

MDC PARTNERS INC  
Form DEF 14A  
April 25, 2014

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

**SCHEDULE 14A INFORMATION**

**Proxy Statement Pursuant to Section 14(a) of the  
Securities Exchange Act of 1934**

Filed by the Registrant:  x  
Filed by a Party other than the Registrant:  o  
Check the appropriate box:

- o Preliminary Proxy Statement
- o **Confidential, For Use of the Commission Only (as Permitted by Rule 14a-6(e)(2))**
- x Definitive Proxy Statement
- o Definitive Additional Materials
- o Soliciting Material Pursuant to §240.14a-12

**MDC PARTNERS INC.**

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- x No fee required.
  - o Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
- (1) Title of each class of securities to which transaction applies:
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(4) Proposed maximum aggregate value of transaction:

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Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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# MDC PARTNERS INC.

## NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT an annual meeting (the **Meeting**) of the shareholders of MDC Partners Inc. (**MDC Partners**, **MDC** or the **Company**) will be held at MDC Partners Innovation Centre, 745 Fifth Avenue (19 Floor), New York, N.Y. on Thursday, June 5, 2014 at 10:00 a.m. (New York City time) for the following purposes:

1. To receive the consolidated financial statements of MDC Partners for the fiscal year ended December 31, 2013, together with the report of the auditors thereon;
2. To elect six (6) directors of MDC Partners;
3. To appoint auditors;
4. To hold a non-binding advisory vote to approve executive compensation; and
5. To transact such further and other business as may properly come before the Meeting or any adjournment thereof.

The accompanying Proxy Statement and Management Information Circular provide additional information to the matters to be dealt with at the Meeting and is deemed to form part of this notice. Attendance and voting are limited to shareholders of record at the close of business on April 15, 2014. The proxy cut off may be waived or extended by the chairman of the Meeting without notice.

**Shareholders who are unable to attend the Meeting in person, are asked to complete, date and sign the enclosed form of proxy and to return it promptly in the envelope provided.**

Proxies to be used at the Meeting must be received by CST Trust Company, not later than 10:00 a.m. (Eastern Daylight Time) on Tuesday June 3, 2014 (or, if the Meeting is adjourned, not later than 48 hours, excluding Saturdays, Sundays and holidays, preceding the time of such adjourned Meeting). Proxies may be submitted by one of the following alternative methods:

**By Internet:** [www.cstvotemyproxy.com](http://www.cstvotemyproxy.com) and enter the 13 digit control number printed on the form of proxy and follow the instructions on screen;

**By Phone:** [1-888-489-5760](tel:1-888-489-5760) (toll-free in North America) and enter the 13 digit control number printed on the form of proxy;

**By Email:** [proxy@canstockta.com](mailto:proxy@canstockta.com);

**By Fax:** [416-368-2502](tel:416-368-2502) or [1-866-781-3111](tel:1-866-781-3111) (toll-free in North America); or

**By Mail:** CST Trust Company, Attn. Proxy Department, P.O. Box 721, Agincourt, Ontario M1S 0A1.

If you have any questions or require any assistance with your vote, please contact our proxy solicitation agent Kingsdale Shareholder Services at The Exchange Tower, 130 King Street West, Suite 2950, P.O. Box 361, Toronto, Ontario M5X 1E2, by toll-free telephone in North America at 1-866-228-8614 or by collect call outside North America at 416-867-2272 or by email at [contactus@kingsdaleshareholder.com](mailto:contactus@kingsdaleshareholder.com).

By Order of the Board of Directors

MITCHELL S. GENDEL,  
General Counsel and Corporate Secretary

New York, N.Y.

April 25, 2014

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## **MDC PARTNERS INC.**

# **PROXY STATEMENT AND MANAGEMENT INFORMATION CIRCULAR**

## **Annual Meeting of Shareholders to be held on June 5, 2014**

### **GENERAL PROXY INFORMATION**

### **SOLICITATION OF PROXIES**

**This Proxy Statement and Management Information Circular (the Circular ) is furnished in connection with the solicitation of proxies by the management of MDC Partners Inc. ( MDC Partners, MDC or the Company ) for use at the annual meeting of shareholders of MDC Partners to be held at the time and place and for the purposes set forth in the accompanying Notice of Annual Meeting of Shareholders, and any adjournments thereof.** Such meeting is hereinafter referred to as the **Meeting** . The information contained in this Circular is given as of the date hereof, except as otherwise noted herein. The address of the principal executive office of MDC Partners is 745 Fifth Avenue, 19<sup>th</sup> Floor, New York, NY 10151, and its registered address is 45 Hazelton Avenue, Toronto, Ontario M5R 2E3. This Circular, the accompanying notice and the enclosed form of proxy are expected to first be mailed to shareholders on or about Monday, April 28, 2014.

