

MRC GLOBAL INC.
Form DEF 14A
April 01, 2013
Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

MRC GLOBAL INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

1) Amount Previously Paid:

2) Form, Schedule or Registration Statement No.:

3) Filing Party:

4) Date Filed:

Table of Contents

ANDREW R. LANE

CHAIRMAN OF THE BOARD, PRESIDENT AND CHIEF EXECUTIVE OFFICER

Dear MRC Global Stockholders:

I am pleased to invite you to the first Annual Meeting of stockholders of MRC Global Inc. to be held on Wednesday, May 8, 2013, at 2:00 p.m., Eastern Daylight Time, at the Nosotri Room, Millenium Hilton Hotel, 55 Church Street, New York, New York 10007.

Details about the meeting and the business to be conducted during the meeting are more fully described in the accompanying Notice of Annual Meeting and Proxy Statement. Also at the Annual Meeting we will provide a report on our operations, followed by a question-and-answer period.

Your vote is very important. Even if you cannot attend the Annual Meeting, please vote as soon as possible. You may vote by mail, over the internet, or by telephone. Voting will ensure your representation at the Annual Meeting regardless of whether you attend in person.

Thank you for your continued support and continued interest in MRC Global Inc.

Best regards,

Andrew R. Lane

April 1, 2013

Table of Contents**TABLE OF CONTENTS**

<u>NOTICE OF ANNUAL MEETING OF STOCKHOLDERS</u>	
<u>GENERAL</u>	- 1 -
<u>MATTERS TO BE CONSIDERED AT THE ANNUAL MEETING</u>	- 1 -
<u>QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING AND VOTING</u>	- 1 -
<u>SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS</u>	- 6 -
<u>PROPOSAL I PROPOSAL TO ELECT DIRECTORS</u>	-10 -
<u>CORPORATE GOVERNANCE AND BOARD MATTERS</u>	- 16 -
<u>CORPORATE GOVERNANCE</u>	- 16 -
<u>CODE OF ETHICS</u>	- 17 -
<u>BOARD OF DIRECTORS</u>	- 18 -
<u>DIRECTOR INDEPENDENCE</u>	- 18 -
<u>BOARD LEADERSHIP STRUCTURE</u>	- 18 -
<u>RISK OVERSIGHT</u>	- 19 -
<u>MEETINGS OF THE BOARD AND COMMITTEES</u>	- 19 -
<u>MEETINGS OF NON-MANAGEMENT DIRECTORS</u>	- 19 -
<u>COMMITTEES OF THE BOARD</u>	- 19 -
<u>LEGAL PROCEEDINGS</u>	- 21 -
<u>NON-EMPLOYEE DIRECTOR COMPENSATION</u>	- 21 -
<u>EXECUTIVE COMPENSATION</u>	- 23 -
<u>COMPENSATION DISCUSSION AND ANALYSIS</u>	- 23 -
<u>COMPENSATION COMMITTEE REPORT</u>	- 32 -
<u>RISK IN RELATION TO COMPENSATION PROGRAMS</u>	- 32 -
<u>EMPLOYMENT AGREEMENTS</u>	- 32 -
<u>SUMMARY COMPENSATION TABLE FOR 2012</u>	- 34 -
<u>GRANTS OF PLAN-BASED AWARDS IN FISCAL YEAR 2012</u>	- 36 -
<u>OUTSTANDING EQUITY AWARDS AT 2012 FISCAL YEAR-END</u>	- 37 -
<u>OPTION EXERCISES AND STOCK VESTED DURING 2012</u>	- 38 -
<u>NON-QUALIFIED DEFERRED COMPENSATION</u>	- 38 -
<u>POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE IN CONTROL</u>	- 39 -
<u>CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS</u>	- 45 -
<u>TRANSACTIONS WITH THE GOLDMAN SACHS FUNDS</u>	- 46 -
<u>GOVERNANCE AGREEMENT</u>	- 47 -
<u>REGISTRATION RIGHTS AGREEMENT</u>	- 47 -
<u>TRANSACTIONS WITH PRIDECO</u>	- 47 -
<u>TRANSACTIONS WITH HANSFORD ASSOCIATES LIMITED PARTNERSHIP</u>	- 48 -
<u>GS ACQUISITION</u>	- 48 -
<u>RELATED PARTY TRANSACTION POLICY</u>	- 48 -
<u>SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE</u>	- 49 -
<u>REPORT OF THE AUDIT COMMITTEE</u>	- 49 -
<u>PROPOSAL II ADVISORY VOTE ON EXECUTIVE COMPENSATION</u>	- 50 -
<u>PROPOSAL III ADVISORY VOTE ON THE FREQUENCY OF ADVISORY VOTES ON THE COMPANY S</u>	
<u>EXECUTIVE COMPENSATION</u>	- 51 -
<u>PROPOSAL IV RATIFICATION OF THE APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC</u>	
<u>ACCOUNTING FIRM</u>	- 52 -
<u>PRINCIPAL ACCOUNTING FEES AND SERVICES</u>	- 52 -
<u>POLICY ON AUDIT COMMITTEE PRE-APPROVAL OF AUDIT AND NON-AUDIT SERVICES OF INDEPENDENT AUDITORS</u>	- 52 -
<u>INCORPORATION BY REFERENCE</u>	- 53 -
<u>WEBSITE ACCESS TO REPORTS AND OTHER INFORMATION</u>	- 53 -

