

MCDERMOTT INTERNATIONAL INC
 Form 4
 February 22, 2007

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 *
 KALMAN FRANCIS S

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)
 C/O MCDERMOTT INTERNATIONAL, INC., 777 N. ELDRIDGE PKWY.
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 02/20/2007

____ Director
 Officer (give title below)
 ____ 10% Owner
 ____ Other (specify below)
 EVP & CFO

HOUSTON, TX 77079
 (City) (State) (Zip)

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

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 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 | 02/20/2007 | | M ⁽¹⁾ | 8,000 A | \$ 6.0066 | 136,277 | D |
| Common Stock | 02/20/2007 | | S ⁽¹⁾ | 8,000 D | 2 | 128,277 | D |
| Common Stock | | | | | | 2,128 ⁽³⁾ | I 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. Title and Amount of Underlying Securities (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|---|
| Stock Option (Right to Buy) | \$ 6.0066 (4) | 02/20/2007 | | M(1) | 8,000 (4) | (5) 03/18/2014 | Common Stock | 8,000 (4) |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-----------|-------|
| | Director | 10% Owner | Officer | Other |
| KALMAN FRANCIS S C/O MCDERMOTT INTERNATIONAL, INC. 777 N. ELDRIDGE PKWY. HOUSTON, TX 77079 | | | EVP & CFO | |

Signatures

Liane K. Hinrichs,
Attorney-in-Fact
Date: 02/22/2007

**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 reported in this Form 4 were effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on August 25, 2006.
The stock was sold in multiple transactions at the following prices: 400 shares at \$51.91; 1200 shares at \$51.92; 900 shares at \$51.93; 200 shares at \$51.94; 500 shares at \$51.96; 2000 shares at \$51.97; 600 shares at \$51.98; 300 shares at \$52.00; 100 shares at \$52.12; 400 shares at \$52.13; 500 shares at \$52.16; 200 shares at \$52.17; 300 shares at \$52.18; and 400 shares at \$52.19.
- (3) Based upon units held in 401K Plan and the fair market value of MDR common stock as of February 20, 2007.
- (4)

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This option was previously reported as covering 63,700 shares at an exercise price of \$9.01 per share, but was adjusted to reflect the 3-for-2 stock split that occurred on May 31, 2006.

(5) The option vested in three equal installments on March 18, 2005, 2006 and 2007.

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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