Management expects that proxies will be solicited primarily by mail. Employees of MDC Partners or persons retained by MDC Partners for that purpose may also solicit proxies personally or by telephone. If a holder holds his, her or its shares in the name of a bank, broker or other nominee, see **Beneficial Owners** below.

The Company has entered into an agreement with Kingsdale Shareholder Services ( **Kingsdale** ) for proxy solicitation and advisory services in connection with this solicitation, for which Kingsdale will receive a fee up to \$40,000 together with reimbursement for its reasonable out-of-pocket expenses, and will be indemnified against certain liabilities and expenses, including certain liabilities under the federal securities laws. Kingsdale will solicit proxies from individuals, brokers, banks, bank nominees and other institutional holders.

### **MANNER IN WHICH PROXIES WILL BE VOTED**

The shares represented by the accompanying form of proxy, if the same is properly executed in favor of Messrs. Nadal and Gendel, the management nominees, and received at the offices of CST Trust Company, Attn: Proxy Department, P.O. Box 721, Agincourt, Ontario M1S 0A1 (the **Transfer Agent** ) not later than 10:00 a.m. (Eastern Daylight Time) on Tuesday, June 3, 2014 (or, if the Meeting is adjourned, not later than 48 hours, excluding Saturdays, Sundays and holidays, preceding the time of such adjourned Meeting), will be voted or withheld from voting at the Meeting and,

subject to Section 152 of the *Canada Business Corporations Act*, where a choice is specified in respect of any matter to be acted upon, will be voted in accordance with the specifications made. The proxy cut off time may be waived or extended by the Chairman of the Meeting without notice. **In the absence of such a specification, to the extent permitted, such shares will be voted (i) FOR the election of each of the six nominees for the Board of Directors of MDC Partners; (ii) FOR the appointment of BDO USA, LLP as auditors of MDC Partners and to authorize the directors to fix their remuneration; and (iii) FOR the approval, on an advisory basis, of the compensation of the Company's named executive officers.**

**The accompanying form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the accompanying Notice of Annual Meeting of Shareholders, and with respect to other matters which may properly come before the Meeting.** At the date hereof, management knows of no such amendments, variations or other matters.

At any meeting of shareholders (including the 2014 Annual Meeting of Shareholders), a quorum for the transaction of business will be not less than 33 1/3% of the shares entitled to vote at the meeting, represented either in person or by proxy. Only a shareholder of record at the close of business on April 15, 2014 (the **record date** ) will be entitled to vote, or grant proxies to vote, his or her Class A Subordinate Voting Shares

( **Class A Shares** ) or Class B Shares at the Meeting (subject, in the case of voting by proxy, to the timely deposit of his or her executed form of proxy as described herein).

All matters are ordinary resolutions which must be passed by at least a majority of the votes cast by shareholders present in person or represented by proxy who voted in respect of the ordinary resolution at the Meeting. Broker non-votes are included in the calculation of the number of votes considered to be present at the Meeting for purposes of determining a quorum, but otherwise will not affect the voting outcome of the proposals. An automated system administered by the Transfer Agent tabulates the votes.

## **ALTERNATE PROXY**

**Each shareholder has the right to appoint a person other than the persons named in the accompanying form of proxy, who need not be a shareholder, to attend and act for him or her and on his or her behalf at the Meeting.**

Any shareholder wishing to exercise such right may do so by inserting in the blank space provided in the accompanying form of proxy the name of the person whom such shareholder wishes to appoint as proxy and by duly depositing such proxy, or by duly completing and depositing another proper form of proxy and depositing the same with the Transfer Agent at the address and within the time specified under **Manner In Which Proxies Will Be Voted** above.

## **REVOCABILITY OF PROXY**

**A shareholder giving a proxy has the power to revoke it.** Such revocation may be made by the shareholder by duly executing another form of proxy bearing a later date and duly depositing the same before the specified time, or may be made by written instrument revoking such proxy executed by the shareholder or by his or her attorney authorized in writing or, if the shareholder is a body corporate, by an officer or attorney thereof duly authorized, and deposited either at the corporate office of MDC Partners, 745 Fifth Avenue, 19<sup>th</sup> Floor, New York, NY 10151, at any time up to and including 10:00 a.m. (Eastern Daylight Time) on the last business day preceding the date of the Meeting or any adjournment thereof, or with the chairman of the Meeting on the day of the Meeting or any adjournment thereof. If such written instrument is deposited with the chairman of the Meeting on the day of the Meeting or any adjournment thereof, such instrument will not be effective with respect to any matter on which a vote has already been cast pursuant to such proxy.

