCF common stock.

Tax matters are very complicated, and the tax consequences of the mergers to a MedPanel stockholder will depend on the facts of each holder's own situation. We encourage each MedPanel stockholder to carefully read the discussion in the section entitled "The Merger - Material United States Federal Income Tax Consequences of the Mergers" and to consult the stockholder's own tax advisor for a full understanding of the tax consequences of the mergers.

Accounting Treatment (Page 26)

MCF will account for the merger under the purchase method of accounting for business combinations under accounting principles generally accepted in the United States, which we refer to as U.S. GAAP.

Regulatory Approvals (Page 30)

Neither MCF nor MedPanel is aware of the need to obtain any material regulatory approvals in order to complete the merger other than that the registration statement of which this prospectus/information statement is a part must be declared effective by the Securities and Exchange Commission.

MedPanel's Reasons for the Merger (Page 24)

MedPanel's board of directors unanimously approved the merger, the merger agreement and the other transactions contemplated by the merger agreement based on the determination that the terms of the merger were fair to, and in the best interests of, MedPanel and its stockholders and represent the best strategic alternative to MedPanel after investigation of all known practical alternatives. In the course of reaching its decision to approve the merger agreement, the MedPanel board of directors consulted with MedPanel's management, as well as its financial, legal, accounting and other advisors, and considered a number of factors which included the various risks and rewards associated with continuing as an independent company or seeking a combination with another party. After further scrutiny of such factors, such as the value of the consideration to be received by the stockholders as well as the public market for shares of MCF common stock, the MedPanel board of directors determined that the potential benefits of a combination with MCF outweighed the potential benefits associated with alternative ventures or opportunities and outweighed the potential risks associated with such a combination. Specifically, the merger will enable MedPanel

stockholders to participate in, and benefit from the future growth potential of, a larger, publicly held company with a greater depth of technologies, marketing opportunities and financial and operating resources that should enhance MedPanel's ability to bring technology to market.

MCF's Reasons for the Merger

MCF believes a business combination with MedPanel will enhance its already strong position in industry research and will allow it to leverage MedPanel's business in the health care vertical market by:

- expanding MedPanel's distribution to a broader base of financial institutions through MCF's subsidiary Merriman Curhan Ford & Co.;
- identifying and launching new vertical market products, including information technology and next generation energy;
- creating new products or applications based on MedPanel's research, potentially including investment banking services and asset management products;
- using MCF's status as a publicly traded company to execute the above strategies, possibly through further acquisitions.

MCF's board of directors has determined that the merger is in the best interests of MCF and its stockholders and has approved the merger agreement, the merger, the issuance of shares of MCF common stock to be issued pursuant to the merger and the other transactions contemplated by the merger agreement. In reaching its determination, MCF's board of directors considered a number of factors, including the factors discussed above and listed below. The conclusions reached by MCF's board of directors with respect to the following factors supported its determination that the merger and the issuance of shares of MCF common stock pursuant to the merger were fair to, and in the best interests of, MCF and its stockholders:

- the judgment, advice and analysis of MCF's management and its financial and legal advisors with respect to the potential strategic, financial and operational benefits of the transaction, including management's favorable recommendation of the transaction, based in part on the business, technical, financial, accounting and legal due diligence investigations performed with respect to MedPanel and its subsidiaries;
- the expected qualification of the transactions contemplated by the merger agreement as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code;
- the results of operations and financial condition of MCF and MedPanel; and
- the terms of the merger agreement and the agreements related to the merger, including the consideration to be paid by MCF and the structure of the merger which were considered by both the board of directors and management of MCF

to provide a fair and equitable basis for the transaction.

MCF's board of directors also considered a number of risks and potentially negative factors in its deliberation concerning the merger, including in particular:

- the risk that the transaction might not be completed in a timely manner or at all;
- the potential loss of key MedPanel employees critical to the ongoing success of MedPanel's business and to the successful integration of MCF's business and MedPanel's business;
- the general difficulties of integrating products, technologies and companies;
- the risk that the benefits sought to be achieved by the transaction, including those outlined above, will not be achieved;
- the effect of public announcement of the transaction on MCF's common stock;
- the other risks and uncertainties discussed above in the section entitled "Risk Factors;" and
- the risk of diverting management resources from other strategic opportunities and operational matters for a period of time.

The above discussion of information and factors considered by MCF's board of directors is not intended to be exhaustive but is believed to include all material factors considered by MCF's board of directors. In view of the wide variety of factors considered by MCF's board of directors, the board did not find it practicable to quantify or otherwise assign relative weight to the specific factors considered. In addition, MCF's board of directors did not reach any specific conclusion on each factor considered, or any aspect of any particular factor, but conducted an overall analysis of these factors.

Individual members of MCF's board of directors may have given different weight to different factors. However, after taking into account all of the factors described above, MCF's board of directors determined that the merger, the merger agreement, the issuance of shares of MCF's common stock to be issued pursuant to the merger and the other agreements related to the merger were fair to, and in the best interests of, MCF and MCF's stockholders, and that MCF should proceed with the merger.

Interests of MedPanel's Directors and Management in the Merger (Page 25)

Certain MedPanel directors and officers have interests in the merger that may be different from, or are in addition to, other stockholders of MedPanel. These interests include employment of MedPanel executive officers by MCF after the merger and the indemnification of Mr. Febbo, in his capacity as a director of MCF.

Appraisal Rights (Page 38)

MCF stockholders do not have appraisal rights in connection with the issuance of MCF common stock pursuant to the merger.

