

**IN THE UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:)	
)	Chapter 11
MCDERMOTT INTERNATIONAL, INC., <i>et al.</i> , ¹)	Case No. 20-30336 (DRJ)
)	
Debtors.)	(Jointly Administered)
)	
)	Re: Docket No. 26, 27, 110

**NOTICE OF AUCTION FOR THE
SALE OF THE LUMMUS ASSETS AND INTERESTS**

PLEASE TAKE NOTICE that certain of the debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “Debtors”) are soliciting offers for the purchase of the right, title, and interest of the Debtors in and to equity interests (or reorganized equity interests, as applicable) of the Lummus Entities² (as applicable, the “Lummus Assets and Interests”) and assumption of certain liabilities of the Debtors consistent with the proposed bidding procedures (the “Bidding Procedures”) and proposed order approving the Bidding Procedures (the “Bidding Procedures Order”),³ both of which were filed by the Debtors with the United States Bankruptcy Court for the Southern District of Texas (the “Court”) on Wednesday, January 22, 2020 [Docket Nos. 26, 110]. **All interested bidders should carefully read the proposed Bidding Procedures and proposed Bidding Procedures Order and, once entered, the Bidding Procedures and Bidding Procedures Order.** To the extent that there are any inconsistencies between this notice and the Bidding Procedures or the Bidding Procedures Order, the Bidding Procedures or the Bidding Procedures Order, as applicable, shall govern in all respects.

PLEASE TAKE FURTHER NOTICE that the Debtors will seek entry of the proposed

¹ A complete list of each of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors’ proposed claims and noticing agent at <https://cases.primeclerk.com/McDermott>. The location of Debtor McDermott International, Inc.’s principal place of business and the Debtors’ service address in these chapter 11 cases is 757 North Eldridge Parkway, Houston, Texas 77079.

² The “Lummus Entities” are Lummus Technology LLC; McDermott Technology (2), B.V.; McDermott Technology (3), B.V.; OOO Lummus Technology; CB&I Lummus Engineering & Technology China Co. Ltd.; Lummus Technology Heat Transfer B.V. (Netherlands); Lummus Technology Heat Transfer B.V. (India); Lummus Novolen Technology GmbH; Novolen Technology Holdings C.V.; Lummus Technology B.V.; Lummus Gasification Technology Licensing LLC; Lummus Engineered Products, LLC; Lummus Technology International LLC; Lummus Technology Services LLC; Chemical Research and Licensing, LLC; Lummus Technology Ventures LLC; Catalytic Distillation Technologies; Lummus Technology Overseas LLC; Chevron Lummus Global LLC; and CLG Technical Services, LLC.

³ Capitalized terms used but not otherwise defined herein shall have the meanings given to them in the proposed Bidding Procedures Order (as defined herein), the proposed Bidding Procedures, or the proposed Sale Order, as applicable.

Bidding Procedures Order and proposed Bidding Procedures at a hearing which is presently scheduled to commence on **Monday, February 24, 2020, at 12:00 p.m. (prevailing Central Time)**, or as soon thereafter as counsel may be heard, before the Honorable David R. Jones in the United States Courthouse, 515 Rusk Street, Houston, Texas 77002 (the “Second Day Hearing”).

Copies of the proposed Bidding Procedures Order, the proposed Bidding Procedures, or other documents related thereto are available upon request to Prime Clerk LLC by calling (877) 426-7705 (Toll Free) or (917) 994-8380 (International), emailing McDermottInfo@primeclerk.com, or visiting the Debtors’ restructuring website at (<https://cases.primeclerk.com/McDermott>).

PLEASE TAKE FURTHER NOTICE that the Bid Deadline is **Monday, March 2, 2020, at 4:00 p.m. (prevailing Central Time)**, and that any person or entity who wishes to participate in the Auction must comply with the participation requirements, bid requirements, and other requirements set forth in the Bidding Procedures.