## **BENEFICIAL OWNERS**

Most shareholders are beneficial owners who are non-registered shareholders. Their shares are registered in the name of an intermediary, such as a securities broker, financial institution, trustee, custodian or other nominee who holds the shares on their behalf, or in the name of a clearing agency in which the intermediary is a participant (such as The Canadian Depository for Securities Limited). Intermediaries have obligations to forward meeting materials to the non-registered holders, unless otherwise instructed by the holder (and as required by regulation in some cases, despite such instructions).

Only registered shareholders or their duly appointed proxyholders are permitted to vote at the Meeting. Non-registered holders should follow the directions of their intermediaries with respect to the procedures to be followed for voting. Generally, intermediaries will provide non-registered holders with either: (a) a voting instruction form for completion and execution by the non-registered holder, or (b) a proxy form, executed by the intermediary and restricted to the number of shares owned by the non-registered holder, but otherwise uncompleted. These are procedures to permit the

non-registered holders to direct the voting of the shares that they beneficially own.

If the non-registered holder wishes to attend and vote in person at the meeting, they must insert their own name in the space provided for the appointment of a proxyholder on the voting instruction form or proxy form provided by the intermediary, and carefully follow the intermediary's instructions for return of the executed form or other method of response.

If the non-registered shareholder does not provide voting instructions to its intermediary, the shares will not be voted on any proposal on which the intermediary does not have discretionary authority to vote. Under current rules, certain intermediaries may not have discretionary authority to vote shares at the Meeting on the proposal relating to the election of directors or the advisory vote on executive compensation. We encourage all



non-registered shareholders to provide instructions to the securities broker, financial institution, trustee, custodian or other nominee who holds the shares on their behalf by carefully following the instructions provided.

The Company is sending the proxy-related materials directly to beneficial owners who have not objected to an intermediary disclosing their beneficial ownership information. The Company also does not intend to pay for the cost of intermediaries to deliver the proxy-related materials to beneficial owners who have objected to an intermediary disclosing their beneficial ownership information. Such objecting beneficial owners will not receive such materials unless the intermediary assumes the cost of sending these materials to them.

## CURRENCY

Unless otherwise stated, all amounts reported in this Proxy Statement and Management Information Circular are in U.S. dollars. Canadian dollar amounts have been translated to U.S. dollars at the following rates:

	2012	2013	2014
As at December 31 <sup>st</sup>	1.0051	1.0640	
As at March 31 <sup>st</sup>	1.0025	0.9843	1.1055
Average for year ended December 31 <sup>st</sup>	1.0006	1.0301	

## AUTHORIZED CAPITAL AND VOTING SHARES

The authorized capital of MDC Partners consists of an unlimited number of Class A Subordinate Voting Shares (the **Class A Shares**); an unlimited number of Class B Shares (the **Class B Shares**) (the Class A Shares and the Class B Shares are herein referred to collectively as the **shares**); and an unlimited number of non-voting Preference Shares, issuable in series, in an unlimited number of which 5,000 Series 1 Preference Shares, 700,000 Series 2 Preference Shares and an unlimited number of Series 3 Preference Shares have been designated.

As at April 15, 2014, MDC Partners had outstanding 50,283,325 Class A Shares (including restricted stock awards), 3,755 Class B Shares, no Series 1 Preference Shares, no Series 2 Preference Shares and no Series 3 Preference Shares. The holders of the Class A Shares are entitled to one vote in respect of each Class A Share held in connection with each matter to be acted upon at the Meeting and the holders of the Class B Shares are entitled to twenty votes in respect of each Class B Share held in connection with each matter to be acted upon at the Meeting. Approximately 99.8% of the aggregate voting rights attached to the issued and outstanding shares of MDC Partners are represented by the Class A Shares.

The articles of MDC Partners contain provisions providing that, in the event an offer is made to purchase Class B Shares which must, by reason of applicable securities legislation or the requirements of a stock exchange on which the Class B Shares are listed, be made to all or substantially all of the Class B Shares, and which offer is not made on identical terms, as to price per share and percentage of outstanding shares, to purchase the Class A Shares, the holders of Class A Shares shall have the right to convert such shares into Class B Shares in certain specified instances.

