

MDC PARTNERS INC  
Form SC 13D/A  
March 15, 2019

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**SCHEDULE 13D**

(Rule 13d-101)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT

TO § 240.13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO

§ 240.13d-2(a)

(Amendment No. 2)<sup>1</sup>

MDC Partners Inc.

(Name of Issuer)

Class A Subordinate Voting Shares

(Title of Class of Securities)

552697104

(CUSIP Number)

David A. Iorber

FRONTFOUR CAPITAL GROUP LLC  
35 Mason Street, 4<sup>th</sup> Floor  
Greenwich, Connecticut 06830  
(203) 274-9050

STEVE WOLOSKY, ESQ.

OLSHAN FROME WOLOSKY LLP

1325 Avenue of the Americas

New York, New York 10019

(212) 451-2300

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(Name, Address and Telephone Number of Person

Authorized to Receive Notices and Communications)

March 15, 2019

(Date of Event Which Requires Filing of This Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§ 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box “.

*Note:* Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See § 240.13d-7 for other parties to whom copies are to be sent.

1 The remainder of this cover page shall be filled out for a reporting person’s initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be “filed” for the purpose of Section 18 of the Securities Exchange Act of 1934 (“Act”) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the *Notes*).

CUSIP NO. 552697104

1	NAME OF REPORTING PERSON	
	FRONTFOUR CAPITAL GROUP LLC	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP	(a)
		(b)
3	SEC USE ONLY	
4	SOURCE OF FUNDS	
	AF, OO	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)	
6	CITIZENSHIP OR PLACE OF ORGANIZATION	
	DELAWARE	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		- 0 -
OWNED BY EACH REPORTING PERSON WITH	8	SHARED VOTING POWER
		3,048,562
PERSON WITH	9	SOLE DISPOSITIVE POWER
		- 0 -
	10	SHARED DISPOSITIVE POWER
		3,048,562

11 AGGREGATE AMOUNT  
BENEFICIALLY OWNED BY  
EACH REPORTING PERSON

3,048,562

12 CHECK BOX IF  
THE AGGREGATE  
AMOUNT IN ROW  
(11) EXCLUDES  
CERTAIN SHARES

13 PERCENT OF CLASS  
REPRESENTED BY  
AMOUNT IN ROW (11)

4.2%

14 TYPE OF REPORTING  
PERSON

IA, OO

CUSIP NO. 552697104

1	NAME OF REPORTING PERSON
	FRONTFOUR MASTER FUND, LTD.
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)
	(b)
3	SEC USE ONLY
4	SOURCE OF FUNDS
	WC
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)
6	CITIZENSHIP OR PLACE OF ORGANIZATION
	CAYMAN ISLANDS
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7 SOLE VOTING POWER
	- 0 -
	8 SHARED VOTING POWER
	2,560,472
	9 SOLE DISPOSITIVE POWER
	- 0 -
	10 SHARED DISPOSITIVE POWER
	2,560,472

11 AGGREGATE AMOUNT  
BENEFICIALLY OWNED BY  
EACH REPORTING PERSON

2,560,472

12 CHECK BOX IF  
THE AGGREGATE  
AMOUNT IN ROW  
(11) EXCLUDES  
CERTAIN SHARES

13 PERCENT OF CLASS  
REPRESENTED BY  
AMOUNT IN ROW (11)

3.6%

14 TYPE OF REPORTING  
PERSON

CO

CUSIP NO. 552697104

1	NAME OF REPORTING PERSON	
	FRONTFOUR OPPORTUNITY FUND	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP	(a)  (b)
3	SEC USE ONLY	
4	SOURCE OF FUNDS	
5	WC CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)	
6	CITIZENSHIP OR PLACE OF ORGANIZATION	
	BRITISH COLUMBIA, CANADA	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER  - 0 - SHARED VOTING POWER  56,438 SOLE DISPOSITIVE POWER
	8	- 0 -
	9	- 0 -
	10	

SHARED  
DISPOSITIVE  
POWER

56,438  
11 AGGREGATE AMOUNT  
BENEFICIALLY OWNED  
BY EACH REPORTING  
PERSON

56,438  
12 CHECK BOX IF THE  
AGGREGATE  
AMOUNT IN ROW  
(11) EXCLUDES  
CERTAIN SHARES

13 PERCENT OF CLASS  
REPRESENTED BY  
AMOUNT IN ROW (11)

14 LESS THAN 1%  
TYPE OF REPORTING  
PERSON

OO



CUSIP NO. 552697104

1	NAME OF REPORTING PERSON	
	FRONTFOUR CAPITAL CORP.	
2	CHECK THE APPROPRIATE BOX IF A MEMBER <sup>(a)</sup> OF A GROUP <sub>(b)</sub>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS	
	AF	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)	
6	CITIZENSHIP OR PLACE OF ORGANIZATION	
	BRITISH COLUMBIA, CANADA	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		- 0 -
OWNED BY EACH REPORTING PERSON WITH	8	SHARED VOTING POWER
		56,438
PERSON WITH	9	SOLE DISPOSITIVE POWER
		- 0 -
	10	