PLEASE TAKE FURTHER NOTICE that the Debtors intend to conduct the Auction, at which time they will consider proposals submitted to the Debtors and their professionals, by and pursuant to the Bidding Procedures as set forth in the Bidding Procedures Order, on **Monday, March 9, 2020, at 9:00 a.m. (prevailing Eastern Time)** at Kirkland & Ellis LLP, 601 Lexington Avenue, New York, New York 10022.

PLEASE TAKE FURTHER NOTICE that the Debtors expect to announce the results of the Auction and the selection of the Successful Bidder and seek Court approval to enter into the Definitive Purchase Agreement at the Combined Hearing, which is presently scheduled to commence on **Thursday, March 12, 2020, at 9:00 a.m. (prevailing Central Time)**, or as soon thereafter as counsel may be heard, before the Honorable David R. Jones in the United States Courthouse, 515 Rusk Street, Houston, Texas 77002.

PLEASE TAKE FURTHER NOTICE that, except as otherwise set forth in the Bidding Procedures Order with respect to objections to the proposed Cure Amounts or the assumption or assignment of Lummus Executory Contracts and Expired Leases, objections, if any, to a proposed Sale **must**: (a) be in writing; (b) conform to the applicable provisions of the Bankruptcy Rules and the Local Rules; (c) state with particularity the legal and factual basis for the objection and the specific grounds therefor; and (d) be filed with the Court, so that it may be **actually received** by the following parties, prior to **Tuesday, March 10, 2020, at 4:00 p.m. (prevailing Central Time)** (the “Sale Objection Deadline”).

Counsel to the Debtors	Co-Counsel to the Debtors
Kirkland & Ellis LLP 601 Lexington Avenue New York, New York 10022 Attn.: Joshua A. Sussberg, P.C. (joshua.sussberg@kirkland.com), Christopher T. Greco, P.C. (christopher.greco@kirkland.com), Anthony R. Grossi (anthony.grossi@kirkland.com), and John R. Luze (john.luze@kirkland.com)	Jackson Walker L.L.P. 1401 McKinney Street Houston, Texas 77010 Attn: Matthew D. Cavanaugh (mcavanaugh@jw.com)

The United States Trustee	Counsel to Consenting Term and Superpriority Term Lenders
Office of the United States Trustee for the Southern District of Texas 515 Rusk Street, Suite 3516 Houston, Texas 77002 Attn.: Hector Duran (hector.duran.jr@usdoj.gov)	Davis Polk & Wardwell LLP 450 Lexington Avenue New York, New York 10017 Attn: Damian S. Schaible (damian.schaible@davispolk.com) and Natasha Tsiouris (Natasha.tsiouris@davispolk.com)
Counsel to Consenting 2021 LC Lenders	Counsel to the Proposed DIP LC Agent, the Proposed DIP Collateral Agent, the Revolving Administrative Agent and the Revolving and LC Administrative Agent
Latham & Watkins LLP 855 Third Avenue New York, New York 10022-4834 Attn: Melissa Alwang (melissa.alwang@lw.com)	Linklaters LLP 1345 Avenue of the Americas New York, New York 10105 Attn: Margot Schonholtz (margot.schonholtz@linklaters.com) and Penelope Jensen (Penelope.jensen@linklaters.com)
Co-Counsel to the Ad Hoc Group of Senior Noteholders	Co-Counsel to the Ad Hoc Group of Senior Noteholders
Paul, Weiss, Rifkind, Wharton & Garrison LLP 1285 6th Ave, New York, NY 10019 Attn: Andrew N. Rosenberg (arosenberg@paulweiss.com) and Alice Belisle Eaton (aeaton@paulweiss.com)	Brown Rudnick LLP 7 Times Square, New York, NY 10036 Attn: Robert J. Stark (rstark@brownrudnick.com) and Bennett S. Silverberg (bsilverberg@brownrudnick.com)

Consequences of Failing to Timely File and Serve an Objection:

Any party or entity who fails to timely file and serve an objection to the proposed Bidding Procedures or proposed Bidding Procedures Order on or before the Bidding Procedures Objection Deadline shall be forever barred from asserting any objection to the Bidding Procedures or Bidding Procedures Order.