To the knowledge of the directors and officers of MDC Partners, no person (or group of persons) beneficially owns, directly or indirectly, or exercises control or direction over, voting securities of MDC Partners representing more than 5% of the voting rights attached to any class of voting securities of MDC Partners other than Miles S. Nadal (Chairman, CEO and President of MDC Partners); and FMR LLC. See Security Ownership of Management and Certain Beneficial Owners below for details of shares beneficially owned by these persons and entities.



## EXPENSES

MDC Partners will pay all of the expenses of soliciting proxies for management. In addition to the mailing of the proxy material, such solicitation may be made in person or by telephone by directors, officers and employees of MDC Partners, whose directors, officers and employees will receive no compensation for such solicitation other than their regular salaries or fees. MDC Partners has retained CST Trust Company to aid in the solicitation of proxies. MDC Partners expects the additional expense of that assistance to be approximately \$15,000. MDC Partners also will make arrangements with brokerage houses and other custodians, nominees and fiduciaries to send proxy materials to beneficial owners. MDC Partners will, upon request, reimburse these institutions for their reasonable charges and expenses incurred in forwarding this proxy material to beneficial owners of shares.

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# PARTICULARS OF MATTERS TO BE ACTED UPON

## ITEM 1 ELECTION OF DIRECTORS

Six directors are to be elected to the Board of Directors (the **Board**) at the Meeting. Each director elected will hold office until the next annual meeting of shareholders or until his successor is duly elected or appointed, unless his office is earlier vacated in accordance with the by-laws of MDC Partners. Management does not contemplate that any of the nominees will be unable to serve as a director but, if that should occur for any reason prior to the Meeting, the persons named in the accompanying proxy reserve the right to vote for another nominee in their discretion. **Unless otherwise instructed, the persons named in the accompanying proxy (provided the same is duly executed in their favor and is duly deposited) intend to vote FOR the election of the nominees whose names are set forth below.**

With the exception of Mr. Nadal and Mr. Pustil, the Board has determined that all of the nominees are independent under applicable Nasdaq rules and the Board's governance principles, and are independent under applicable Canadian securities laws. In addition, pursuant to applicable requirements of the Canada Business Corporations Act (the **CBCA**), MDC Partners is required to have at least 25% resident Canadian directors. Messrs. Copeland, Kirby and Pustil are resident Canadians.

### Information Concerning Nominees for Election as Directors

MDC Partners believes that each nominee for election as director possesses the personal and professional qualifications necessary to serve as a member of the Board, including the particular experience, talent, expertise and background set forth below. The following information relating to the nominees as directors, including their principal occupations and positions for the past five years and in certain cases prior years, is based partly on MDC Partners records and partly on information received by MDC Partners from such persons and is given as of April 15, 2014:

**Miles S. Nadal**, age 56, is the Chairman, Chief Executive Officer, President and founder of MDC Partners. Mr. Nadal has been a Director and Chief Executive Officer of MDC since founding in 1986, and President of MDC since 2007. Mr. Nadal has been involved in a number of additional businesses, including as a founder of First Asset Management Inc., one of Canada's largest independent asset management firms with more than \$35 billion under management. The firm was sold to a large money management firm in late 2005. Mr. Nadal is also the founder and a partner of Peerage Realty Partners and Artemis Investment Management.

In recognition of his achievements in business, Mr. Nadal has been honored with numerous awards, including 2012 Media Executive of the Year by Media Magazine, selection for the Top 40 Under 40, and Ernst & Young's 1999 Entrepreneur of the Year in the professional services sector. In 2012, Mr. Nadal was the recipient of an Honorary Doctorate from Tel Aviv University.

Mr. Nadal's extensive philanthropic work emphasizes the importance of supporting the next generation of leaders, focusing on the areas of children's welfare, education, and health care. He provided the keystone gift for the rebuilding of the Bloor Jewish Community Centre (now the Miles S. Nadal Jewish Community Centre), and served on the boards of Mount Sinai and Baycrest. Mr. Nadal was a keystone contributor to the revitalization of Ayolon/Canada Park (Canada-Israel Park), which has been named The Miles S. Nadal & Family Environmental Community. Through his involvement with Junior Achievement of Canada and the Schulich School of Business, Mr. Nadal has provided a number of high school and university scholarships for students striving to become entrepreneurs of the future.