SHARED  
DISPOSITIVE  
POWER

56,438

11 AGGREGATE AMOUNT  
BENEFICIALLY OWNED  
BY EACH REPORTING  
PERSON

56,438

12 CHECK BOX IF  
THE AGGREGATE  
AMOUNT IN ROW  
(11) EXCLUDES  
CERTAIN SHARES

13 PERCENT OF CLASS  
REPRESENTED BY  
AMOUNT IN ROW (11)

14 LESS THAN 1%  
TYPE OF REPORTING  
PERSON

CO

CUSIP NO. 552697104

1	NAME OF REPORTING PERSON	
	STEPHEN E. LOUKAS	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP	(a)
		(b)
3	SEC USE ONLY	
4	SOURCE OF FUNDS	
	PF, AF	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)	
6	CITIZENSHIP OR PLACE OF ORGANIZATION	
	USA	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		3,500
OWNED BY EACH REPORTING PERSON WITH	8	SHARED VOTING POWER
		3,105,000
PERSON WITH	9	SOLE DISPOSITIVE POWER
		3,500
	10	SHARED DISPOSITIVE POWER

3,105,000

11 AGGREGATE AMOUNT  
BENEFICIALLY OWNED BY  
EACH REPORTING PERSON

3,108,500

12 CHECK BOX IF  
THE AGGREGATE  
AMOUNT IN ROW  
(11) EXCLUDES  
CERTAIN SHARES

13 PERCENT OF CLASS  
REPRESENTED BY  
AMOUNT IN ROW (11)

4.3%

14 TYPE OF REPORTING  
PERSON

IN

CUSIP NO. 552697104

1	NAME OF REPORTING PERSON	
	DAVID A. LORBER	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP	(a)
		(b)
3	SEC USE ONLY	
4	SOURCE OF FUNDS	
	AF	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)	
6	CITIZENSHIP OR PLACE OF ORGANIZATION	
	USA	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		- 0 -
	8	SHARED VOTING POWER
		3,105,000
	9	SOLE DISPOSITIVE POWER
		- 0 -
	10	SHARED DISPOSITIVE POWER

3,105,000  
11 AGGREGATE AMOUNT  
BENEFICIALLY OWNED BY  
EACH REPORTING PERSON

3,105,000  
12 CHECK BOX IF  
THE AGGREGATE  
AMOUNT IN ROW  
(11) EXCLUDES  
CERTAIN SHARES

13 PERCENT OF CLASS  
REPRESENTED BY  
AMOUNT IN ROW (11)

4.3%  
14 TYPE OF REPORTING  
PERSON

IN

CUSIP NO. 552697104

1	NAME OF REPORTING PERSON	
	ZACHARY R. GEORGE	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP	(a)
		(b)
3	SEC USE ONLY	
4	SOURCE OF FUNDS	
	AF	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)	
6	CITIZENSHIP OR PLACE OF ORGANIZATION	
	USA	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		- 0 -
	8	SHARED VOTING POWER
		3,105,000
	9	SOLE DISPOSITIVE POWER
		- 0 -
	10	SHARED DISPOSITIVE POWER

3,105,000  
11 AGGREGATE AMOUNT  
BENEFICIALLY OWNED BY  
EACH REPORTING PERSON

3,105,000  
12 CHECK BOX IF  
THE AGGREGATE  
AMOUNT IN ROW  
(11) EXCLUDES  
CERTAIN SHARES

13 PERCENT OF CLASS  
REPRESENTED BY  
AMOUNT IN ROW (11)

4.3%  
14 TYPE OF REPORTING  
PERSON

IN



CUSIP NO. 552697104

1	NAME OF REPORTING PERSON
	KRISTEN M. O'HARA
2	CHECK THE APPROPRIATE BOX IF A MEMBER (a) OF A GROUP (b)
3	SEC USE ONLY
4	SOURCE OF FUNDS
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)
6	CITIZENSHIP OR PLACE OF ORGANIZATION
	USA
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7
	SOLE VOTING POWER
	- 0 -
OWNED BY EACH REPORTING PERSON WITH	8
	SHARED VOTING POWER
	- 0 -
PERSON WITH	9
	SOLE DISPOSITIVE POWER
	- 0 -
	10
	SHARED DISPOSITIVE POWER