Any party or entity who fails to timely file and serve an objection to the Sale on or before the Sale Objection Deadline in accordance with the Bidding Procedures Order shall be forever barred from asserting any objection to the Sale, including with respect to the transfer of the Lummus Assets and Interests free and clear of liens, claims, encumbrances, and other interests effected thereunder.

No Successor or Transferee Liability

The proposed Sale Order provides that, upon the Closing, no member of the Buyer Group shall, or shall be deemed to, (i) be the successor of or successor employer to any of the Sellers, including without limitation, with respect to any collective bargaining agreement, works council agreement, or other labor Contract, any Benefit Plans, or any Multiemployer Plans, and the Buyer and/or its affiliates (including the Target Entities), as applicable, shall instead be, and be deemed to be, a new employer, including with respect to, among other things, any and all federal or state unemployment laws, including any unemployment compensation or tax laws, or any other similar federal or state laws (provided that the Buyer shall pay any

employee-related liabilities to the extent included in the Assumed Liabilities); (ii) have any common law successorship liability in relation to any Benefit Plan or Multiemployer Plan, including with respect to withdrawal liability or contribution obligations; (iii) have, *de facto*, or otherwise, merged or consolidated with or into Sellers; (iv) be a mere continuation or substantial continuation of Sellers or the enterprise(s) of Sellers; or (v) be liable for any acts or omissions of Sellers in connection with any collective bargaining agreement, works council agreement, or other labor Contract, the conduct of the Business, or the operation, funding or administration of the Benefit Plans or Multiemployer Plans or arising under or related to the Purchased Assets other than as expressly set forth in the Stalking Horse SAPA and the Transaction Documents. Without limiting the generality of the foregoing, and except as otherwise provided in the Stalking Horse SAPA, the parties intend and the Court hereby finds that the Buyer Group shall not be liable for any encumbrance or Liability (other than Assumed Liabilities and Permitted Liens) against any Seller, or any of its predecessors or affiliates, and the Buyer Group shall have no successor or vicarious liability of any kind or character whether known or unknown as of the Closing Date, whether now existing or hereafter arising, or whether fixed or contingent, with respect to the Business, any collective bargaining agreement, works council agreement, or other labor Contract, the operation, funding, or administration of the Benefit Plans or Multiemployer Plans, the Purchased Assets or any Liabilities of any Seller arising or attributable to periods prior to the Closing Date. The Buyer would not have acquired the Purchased Assets but for the foregoing protections against potential claims based upon “successor liability,” *de facto* merger, or theories of similar effect.

PLEASE TAKE FURTHER NOTICE that the Debtors reserve the right, in their reasonable business judgment and subject to the exercise of their fiduciary duties, to modify the proposed Bidding Procedures, proposed Bidding Procedures Order, and/or to terminate discussions with any Potential Bidders at any time.

PLEASE TAKE FURTHER NOTICE that copies of the Bidding Procedures Motion, proposed Bidding Procedures, and proposed Bidding Procedures Order, as well as all related exhibits, are available free of charge upon request to Prime Clerk LLC (the notice and claims agent retained in these chapter 11 cases) (a) by calling (877) 426-7705 (Toll Free) or (917) 994-8380 (International); (b) emailing McDermottInfo@primeclerk.com; (c) by visiting the website maintained in these chapter 11 cases at (<https://cases.primeclerk.com/McDermott>); or (d) for a fee via PACER by visiting (<http://www.txs.uscourts.gov>).

Houston, Texas
January 29, 2020

/s/ Matthew D. Cavanaugh

JACKSON WALKER L.L.P.

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