

MDC PARTNERS INC  
Form 4  
September 05, 2006

**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 \*  
Swartzman Gavin

(Last) (First) (Middle)

C/O MDC PARTNERS INC., 45  
HAZELTON AVENUE

(Street)

TORONTO, A6 M5R 2E3

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
MDC PARTNERS INC [MDCA]

3. Date of Earliest Transaction  
(Month/Day/Year)  
08/23/2006

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
\_\_\_\_ 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. 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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(D)	Price
Class A Subordinate Voting Shares					36,000 <sup>(1)</sup>	D	
Class A Subordinate Voting Shares	08/23/2006		M		35,000	D	\$ 5 <sup>(2)</sup>
Class A Subordinate Voting Shares	08/23/2006		D		20,102	D	\$ 8.71 <sup>(2)</sup>

Class A Subordinate Voting Shares	08/31/2006	S	2,000	D	\$ 8.3 (2)	12,898	D
Class A Subordinate Voting Shares	09/01/2006	S	2,000	D	\$ 8.35 (2)	10,898	D

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 displays a currently valid OMB control number.**

SEC 1474  
(9-02)

**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)
Stock Options (3)	\$ 5.4 (2)					10/09/2002 10/09/2007	Class A Subordinate Voting Shares 2
Stock Appreciation Rights (4)	\$ 13.61 (2)					08/24/2005 08/24/2008	Class A Subordinate Voting Shares 3
Stock Appreciation Rights (4)	\$ 5 (2)	08/23/2006		M	35,000	01/22/2004 01/22/2007	Class A Subordinate Voting Shares 3

## Reporting Owners

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

Swartzman Gavin  
C/O MDC PARTNERS INC.  
45 HAZELTON AVENUE  
TORONTO, A6 M5R 2E3

## Signatures

Gavin  
Swartzman 09/05/2006

\*\*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).

Includes 35,000 Financial Performance-Based Restricted Stock Units (Class A Shares) (the "RSU's") which were previously granted on February 28, 2006. A portion of the RSU's of the Issuer may vest in each of 2007, 2008 and / or 2009 if the Issuer achieves specified

- (1) financial performance targets in 2006 - 2008, and is dependent on continued employment. Such financial targets are set forth in a "Financial Performance-Based Restricted Stock Unit Agreement", a form of which was filed by the Issuer as an exhibit to a Form 8-K filed with the SEC on March 2, 2006.
- (2) Canadian dollars.
- (3) Stock Options (previously granted on October 9, 2002) of the Issuer vest 1/5 on grant and 1/5 on each anniversary of the date of grant, expiring five years from the grant date.
- (4) Stock Appreciation Rights (previously granted on January 22, 2004 and on August 24, 2004) (the "SAR's") vest 1/3 on each anniversary of the grant date, expire four years from the grant date, and may be settled in cash or in stock at the option of the Issuer.
- (5) The conversion of 35,000 SAR's into 14,898 Class A Subordinate Voting Shares issued to the Reporting Person as of August 23, 2006 represents the settlement of 35,000 SAR's exercised by the Reporting Person.
- (6) This transaction does not involve the sale or purchase of a derivative security, but rather the exercise of stock appreciation rights. As per instruction 4 of Form 4, this field has been left blank.

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.