- 0 -

11 AGGREGATE AMOUNT  
BENEFICIALLY OWNED  
BY EACH REPORTING  
PERSON

- 0 -

12 CHECK BOX IF  
THE AGGREGATE  
AMOUNT IN ROW  
(11) EXCLUDES  
CERTAIN SHARES

13 PERCENT OF CLASS  
REPRESENTED BY  
AMOUNT IN ROW (11)

14 0%  
TYPE OF REPORTING  
PERSON

IN

CUSIP NO. 552697104

1	NAME OF REPORTING PERSON
	DAVID E. MORAN
2	CHECK THE APPROPRIATE BOX IF A MEMBER (a) OF A GROUP (b)
3	SEC USE ONLY
4	SOURCE OF FUNDS
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)
6	CITIZENSHIP OR PLACE OF ORGANIZATION
	USA
NUMBER OF	7
SHARES	SOLE VOTING POWER
BENEFICIALLY	- 0 -
OWNED BY	8
EACH	SHARED VOTING POWER
REPORTING	- 0 -
PERSON WITH	9
	SOLE DISPOSITIVE POWER
	- 0 -
	10
	SHARED DISPOSITIVE POWER

- 0 -

11 AGGREGATE AMOUNT  
BENEFICIALLY OWNED  
BY EACH REPORTING  
PERSON

- 0 -

12 CHECK BOX IF  
THE AGGREGATE  
AMOUNT IN ROW  
(11) EXCLUDES  
CERTAIN SHARES

13 PERCENT OF CLASS  
REPRESENTED BY  
AMOUNT IN ROW (11)

14 0%  
TYPE OF REPORTING  
PERSON

IN

10

CUSIP NO. 552697104

The following constitutes Amendment No. 2 to the Schedule 13D filed by the undersigned (“Amendment No. 2”). This Amendment No. 2 amends the Schedule 13D as specifically set forth herein.

Item 3. Source and Amount of Funds or Other Consideration.

Item 3 is hereby amended and restated to read as follows:

The Shares purchased by each of the Master Fund and the Canadian Fund and the Shares held in the Separately Managed Account were purchased with working capital (which may, at any given time, include margin loans made by brokerage firms in the ordinary course of business). The aggregate purchase price of the 2,560,472 Shares owned directly by the Master Fund is approximately \$11,561,809, including brokerage commissions. The aggregate purchase price of the 56,438 Shares owned directly by the Canadian Fund is approximately \$284,210, including brokerage commissions. The aggregate purchase price of the 488,090 Shares held in the Separately Managed Account is approximately \$2,148,755, including brokerage commissions. The Shares purchased by Mr. Loukas were purchased with personal funds (which may, at any given time, include margin loans made by brokerage firms in the ordinary course of business). The aggregate purchase price of the 3,500 Shares owned directly by Mr. Loukas is approximately \$14,779, including brokerage commissions.

Item 4. Purpose of Transaction.

Item 4 is hereby amended to add the following:

As previously reported, on December 31, 2018, FrontFour Capital (together with its affiliates, “FrontFour”) delivered a notice to the Issuer to requisition a meeting of shareholders of the Issuer to be held no later than March 29, 2019 to remove incumbent directors Scott L. Kauffman, Clare R. Copeland and Irwin D. Simon, and replace them with three highly qualified candidates, Kristen M. O’Hara, David E. Moran and Stephen E. Loukas (the “Nominees”), whose collective backgrounds are well suited to help the Issuer tackle the challenges and secure the opportunities ahead. On January 18, 2019, the Issuer announced that the Board of Directors (the “Board”) had set June 4, 2019 as the date for a combined annual and special meeting of its shareholders and that it had adopted advance notice provisions for the nomination by shareholders of persons for election to the Board.

FrontFour continues to believe that its Nominees would be valuable additions to the Board and intends to pursue their nominations. FrontFour will continue to monitor developments at the Issuer and will not hesitate to take any actions that it believes are necessary to protect shareholders’ best interests.

Item 5. Interest in Securities of the Issuer.

Item 5 is hereby amended and restated to read as follows:

(a) The aggregate percentage of Shares reported owned by each person named herein is based upon an estimated 71,797,398 Shares outstanding as of March 15, 2019, which estimate represents the sum of the (i) 57,511,684 Shares outstanding as of October 31, 2018 as reported in the Issuer’s Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on November 1, 2018 and (ii) 14,285,714 Shares issued to Stagwell Agency Holdings LLC on March 14, 2019 as reported in the Issuer’s Current Report on Form 8-K filed with the Securities and Exchange Commission on March 15, 2019.

