

HIGHFIELDS CAPITAL MANAGEMENT LP  
Form SC 13G/A  
February 14, 2005

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**SCHEDULE 13G**

**Under the Securities Exchange Act of 1934**

**(Amendment No. 2)**

MCF CORPORATION

Formerly RateXchange Corporation

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(Name of Issuer)

COMMON STOCK, PAR VALUE \$0.0001 PER SHARE

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(Title of Class of Securities)

580395101

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(CUSIP Number)

December 31, 2004

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(Date of Event Which Requires Filing of this Statement)

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CHECK THE APPROPRIATE BOX TO DESIGNATE THE RULE PURSUANT TO WHICH THIS SCHEDULE IS FILED:

Rule 13d-1(b)

Rule 13d-1(c)

Rule 13d-1(d)

1. NAMES OF REPORTING PERSONS

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

**Highfields Capital Management LP**

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

(a) ..

(b) ..

3. SEC USE ONLY

4. CITIZENSHIP OR PLACE OF ORGANIZATION

**Delaware**

5. SOLE VOTING POWER

**6,624,906\***

NUMBER OF  
SHARES

6. SHARED VOTING POWER

BENEFICIALLY

**0**

OWNED BY EACH

7. SOLE DISPOSITIVE POWER

REPORTING

PERSON

**6,624,906\***

WITH

8. SHARED DISPOSITIVE POWER

**0**

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

**6,624,906\***

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS)

11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9

**9.99%\***

12. TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

**PN**

\* See Item 4.

1. NAMES OF REPORTING PERSONS

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

**Highfields GP LLC**

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

(a) ..

(b) ..

3. SEC USE ONLY

4. CITIZENSHIP OR PLACE OF ORGANIZATION

**Delaware**

5. SOLE VOTING POWER

NUMBER OF **6,624,906\***

SHARES 6. SHARED VOTING POWER

BENEFICIALLY

OWNED BY **0**

EACH 7. SOLE DISPOSITIVE POWER

REPORTING

PERSON **6,624,906\***

WITH 8. SHARED DISPOSITIVE POWER

**0**

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

**6,624,906\***

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS) ..

11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9

**9.99%\***

12. TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

**OO**

\* See Item 4.

1. NAMES OF REPORTING PERSONS

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

**Jonathon S. Jacobson**

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

(a) ..

(b) ..

3. SEC USE ONLY

4. CITIZENSHIP OR PLACE OF ORGANIZATION

**United States**

5. SOLE VOTING POWER

NUMBER OF

**6,624,906\***

SHARES

6. SHARED VOTING POWER

BENEFICIALLY

OWNED BY

**0**

EACH

7. SOLE DISPOSITIVE POWER

REPORTING

PERSON

**6,624,906\***

WITH

8. SHARED DISPOSITIVE POWER

**0**

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

**6,624,906\***

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS) ..

11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9

**9.99%\***

12. TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

**IN**

\* See Item 4.



1. NAMES OF REPORTING PERSONS

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

**Richard L. Grubman**

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

(a)

(b)

3. SEC USE ONLY

4. CITIZENSHIP OR PLACE OF ORGANIZATION

**United States**

5. SOLE VOTING POWER

NUMBER OF 6,624,906\*

SHARES 6. SHARED VOTING POWER

BENEFICIALLY

OWNED BY 0

EACH 7. SOLE DISPOSITIVE POWER

REPORTING

PERSON 6,624,906\*

WITH 8. SHARED DISPOSITIVE POWER

**0**

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

**6,624,906\***

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS)

11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9

**9.99%\***

12. TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

**IN**

\* See Item 4.

1. NAMES OF REPORTING PERSONS

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

**Highfields Capital Ltd.**

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

(a)

(b)

3. SEC USE ONLY

4. CITIZENSHIP OR PLACE OF ORGANIZATION

**Cayman Islands, B.W.I.**

5. SOLE VOTING POWER

NUMBER OF	<b>4,637,434*</b>
<hr/>	
SHARES	6. SHARED VOTING POWER
BENEFICIALLY	
OWNED BY	<b>0</b>
<hr/>	
EACH	7. SOLE DISPOSITIVE POWER
REPORTING	
PERSON	<b>4,637,434*</b>
<hr/>	
WITH	8. SHARED DISPOSITIVE POWER

**0**

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

**4,637,434\***

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS)

11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9

**7.0%\***

12. TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

**CO**

\* See Item 4.

**Item 1 (a). Name of Issuer:**

MCF Corporation (the Issuer )

**Item 1 (b). Address of Issuer s Principal Executive Offices:**

601 Montgomery Street, 18<sup>th</sup> Floor, San Francisco, California 94111

**Item 2 (a). Name of Person Filing:**

This statement is being filed by the following persons with respect to the shares of Common Stock of the Issuer directly owned by Highfields Capital I LP ( Highfields I ), Highfields Capital II LP ( Highfields II ) and Highfields Capital Ltd. (collectively, the Funds ):

(i) Highfields Capital Management LP, a Delaware limited partnership ( Highfields Capital Management ) and investment manager to each of the Funds;

(ii) Highfields GP LLC, a Delaware limited liability company ( Highfields GP ) and the General Partner of Highfields Capital Management;

(iii) Jonathon S. Jacobson, a Managing Member of Highfields GP; and

(iv) Richard L. Grubman, a Managing Member of Highfields GP.