The merger agreement has already been adopted by the required vote of the stockholders of MedPanel. However, holders of MedPanel capital stock who did not vote in favor of the merger and who demand appraisal of their shares and otherwise comply with the requirements of Section 262 of the DGCL, will be entitled to be paid, in cash, the fair value of their shares, exclusive of any element of value arising from the accomplishment or expectation of the merger, together with a fair rate of interest, if any, as determined by the Delaware Court of Chancery.

In order for a MedPanel stockholder to exercise appraisal rights, a written demand for appraisal as provided in the DGCL must be sent by such stockholder and such stockholder must comply with the other procedures required by the DGCL, as more fully described in the section entitled "Appraisal Rights." Failure to send such demand or to follow such other procedures will result in the waiver of such stockholder's appraisal rights. See the section entitled "Appraisal Rights" and Annex B for a description of the procedures that must be followed to perfect such rights.

Notice to MedPanel Stockholders (Page 90)

This prospectus/information statement serves as notice to MedPanel stockholders pursuant to Section 228(e) of the DGCL that on November 7, 2006, by action by written consent without a meeting, the MedPanel stockholders adopted the merger agreement and approved an amendment to MedPanel's certificate of incorporation.

MEDPANEL S MARKET PRICE AND DIVIDEND INFORMATION

There is no established public trading market for MedPanel s capital stock.

No cash dividends have ever been declared with respect to any class of MedPanel s capital stock. Other than the protective provisions and dividend preferences of the MedPanel preferred stock pursuant to MedPanel s certificate of incorporation, there are no restrictions on the ability of MedPanel to pay dividends.

As of November 6, 2006 there were 146 holders of MedPanel capital stock, of which there were approximately 109 holders of its common stock, 16 holders of its Series A preferred stock, 13 holders of its Series B preferred stock and 9 holders of its Series C preferred stock. Each share of MedPanel Series A, Series B and Series C preferred stock is convertible into MedPanel common stock.

Upon the consummation of the transactions contemplated by the merger agreement, all shares of the capital stock and options to acquire capital stock of MedPanel will be cancelled in exchange for a right to receive a portion of the merger consideration distributed in accordance with the allocation and priority set forth in the merger agreement.

RISK FACTORS

If you are a MedPanel stockholder, you should consider each of the following factors as well as the other information in this prospectus/information statement before deciding whether to exercise statutory appraisal rights in connection with the merger. The risks and uncertainties described below are not the only ones we face. Additional risks and uncertainties not presently known to us or that we currently consider immaterial may also impair our business operations. If any of the following risks actually occur, our business and financial results could be harmed. In that case the trading price of our common stock could decline. You should also refer to the other information set forth in this prospectus/information statement and in our Annual Report on Form 10-K for the fiscal year ended December 31, 2005 and our Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2006 in this prospectus/information statement, including our financial statements and the related notes.

Risks Related to the Transaction

The number of shares of MCF common stock that you will be entitled to receive is based on the average of the MCF closing price for the 20 trading days immediately prior to November 6, 2006 of \$4.20 per share as adjusted for the 1-for-7 reverse stock split that was effective November 16, 2006, which could be lower than the market value of the shares.

The use of an exchange price that is tied to the average of the closing prices over a period of time is intended to provide MedPanel stockholders with a negotiated level of appropriate value of MCF common stock for each share of MedPanel common stock and MedPanel preferred stock on a fully diluted, as-converted basis exchanged for MCF common stock. However, you may not be able to sell your shares at the average price used for the calculation, which was \$4.20 per share. If the exchange price of \$4.20 per share is higher than the market price of the MCF common stock at the effective time of the merger, the MCF common stock issued pursuant to the merger would be worth less than the nominal amount of initial merger consideration per share of MedPanel common stock. Also, the shares issued pursuant to the merger will be subject to a 12 month lock-up. MCF common stock may be worth less than \$4.20 per share by the time you are able to sell the shares received in the merger.

If the financial performance milestones are not met, MedPanel stockholders and option holders will not receive the maximum amount of consideration payable pursuant to the merger agreement.

In addition to the merger consideration to be paid to MedPanel stockholders upon the closing of the merger, MedPanel stockholders and option holders are entitled to receive their pro rata portion (determined on a fully diluted, as-converted basis including all outstanding options) of additional aggregate consideration of between \$210,000 and \$11.455 million, payable 50% in cash and 50% in MCF common stock (the number of shares of MCF common stock to be issued will be based on the then current average trading price of MCF common stock, but in no event less than \$5.25 or greater than \$29.75), subject to offset for damages incurred by MCF for which it is entitled to indemnification pursuant to the merger agreement, if the MedPanel business unit of MCF achieves certain cumulative revenue and cumulative EBITDA milestones during the three year period from January 1, 2007 through December 31, 2009. However, there can be no guarantee that any of the milestones will be achieved. If none of the milestones are achieved, no additional consideration will be payable. For a detailed discussion of the potential consideration payable upon achievement of these financial performance milestones, see the section entitled Certain Terms of the Merger Agreement Merger Consideration.

The additional consideration payable upon achievement of the financial performance milestones may be subject to offset for indemnification purposes.

Pursuant to the terms of the merger agreement, 50% of the cash portion of any additional consideration payable upon the achievement of the financial performance milestones will be subject to offset for claims for damages for which MCF is entitled to indemnification pursuant to the merger agreement. If MCF asserts a claim for indemnification for

damages, you may not receive your full pro rata portion of the potential additional consideration. See the section entitled Summary of the Terms of the Merger Agreement Indemnification.

The Stockholder Representative may not act in the manner you desire.

William J. Febbo, the Chief Executive Officer of MedPanel, has been appointed as the stockholder representative to act as the stockholders representative in certain m