Table of Contents

MRC GLOBAL INC.

2 Houston Center, Suite 3100

909 Fannin Street

Houston, Texas 77010

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

May 8, 2013

NOTICE IS HEREBY GIVEN that the 2013 Annual Meeting of the stockholders of MRC Global Inc. will be held. Details for the meeting are as follows:

- TIME** 2:00 p.m., Eastern Daylight Time, on Wednesday, May 8, 2013
- PLACE** Millenium Hilton Hotel, Nosotri Room, 55 Church Street, New York, New York 10007
- ITEMS OF BUSINESS**
- I. To elect the 12 director nominees identified in this Proxy Statement each for a one-year term;
 - II. To conduct an advisory vote on the company's executive compensation;
 - III. To conduct an advisory vote on the frequency of advisory votes on the company's executive compensation;
 - IV. To ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm for 2013; and
 - V. The transaction of any other business as may properly come before the Annual Meeting or any reconvened meeting after adjournment.
- RECORD DATE** You can vote and attend the Annual Meeting if you were a stockholder of record at the close of business on March 19, 2013.
- ANNUAL REPORT** Our 2012 Annual Report, which includes a copy of our Annual Report on Form 10-K, accompanies this Proxy Statement.
- VOTING** Even if you intend to be present at the Annual Meeting, please promptly vote in one of the following ways so that your shares of common stock may be represented and voted at the Annual Meeting:
- Call the toll-free telephone number shown on the proxy card;
 - Vote via the internet on the website shown on the proxy card; or
 - Mark, sign, date, and return the enclosed proxy card in the postage-paid envelope.

Important Notice Regarding the Availability of Proxy Materials for the Stockholder Meeting To Be Held on May 8, 2013:

The Annual Report and Proxy Statement are available at www.edocumentview.com/MRC.

By order of the Board of Directors,

Daniel J. Churay

Executive Vice President - Corporate Affairs,

General Counsel and Corporate Secretary

Houston, Texas

April 1, 2013

Table of Contents

MRC GLOBAL INC.

2 Houston Center, Suite 3100

909 Fannin Street

Houston, Texas 77010

PROXY STATEMENT

GENERAL

We are furnishing this Proxy Statement to you as part of a solicitation by the Board of Directors (the **Board**) of MRC Global Inc., a Delaware corporation, for use at our 2013 Annual Meeting of Stockholders (the **Annual Meeting**) and at any reconvened meeting after an adjournment or postponement of the meeting. We will hold the Annual Meeting in the Nosotri Room, Millenium Hilton Hotel, 55 Church Street, New York, New York 10007 on Wednesday, May 8, 2013, at 2:00 p.m., New York City, New York time. Unless the context otherwise requires, all references in this Proxy Statement to **MRC**, the **Company**, **we**, **us**, and **our** refer to MRC Global Inc. and its consolidated subsidiaries.

Our telephone number is 713-655-1005 or 877-294-7574, and our mailing address is 2 Houston Center, Suite 3100, 909 Fannin Street, Houston, Texas 77010. Our website is located at www.mrcglobal.com. Information on our website does not constitute part of this Proxy Statement.

