

Sabatino Michael
 Form 4
 August 23, 2012

FORM 4

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

OMB APPROVAL

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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 *
 Sabatino Michael

(Last) (First) (Middle)
 C/O MDC PARTNERS INC., 745
 FIFTH AVENUE
 (Street)

NEW YORK, NY 10151

(City) (State) (Zip)

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

3. Date of Earliest Transaction
 (Month/Day/Year)
 08/23/2012

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)
 SVP & Chief Accounting Officer

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 Ownership (Instr. 4) |
|-----------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | | (A) or (D) | Amount (D) | Price | |
| Class A Shares | | | | | 131,536 ⁽¹⁾ | D | |
| Restricted Stock (Class A Shares) | 08/23/2012 | | P | 750 | \$ 9.26 | 132,286 ⁽¹⁾ ⁽²⁾ | D |

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

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SEC 1474 (9-02)

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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 | 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 Securities (Instr. 3 and 4) | | |
|---|--|--------------------------------------|--|---------------------|---|--|---|------------------|----------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount Number Shares |
| Stock Appreciation Rights ⁽³⁾ | \$ 3.72 | | | | | 02/12/2010 | 02/12/2014 | Class A Shares | 128,200 |
| Extraordinary Equity Value Appre. Restricted Stock Awards | ⁽⁴⁾ | | | | | ⁽⁴⁾ | 12/31/2013 | Restricted Stock | 45,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|--------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Sabatino Michael C/O MDC PARTNERS INC. 745 FIFTH AVENUE NEW YORK, NY 10151 | | | SVP & Chief Accounting Officer | |

Signatures

/s/ Michael Sabatino 08/23/2012

**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).
- (1) Includes shares of unvested Restricted Stock (Class A Shares) of the Issuer.
- (2) Represents open market purchases.
- (3) Stock Appreciation Rights ("SARs") granted February 12, 2009, all of which are vested as of January 20, 2012, and all expire on February 12, 2014. These SARs may be settled in cash or stock, at the discretion of the Issuer.
- (4)

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These Extraordinary Equity Value Appreciation Restricted Stock Awards ("EVARs") granted under the Issuer's EVARs program (previously disclosed by the Issuer on Form 8-K dated January 26, 2011) represent the right to receive shares of Restricted Stock on a one-to-one basis upon the Issuer's achievement of stock price targets equal to \$20.00 (15,000 EVARs), \$22.75 (15,000 EVARs) and \$26.25 (15,000 EVARs), as described in greater detail in the EVAR Letter Agreement.

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.