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Under Mr. Nadal's leadership, MDC Partners has grown into one of the world's largest marketing communications networks whose over 50 holdings include Crispin Porter + Bogusky, kirshenbaum bond senecal + partners, 72andSunny, Anomaly, Bruce Mau Design, Redscout, Attention, Sloane & Company, Colle + McVoy, Concentric, Laird, TEAM, HL Group, Kingsdale, Relevent, Kwittken, Kenna, Capital C, Doner, Allison, Assembly, Hello Design, mono, Vitro and Luntz Global. Mr. Nadal's thorough knowledge of MDC Partners' business and affairs makes him particularly qualified to be Chief Executive Officer and Chairman of the Board. Mr. Nadal is a resident of Nassau, Bahamas, and beneficially owns 9,100,573 Class A Shares of MDC, as well as 91,810 unvested restricted stock units.

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**Clare R. Copeland**, age 78, is Vice Chairman of Falls Management Company, a commercial development and casino operator in Niagara Falls, Ontario, a position he has held since January 15, 2014, following his tenure as Chief Executive Officer since November 2004. Previously, Mr. Copeland was Chairman and Chief Executive Officer of OSF Inc., a manufacturer of retail store interiors and Chief Executive Officer of People's Jewelers Corporation, a jewelry retailer. He was also Vice Chairman of Toronto Hydro from 1999 to 2013. In addition, Mr. Copeland is a trustee of RioCan Real Estate Investment Trust, Chesswood Income Fund and Telesat, and is a member of the board of directors of Danier Leather Inc. and Entertainment One Ltd. Mr. Copeland brings extensive experience in management and oversight to the Board. Mr. Copeland has been a member of the MDC Partners Board of Directors since June 30, 2007. He is currently Chairman of the Human Resources & Compensation Committee and a member of the Audit Committee. Mr. Copeland resides in Toronto, Ontario, and beneficially owns 33,647 Class A Shares of MDC, as well as 25,659 unvested restricted stock units.

**Scott L. Kauffman**, age 58, is the President and Chief Executive Officer, and a member of the Board of Directors, of New Engineering University, a new university system designed to educate the next generation of world-class engineers. He is also the Chairman of several venture-backed Internet companies. From April 2011 until January 2013, Mr. Kauffman was a Board member and then Chairman of LookSmart, Ltd, a publicly-traded, syndicated pay-per-click search network. From January 2009 to August 2010, Mr. Kauffman was President and Chief Executive Officer, and a member of the board, of GeekNet, Inc., a publicly-traded open source software application developer and e-commerce website operator. From September 2006 until its acquisition by Yahoo! in October 2007, Mr. Kauffman was President and Chief Operating Officer, and a member of the board, of BlueLithium, Inc., an Internet advertising network and performance marketing company. Prior to joining BlueLithium, Mr. Kauffman was President and CEO, and a member of the board, of several early stage companies, including Zinio Systems, Inc., MusicNow LLC and Coremetrics Inc., where he continued to serve as a member of the board until the company was acquired by IBM in July 2010. Mr. Kauffman has served in senior and executive management capacities with other digital entertainment, consumer marketing, media and technology companies, including CompuServe and Time Warner. Mr. Kauffman holds an AB in English from Vassar College and an MBA in marketing from New York University. In 1996, Advertising Age named him one of twenty digital media masters, and in 1992, Advertising Age named him one of the top 100 marketers in the country. Mr. Kauffman brings extensive relevant industry experience to the Board. Mr. Kauffman was appointed as a Director of MDC Partners on April 28, 2006. He currently serves as MDC's Presiding Director and as a member of the Human Resources & Compensation Committee and the Nominating & Corporate Governance Committee. Mr. Kauffman is a resident of Palo Alto, California and beneficially owns 63,456 Class A Shares of MDC, including 19,659 unvested restricted Class A Shares of MDC.

