

MCDERMOTT INTERNATIONAL INC
 Form 3
 March 13, 2006

FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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INITIAL STATEMENT OF 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 *		2. Date of Event Requiring Statement	3. Issuer Name and Ticker or Trading Symbol	
Â Lewis James C		(Month/Day/Year)	MCDERMOTT INTERNATIONAL INC [MDR]	
(Last)	(First)	(Middle)	03/01/2006	
777 N. ELDRIDGE PARKWAY			4. Relationship of Reporting Person(s) to Issuer	5. If Amendment, Date Original Filed(Month/Day/Year)
(Street)			(Check all applicable)	
HOUSTON,Â TXÂ 77079			<input type="checkbox"/> Director <input type="checkbox"/> 10% Owner	6. Individual or Joint/Group Filing(Check Applicable Line)
(City)	(State)	(Zip)	<input checked="" type="checkbox"/> Officer <input type="checkbox"/> Other	<input checked="" type="checkbox"/> Form filed by One Reporting Person
			(give title below) (specify below)	<input type="checkbox"/> Form filed by More than One Reporting Person
			Vice President, Treasurer	

Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Stock	550 ⁽¹⁾	I	401(K)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly. SEC 1473 (7-02)

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Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)	3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)	4. Conversion or Exercise Price of Derivative Security	5. Ownership Form of Derivative Security: Direct (D) or Indirect	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of	

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				Shares		(1) (Instr. 5)	
Stock Options (Right to Buy)	08/15/2006	08/15/2013	Common Stock	2,500	\$ 4.225	D	Â
Stock Options (Right to Buy)	03/18/2006 ⁽²⁾	03/18/2014	Common Stock	4,000	\$ 9.01	D	Â
Stock Options (Right to Buy)	05/12/2006 ⁽³⁾	05/12/2015	Common Stock	2,300	\$ 20.18	D	Â
Deferred Stock Units	05/12/2006 ⁽⁴⁾	05/12/2010 ⁽⁴⁾	Common Stock	1,035	\$ 0 ⁽⁵⁾	D	Â
Performance Units	08/15/2006 ⁽⁶⁾	08/15/2006 ⁽⁶⁾	Common Stock	<u>(6)</u>	\$ 0	D	Â

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Lewis James C 777 N. ELDRIDGE PARKWAY HOUSTON, TX 77079	Â	Â	Â Vice President, Treasurer	Â

Signatures

Liane K. Hinrichs,
Attorney-in-Fact

03/09/2006

 **Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 5(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) Based upon units held in 401(K) Plan and the fair market value of Common Stock as of 3/1/06.

(2) 2,000 options become exercisable on March 18, 2006 and the remaining options become exercisable on March 18, 2007.

(3) Becomes exercisable in three equal annual installments, with the first installment vesting on this date.

(4) Vests in five equal annual installments, with the first installment vesting on this date. Vested units will be paid in cash in an amount equal to the number of vested units multiplied by the average stock price on the vesting date.

(5) 1-for-1

The performance units vest on a percentage basis determined by the 10 day average stock price of the Issuer prior to such date, in accordance with the following schedule: 1) Avg. Stock Price \$8.00 - Vesting Percentage 50%; 2) Avg. Stock Price \$14.00 - Vesting Percentage - 100%; and 3) Avg. Stock Price \$20.00 - Vesting Percentage - 150%. No performance units vest if the average stock price is less than \$8.00. Vested units will be paid in cash in an amount equal to the number of vested units multiplied by the average stock price.

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.