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As of the date hereof, the Master Fund beneficially owned directly 2,560,472 Shares, the Canadian Fund beneficially owned directly 56,438 Shares, 488,090 Shares were held in the Separately Managed Account and Mr. Loukas directly owned 3,500 Shares, constituting approximately 3.6%, less than 1%, less than 1% and less than 1%, respectively, of the Shares outstanding.

FrontFour Capital, as the investment manager of the Master Fund and the Separately Managed Account, may be deemed to beneficially own the 3,048,562 Shares directly beneficially owned by the Master Fund and held in the Separately Managed Account, constituting approximately 4.2% of the Shares outstanding.

FrontFour Corp., as the investment manager of the Canadian Fund, may be deemed to beneficially own the 56,438 Shares directly beneficially owned by the Canadian Fund, constituting less than 1% of the Shares outstanding.

Mr. Loukas, as a managing member and principal owner of FrontFour Capital and a principal owner of FrontFour Corp., may be deemed to beneficially own the 3,105,000 Shares directly beneficially owned in the aggregate by the Master Fund and the Canadian Fund and held in the Separately Managed Account, which, together with the 3,500 Shares he directly owns, constitute approximately 4.3% of the Shares outstanding.

Messrs. Lorber and George, each as a managing member and principal owner of FrontFour Capital and a principal owner of FrontFour Corp., may be deemed to beneficially own the 3,105,000 Shares directly beneficially owned in the aggregate by the Master Fund and the Canadian Fund and held in the Separately Managed Account, which constitute approximately 4.3% of the Shares outstanding.

As of the date hereof, Ms. O'Hara and Mr. Moran did not beneficially own any Shares.

Each of the Reporting Persons, as a member of a "group" with the other Reporting Persons for purposes of Rule 13d-5(b)(1) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), may be deemed to beneficially own the securities of the Issuer owned by the other Reporting Persons. The filing of this Schedule 13D shall not be deemed an admission that the Reporting Persons are, for purposes of Section 13(d) of the Exchange Act, the beneficial owners of any securities of the Issuer he, she or it does not directly own. Each of the Reporting Persons specifically disclaims beneficial ownership of the securities reported herein that he, she or it does not directly own.

(b) Each of the Master Fund, FrontFour Capital and Messrs. Loukas, Lorber and George have shared power to vote or direct the vote of, and to dispose or direct the disposition of, the Shares owned directly by the Master Fund.

Each of FrontFour Capital and Messrs. Loukas, Lorber and George have shared power to vote or direct the vote of, and to dispose or direct the disposition of, the Shares held in the Separately Managed Account.

Each of the Canadian Fund, FrontFour Corp. and Messrs. Loukas, Lorber and George have shared power to vote or direct the vote of, and to dispose or direct the disposition of, the Shares owned directly by the Canadian Fund.

Mr. Loukas has the sole power to vote or direct the vote of, and to dispose or direct the disposition of, the Shares owned directly by him.

(c) The Reporting Persons have not effected any transactions in the securities of the Issuer during the past 60 days.

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(d) No person other than the Reporting Persons is known to have the right to receive, or the power to direct the receipt of dividends from, or proceeds from the sale of, the Shares.

(e) As of March 14, 2019, the Reporting Persons ceased to be the beneficial owners of more than 5% of the Shares of the Issuer following the Issuer's issuance of 14,285,714 Shares on such date to Stagwell Agency Holdings LLC.

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CUSIP NO. 552697104

SIGNATURES

After reasonable inquiry and to the best of his knowledge and belief, each of the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: March 15, 2019 FrontFour Master Fund, Ltd.

FrontFour Capital Group  
By: LLC  
as Investment Manager

By: /s/ David A. Lorber  
Name: David A. Lorber  
Title: Managing Member

FrontFour Capital Group LLC

By: /s/ David A. Lorber  
Name: David A. Lorber  
Title: Managing Member

FrontFour Opportunity Fund

By: FrontFour Capital Corp.  
as Investment Manager

By: /s/ David A. Lorber  
Name: David A. Lorber  
Title: Authorized Signatory

FrontFour Capital Corp.

By: /s/ David A. Lorber  
Name: David A. Lorber  
Title: Authorized Signatory

/s/ Stephen E. Loukas



Stephen E. Loukas

Individually and as attorney-in-fact for Kristen M. O'Hara and David E. Moran

/s/ David A. Lorber  
David A. Lorber

/s/ Zachary R. George  
Zachary R. George