As permitted by the rules of the Securities and Exchange Commission (**SEC**), we have elected to send you this full set of proxy materials, including a proxy card, and additionally to notify you of the availability of these proxy materials on the internet. This Proxy Statement and our 2012 Annual Report are available at www.edocumentview.com/MRC, which does not have **cookies** that identify visitors to the site.

We expect to mail this Proxy Statement and accompanying proxy card to stockholders of our common stock beginning on April 1, 2013.

MATTERS TO BE CONSIDERED AT THE ANNUAL MEETING

At the Annual Meeting, you will consider and vote upon:

- I. The election of the 12 director nominees identified in this Proxy Statement each for a one-year term;
- II. An advisory vote on the Company's executive compensation;
- III. An advisory vote on the frequency of advisory votes on the Company's executive compensation;
- IV. The ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for 2013; and

- V. The transaction of any other business as may properly come before the Annual Meeting or any reconvened meeting after an adjournment.

QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING AND VOTING

Q: Why am I receiving these materials?

A: You are receiving these materials because, at the close of business on March 19, 2013 (the Record Date), you owned shares of MRC common stock. All stockholders of record on the Record Date are entitled to attend and vote at the Annual Meeting. Each stockholder will have one vote on each matter for every share of common stock owned on the Record Date. On the Record Date, we had 101,637,049 shares of common stock outstanding. (Any shares held in our treasury on the Record Date are not considered outstanding and will not be voted or considered present at the meeting.)

- 1 -

Table of Contents

Q: What information is contained in this Proxy Statement?

A: This Proxy Statement includes information about the nominees for director and other matters to be voted on at the Annual Meeting. It also explains the voting process and requirements; describes the compensation of the principal executive officer, the principal financial officer, and the three other most highly compensated officers (collectively referred to as our Named Executive Officers or NEOs); describes the compensation of our directors; and provides certain other information that SEC rules require.

Q: What matters am I voting on, how may I vote on each matter and how does the Board recommend that I vote on each matter?

A: The following table sets forth each of the proposals you are being asked to vote on, how you may vote on each proposal and how the Board recommends that you vote on each proposal:

Proposal	How may I vote?	How does the Board recommend that I vote?
I. The election of the 12 director nominees identified in this Proxy Statement each for a one-year term.	<p>You may:</p> <p>(i) vote FOR the election of all nominees named herein;</p> <p>(ii) withhold authority to vote for all such nominees; or</p> <p>(iii) vote FOR the election of all such nominees other than any nominees with respect to whom the vote is specifically withheld by indicating in the space provided on the proxy.</p>	<p>The Board recommends that you vote FOR the director nominees.</p>
II. An advisory vote on executive compensation.	<p>You may vote FOR or AGAINST the advisory vote on executive compensation, or you may indicate that you wish to ABSTAIN from voting on the matter.</p>	<p>The Board recommends that you vote FOR the approval, on an advisory basis, of the Company's executive compensation.</p>
III. An advisory vote on the frequency of advisory votes on the Company's executive compensation.	<p>You may vote in favor of the Company seeking an advisory vote on executive compensation EVERY YEAR, EVERY TWO YEARS, or EVERY THREE YEARS, or you may indicate you wish to ABSTAIN from voting on the matter.</p>	<p>The Board recommends that you vote in favor of the Company seeking an advisory vote on executive compensation EVERY YEAR.</p>
IV. The ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for 2013.	<p>You may vote FOR or AGAINST the ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for 2013, or you</p>	<p>The Board recommends that you vote FOR the ratification of Ernst & Young LLP as our independent registered public</p>

may indicate that you wish to **ABSTAIN** accounting firm for 2013.
from voting on the matter.

Table of Contents

We are not aware of any matter to be presented at the Annual Meeting that is not included in this Proxy Statement. However, your proxy authorizes the persons named on the proxy card to take action on additional matters that may properly arise. These individuals will exercise their best judgment to vote on any other matter, including a question of adjourning the Annual Meeting.

Q. What is the difference between a stockholder of record and a stockholder who holds stock in street name?

A. If your shares are registered in your name with our transfer agent, Computershare Trust Company, N.A. (Computershare), you are a stockholder of record, and Computershare sent to you directly the Company's proxy materials, including a proxy card. If you hold your shares with a broker or in an account at a bank, then you are a beneficial owner of shares held in street name. Your broker or bank, who is considered the stockholder of record for purposes of voting at the Annual Meeting, forwarded to you the Company's proxy materials. Your broker or bank should also have provided you with instructions for directing the broker or bank how to vote your shares.

