

NESSER JOHN T III
Form 4
August 04, 2010

FORM 4

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

OMB APPROVAL

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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 *
NESSER JOHN T III

2. Issuer Name and Ticker or Trading Symbol
MCDERMOTT INTERNATIONAL INC [MDR]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
08/02/2010

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
EVP, COO

C/O MCDERMOTT INTERNATIONAL, INC., 777 N. ELDRIDGE PARKWAY

(Street)

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

HOUSTON, TX 77079

(City) (State) (Zip)

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 Ownership (Instr. 4)
				(A) or (D)	Price		
Common Stock	08/02/2010		A	69,478	A \$ 0	468,728 ⁽¹⁾	D
Common Stock	08/02/2010		M	33,222	A <u>(2)</u>	501,950	D
Common Stock	08/02/2010		M	9,121	A <u>(2)</u>	511,071	D
Common Stock	08/02/2010		F	15,433	D \$ 12.54	495,638	D
						14,507 ⁽³⁾	I

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Common
Stock

401 K
Plan

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

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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 (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 Securities (Instr. 3 and 4)	8. Amount or Number of Shares
Restricted Stock Units ⁽⁴⁾	<u>(2)</u>	08/02/2010		M	33,222	<u>(5)</u> <u>(5)</u>	Common Stock	33,222
Restricted Stock Units ⁽⁴⁾	<u>(2)</u>	08/02/2010		M	9,121	<u>(6)</u> <u>(6)</u>	Common Stock	9,121

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

NESSER JOHN T III
C/O MCDERMOTT INTERNATIONAL, INC.
777 N. ELDRIDGE PARKWAY
HOUSTON, TX 77079

EVP, COO

Signatures

Liane K. Hinrichs, by power of attorney

08/04/2010

__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).

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- (1) Includes 5,885 additional restricted shares granted as a result of adjustments in connection with the July 30, 2010 spin-off of The Babcock & Wilcox Company.
- (2) Each Restricted Stock Unit represents a contingent right to receive one share of MDR common stock.
- (3) Based upon units held in 401K Plan and the fair market value of Common Stock as of August 2, 2010.
- (4) The Restricted Stock Units were substituted for an original grant of performance shares in connection with the July 30, 2010 spin-off of The Babcock & Wilcox Company.
- (5) 66% of these outstanding Restricted Stock Units vested on August 2, 2010 in connection with Mr. Nesser attaining retirement eligibility. The remainder of these Restricted Stock Units vest on March 3, 2011.
33% of these outstanding Restricted Stock Units vested on August 2, 2010 in connection with Mr. Nesser attaining retirement eligibility.
- (6) 66% of the then outstanding Restricted Stock Units vest on March 5, 2011 and the remainder of these Restricted Stock Units vest on March 5, 2012.

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.