

NESSER JOHN T III  
Form 4  
August 04, 2010

**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 \*  
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)
			Code	V	Amount or Price		
Common Stock	08/02/2010		A		69,478 A \$ 0	468,728 <sup>(1)</sup>	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 <sup>(3)</sup>	I

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

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