Q: How do I vote if I am a stockholder of record?

A: As a stockholder of record, you may vote your shares in any one of the following ways:

Call the toll-free number shown on the proxy card;

Vote on the internet on the website shown on the proxy card;

Mark, sign, date, and return the enclosed proxy card in the postage-paid envelope; or

Vote in person at the Annual Meeting.

Q: How do I vote if I am a beneficial owner?

A: As the beneficial owner, you have the right to direct your broker or bank how to vote your shares by following the instructions that your broker or bank sent to you. You will receive proxy materials and voting instructions for each account that you have with a broker or bank. As a beneficial owner, if you wish to change the directions that you have provided your broker or bank, you should follow the instructions that your broker or bank sent to you.

As a beneficial owner, you are also invited to attend the Annual Meeting. However, since you are not the stockholder of record, you may not vote your shares in person at the meeting unless you obtain a signed legal proxy from your broker or bank giving you the right to vote the shares.

Q: Will my shares held in street name be voted if I do not tell my broker or bank how I want them voted?

A: Under the rules of the New York Stock Exchange (NYSE), if you are a beneficial owner, your broker or bank only has discretion to vote on certain routine matters without your voting instructions. The proposal to ratify Ernst & Young LLP as our independent registered public

Edgar Filing: MRC GLOBAL INC. - Form DEF 14A

accounting firm is considered a routine matter. However, the election of directors, the advisory vote on the Company's executive compensation, and the advisory vote on the frequency of advisory votes on the Company's executive compensation are not considered routine matters. Accordingly, your broker or bank will not be permitted to vote your shares on these matters unless you provide proper voting instructions.

Q: What if I return my proxy card or vote by internet or phone but do not specify how I want to vote?

A: If you are a stockholder of record and sign and return your proxy card or complete the internet or telephone voting procedures, but do not specify how you want to vote your shares, we will vote them as follows:

- I. **FOR** the election of the director nominees.

- II. **FOR** the approval, on an advisory basis, of the Company's executive compensation.

- 3 -

Table of Contents

- III. **FOR** the approval, on an advisory basis, of the frequency of advisory votes on the Company's executive compensation **EVERY YEAR.**
- IV. **FOR** the approval ratifying the appointment of Ernst & Young LLP as our independent registered public accounting firm for 2013.

Q: Can I change my vote or revoke my proxy?

A: If you are a stockholder of record, you can change your vote within the regular voting deadlines by voting again by telephone or on the internet, executing and returning a later dated proxy, or attending the Annual Meeting and voting in person. If you are a stockholder of record, you can revoke your proxy by delivering a written notice of your revocation to our corporate secretary at 2 Houston Center, Suite 3100, 909 Fannin Street, Houston, Texas 77010.

Q: What shares are included on my proxy card?

A: You will receive one proxy card for all the shares of common stock that you hold as a stockholder of record (in certificate form or in book-entry form).

If you hold your shares in street name, you will receive voting instructions for each account you have with a broker or bank.

Q: How may I obtain directions to attend the Annual Meeting?

A: If you need assistance with directions to attend the Annual Meeting, call us at 713-655-1005 or 877-294-7574 or write us at MRC Global Inc., 2 Houston Center, Suite 3100, 909 Fannin Street, Houston, Texas 77010, Attn: Corporate Secretary.

Q: What is the quorum requirement for the Annual Meeting?

A: There must be quorum to take action at the Annual Meeting (other than action to adjourn or postpone the meeting for lack of a quorum). A quorum will exist at the Annual Meeting if stockholders holding a majority of the shares entitled to vote at the Annual Meeting are present in person or by proxy. Stockholders of record who return a proxy or vote in person at the meeting will be considered part of the quorum. Abstentions are counted as present for determining a quorum. Uninstructed broker votes, also called broker non-votes, are also counted as present for determining a quorum so long as there is at least one matter that a broker may vote on without specific instructions from a beneficial owner. See *Will my shares held in street name be voted if I do not tell my broker how I want them voted?*

Table of Contents

Q: What is the voting requirement to approve each of the proposals?