**Michael J.L. Kirby**, age 72, was a member of the Senate of Canada from 1984 until his retirement in October 2006. From 1994 to 1999, he served as Chairman of the Standing Senate Committee on Banking, Trade and Commerce. Sen. Kirby currently serves as a director of Just Energy Income Fund and Indigo Books & Music Inc. He has also been Vice Chairman of the Accounting Standards Oversight Council of the Canadian Institute of Chartered Accountants. He has previously been a director of Extencicare Inc., The Bank of Nova Scotia, Brainhunter Inc., ImmunoVaccine Technologies, Inc., Maxxcom, Inc., Quaker Oats (Canada), Onex Packaging, Westbury Canadian Life, Cotton Ginny, RJR-Macdonald Inc., a member of the Advisory Board of AT&T Enterprises (Canada), Nissan (Canada), and other private companies. Sen. Kirby holds a PhD in applied mathematics and has taught in several graduate business programs. With his distinguished background, Sen. Kirby brings exceptional leadership, experience and expertise to the Board. Sen. Kirby has been a Director of MDC since April 22, 2004. He is currently Chairman of the Audit Committee and a member of the Human Resources & Compensation Committee and the Nominating & Corporate Governance Committee. Sen. Kirby is a resident of Ottawa, Ontario, and beneficially owns 42,297 Class A Shares of MDC, as well as 19,659 unvested restricted stock units.



*Stephen M. Pustil*, age 70, is Vice Chairman of MDC Partners, a position he has held since 1992. He is also Vice Chairman of Peerage Realty Partners and Chairman of Artemis Investment Management, and currently serves as a director of Trez Capital Mortgage Investment Corporation and Trez Senior Mortgage Investment Corporation. Mr.

Pustil is a chartered accountant and serves on the Board of Mount Sinai Hospital. Mr. Pustil brings investment experience to the Board. Mr. Pustil has been a Director of MDC since April 9, 1992. Mr. Pustil is a resident of Toronto, Ontario, and beneficially owns 571,992 Class A Shares of MDC, as well as 5,699 unvested restricted stock units.

*Irwin D. Simon*, age 55, is the founder of The Hain Celestial Group, Inc. and has been its President and Chief Executive Officer, and a director since its inception in 1993. In addition, Mr. Simon has served as Chairman of the Board of Hain Celestial since 2000. Mr. Simon currently serves as a director of Jarden Corporation (a consumer products company), and as a director of several privately-held companies. During the last five years, Mr. Simon also served as a director of Yeo Hiap Seng Limited (a food and beverage company based in Singapore). Mr. Simon also participates in several industry and charitable organizations including The New York State Council on Food Policy. Mr. Simon is the past chapter chairman of YPO – Gotham Chapter, New York City. Mr. Simon has been a member of the MDC Partners Board of Directors since his appointment on April 25, 2013. He is currently a member of the Human Resources & Compensation Committee and a member of the Audit Committee. Mr. Simon resides in New York, N.Y., and beneficially owns 18,000 unvested restricted Class A Shares of MDC. Mr. Simon brings to the Board unique perspectives on all aspects of advertising and marketing services, as well as extensive operational and entrepreneurial experience. In addition, Mr. Simon possesses a great depth of knowledge and experience regarding the consumer packaged goods industry and related marketing services that are provided by the Company's partner firms.

**YOUR BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS  
A VOTE FOR ELECTION OF THE PROPOSED DIRECTORS.**



## Security Ownership of Certain Beneficial Owners and Management

The following table sets forth certain information regarding the beneficial ownership of the Class A Shares and the Class B Shares of MDC outstanding as of April 15, 2014 by each beneficial owner of more than five percent of such shares, by each of the directors of MDC and the current nominees for Board election by each of the executives named in the Summary Compensation Table below and by all current directors and executive officers of MDC as a group.

This table reflects adjustment following the Company's 3 for 2 stock split, effective as of November 26, 2013.

Name	Type of Shareholding	Number of Voting Shares Beneficially Owned, or Over Which Control or Direction is Exercised <sup>(1)</sup>			Approximate Percentage of Class <sup>(5)</sup>	
		Class A Subordinate Voting Shares <sup>(2)</sup>	Class A Shares Underlying Options, Warrants or Similar Right Exercisable Currently or Within 60 Days <sup>(3)</sup>	Class A Shares Underlying All Options, Warrants or Similar Right <sup>(4)</sup>	Class A Shares	Class B Shares
Miles S. Nadal	Direct	9,100,573 <sup>(6)</sup>		91,810 <sup>(7)</sup>	18.1 %	
Clare Copeland	Direct	33,647	37,500	63,159 <sup>(7)</sup>	*	
Robert Kamerschen	Direct	606,588 <sup>(8)</sup>			1.2 %	
	Indirect	11,090				
Thomas Davidson	Direct	269,982 <sup>(8)</sup>	37,500	37,500	*	
	Indirect	75,000				
Scott L. Kauffman	Direct	63,456 <sup>(8)</sup>	37,500	37,500	*	
Michael J.L. Kirby	Direct	42,297		19,659 <sup>(7)</sup>	*	
	Indirect	572				