

MCDERMOTT INTERNATIONAL INC  
 Form 4  
 July 19, 2006

**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)  
 07/17/2006

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
 EVP and General Counsel

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 Ownership (Instr. 4)
				(A) or (D) Code V Amount Price			
Common Stock	07/17/2006		M <sup>(1)</sup>	15,000 A \$ 9.69	190,308	D	
Common Stock	07/17/2006		S <sup>(1)</sup>	15,000 D 2	175,308	D	
Common Stock					6,709 <sup>(3)</sup>	I	401(K) Shares

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 (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
Stock Options (Right to Buy)	\$ 9.69	07/17/2006		M <sup>(1)</sup>	15,000	<sup>(4)</sup> 03/06/2011	Common Stock	15,000

## Reporting Owners

Reporting Owner Name / Address	Relationships
NESSER JOHN T III C/O MCDERMOTT INTERNATIONAL, INC. 777 N. ELDRIDGE PARKWAY HOUSTON, TX 77079	Director 10% Owner Officer EVP and General Counsel

## Signatures

Renee Hack, Attorney-in-Fact  
Date: 07/19/2006

\*\*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) The sales and underlying exercise were effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on May 8, 2006.  
The stock was sold in multiple transactions at the following prices: 900 shares at \$43.79; 2,000 shares at \$43.78; 1,200 shares at \$43.77; 1,500 shares at \$43.58; 200 shares at \$43.57; 100 shares at \$43.51; 300 shares at \$43.50; 200 shares at \$43.49; 400 shares at \$43.44; 700 shares at \$43.43; 900 shares at \$43.42; 600 shares at \$43.41; 700 shares at \$43.39; 100 shares at \$43.38; 400 shares at \$43.36; 100 shares at \$43.35; 500 shares at \$43.34; 200 shares at \$43.33; 800 shares at \$43.32; 200 shares at \$43.30; 700 shares at \$43.27; 300 shares at \$43.26; 400 shares at \$43.25; 200 shares at \$43.24; 400 shares at \$43.22; 300 shares at \$43.20; 200 shares at \$43.17; and 500 shares at \$43.16.
- (3) Based upon units held in 401K Plan and the fair market value of Common Stock as of July 17, 2006.
- (4) The options provided for vesting in three equal installments, on March 6, 2002, 2003 and 2004.

## Edgar Filing: MCDERMOTT INTERNATIONAL INC - Form 4

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