This statement is also being filed by Highfields Capital Ltd., an exempted limited company organized under the laws of the Cayman Islands, B.W.I., with respect to the shares of Common Stock of the Issuer owned by Highfields Capital Ltd. (which shares of Common Stock are also included in the filings for Highfields Capital Management, Highfields GP, Mr. Jacobson and Mr. Grubman).

Highfields Capital Management, Highfields GP, Highfields Capital Ltd., Mr. Jacobson and Mr. Grubman are sometimes individually referred to herein as a Reporting Person and collectively as the Reporting Persons.

**Item 2 (b). Address of Principal Business Office or, if None, Residence:**

Address for Highfields Capital Management, Highfields GP,

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Mr. Jacobson and Mr. Grubman:

c/o Highfields Capital Management

John Hancock Tower

200 Clarendon Street, 51st Floor

Boston, Massachusetts 02116

Address for Highfields Capital Ltd.:

c/o Goldman Sachs (Cayman) Trust, Limited

Harbour Centre, Second Floor

George Town, Grand Cayman

Cayman Islands, B.W.I.

**Item 2 (c). Citizenship:**

Highfields Capital Management Delaware

Highfields GP Delaware

Jonathon S. Jacobson United States

Richard L. Grubman United States

Highfields Capital Ltd. Cayman Islands, B.W.I.

**Item 2 (d). Title of Class of Securities:**

Common Stock, par value \$0.0001 per share

**Item 2 (e). CUSIP Number:**

580395101

**Item 3.** Not applicable.

**Item 4. Ownership.**

Provide the following information regarding the aggregate number and percentage of the class of securities of the issuer identified in Item 1.

For Highfields Capital Management, Highfields GP, Mr. Jacobson and Mr. Grubman:

(a) Amount beneficially owned:

6,624,906 shares of Common Stock

(b) Percent of class:

9.99%

(c) Number of shares as to which such person has:

(i) Sole power to vote or to direct the vote:

6,624,906

(ii) Shared power to vote or to direct the vote:

0

(iii) Sole power to dispose or to direct the disposition of:

6,624,906

(iv) Shared power to dispose or to direct the disposition of:

0

For Highfields Capital Ltd.:

(a) Amount beneficially owned:

4,637,434 shares of Common Stock

(b) Percent of class:

7.0%

(c) Number of shares as to which such person has:

(i) Sole power to vote or to direct the vote:

4,637,434

(ii) Shared power to vote or to direct the vote:

0

(iii) Sole power to dispose or to direct the disposition of:

4,637,434

(iv) Shared power to dispose or to direct the disposition of:

0

On April 3, 2003, the Issuer completed a private placement financing (the "Financing") in which each of the Reporting Persons listed above acquired, in part, convertible promissory notes and warrants (hereafter the "Convertible Securities"). The Convertible Securities are convertible, subject to specified aggregate holding limits, into shares of Common Stock. As of December 31, 2004, the Reporting Persons directly held an aggregate of 6,500,000 shares of Common Stock, and as a result of such holding limits, were entitled to acquire no more than an additional 124,906 shares of Common Stock upon conversion of the Convertible Securities. The information set forth herein regarding percentages of beneficial ownership is based upon information obtained from the Issuer regarding the number of shares of Common Stock outstanding as of November 9, 2004.

**Item 5. Ownership of Five Percent or Less of a Class.**

Not applicable.

**Item 6. Ownership of More than Five Percent on Behalf of Another Person.**

The shares beneficially owned by Highfields Capital Management, Highfields GP, Mr. Jacobson and Mr. Grubman are beneficially owned by the Funds. Highfields Capital Ltd. beneficially owns 7.0% of the shares and each of Highfields I and Highfields II individually own less than 5% of the shares. Highfields Capital Management serves as the investment manager to each of the Funds. Each of Highfields Capital Management, Highfields GP, Mr. Jacobson and Mr. Grubman has the power to direct the dividends from or the proceeds of the sale of the shares owned by the Funds.

**Item 7. Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on by the Parent Holding Company.**

Not applicable.

**Item 8. Identification and Classification of Members of the Group.**



Not applicable.

**Item 9. Notice of Dissolution of Group.**

Not applicable.

**Item 10. Certification.**

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

February 14, 2005

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Date

HIGHFIELDS CAPITAL MANAGEMENT LP

By: Highfields GP LLC, its General Partner

/s/ Joseph F. Mazzella

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Signature

Joseph F. Mazzella, Authorized Signatory

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Name/Title

HIGHFIELDS GP LLC

/s/ Joseph F. Mazzella

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Signature

Joseph F. Mazzella, Authorized Signatory

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Name/Title

JONATHON S. JACOBSON

/s/ Joseph F. Mazzella

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Signature

Joseph F. Mazzella, Authorized Signatory

---

Name/Title

RICHARD L. GRUBMAN

/s/ Joseph F. Mazzella

---

Signature

Joseph F. Mazzella, Authorized Signatory

---

Name/Title

HIGHFIELDS CAPITAL LTD.

By: Highfields Capital Management LP, its Investment  
Manager

By: Highfields GP LLC, its General Partner

/s/ Joseph F. Mazzella

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Signature

Joseph F. Mazzella, Authorized Signatory

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Name/Title

EXHIBIT INDEX

Exhibit 1      Limited Power of Attorney.