A: The following table sets forth the voting requirement with respect to each of the proposals:

Proposal	Voting Requirement
I. The election of the 12 director nominees identified in this Proxy Statement each for a one-year term.	Each director must be elected by a plurality of the votes cast.
II. An advisory vote on the Company's executive compensation.	To be approved, this proposal must be approved by a majority of the votes cast by the stockholders present in person or represented by proxy, meaning that the votes cast by the stockholders FOR the approval of the proposal must exceed the number of votes cast AGAINST the approval of the proposal.
III. An advisory vote on the frequency of advisory votes on the Company's executive compensation.	To be approved, this proposal must be approved by a majority of the votes cast by the stockholders present in person or represented by proxy, meaning that the votes cast by the stockholders FOR the approval of the proposal must exceed the number of votes cast AGAINST the approval of the proposal.
IV. The ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for 2013.	To be approved, this proposal must be approved by a majority of the votes cast by the stockholders present in person or represented by proxy, meaning that the votes cast by the stockholders FOR the approval of the proposal must exceed the number of votes cast AGAINST the approval of the proposal.

Other matters that may properly come before the Annual Meeting may require more than a majority vote under our bylaws, our Restated Certificate of Incorporation, the laws of Delaware or other applicable laws.

Q: How will the votes be counted?

A: Abstentions from voting on the election of a director nominee will not be considered a vote cast with respect to that director's election and, therefore, will not be counted in determining whether the director received a plurality of the votes cast. Abstentions from voting on any other proposal will have the same effect as a vote against that proposal.

Broker non-votes (*i.e.*, shares held by brokers or nominees that cannot be voted because the beneficial owner did not provide specific voting instructions) will be treated as not present and not entitled to vote.

Q: Who will count the votes?

A: A representative of Computershare will act as the inspector of elections and count the votes.

Q: Where can I find the voting results of the meeting?

A: We will announce the preliminary voting results at the meeting. We also will disclose the final voting results in a Form 8-K within four business days after the Annual Meeting.

Q: May I propose actions for consideration at the 2014 meeting of stockholders?

A: Yes. For your proposal to be considered for inclusion in our Proxy Statement for the 2014 meeting, we must receive your written proposal no later than December 2, 2013. If we change the date of the 2014 Annual

- 5 -

Table of Contents

Meeting by more than 30 days from the anniversary of the date of this year's Annual Meeting, then the deadline to submit proposals will be a reasonable time before we begin to print and mail our proxy materials. Your proposal, including the manner in which you submit it, must comply with SEC regulations regarding stockholder proposals.

If you wish to raise a proposal (including a director nomination) from the floor during our 2014 Annual Meeting of stockholders, we must receive a written notice of the proposal between January 8, 2014 and February 7, 2014. Your submission must contain the additional information that our bylaws require. Proposals should be addressed to our Corporate Secretary at 2 Houston Center, Suite 3100, 909 Fannin Street, Houston, Texas 77010.

Q: Who is paying for this proxy solicitation?

A: Our Board is soliciting your proxy. We expect to solicit proxies in person, by telephone, or by other electronic means. We have retained Morrow & Co. to assist in this solicitation. We expect to pay Morrow & Co. an estimated \$7,500 in fees, plus expenses and disbursements. We will pay the expenses of this proxy solicitation, including the cost of preparing and mailing the Proxy Statement and accompanying proxy card. These expenses may include the charges and expenses of banks, brokerage firms and other custodians, nominees or fiduciaries for forwarding proxy materials to beneficial owners of our common stock.

Q: Are you householding for stockholders sharing the same address?

A: The SEC's rules permit us to deliver a single copy of this Proxy Statement and our 2012 Annual Report to an address that two or more stockholders share. This method of delivery is referred to as "householding" and can significantly reduce our printing and mailing costs. It also reduces the volume of mail that you receive. We will deliver only one Proxy Statement and 2012 Annual Report to multiple registered stockholders sharing an address, unless we receive instructions to the contrary from one or more of the stockholders. We will still send each stockholder an individual proxy card.

If you would like to receive more than one copy of this Proxy Statement and our 2012 Annual Report, we will promptly send you additional copies upon request directed to our transfer agent, Computershare. You can call Computershare toll free at 1-800-962-4284. You can call the same phone number to notify us that you wish to receive a separate Annual Report or Proxy Statement in the future or to request delivery of a single copy of any materials if you are receiving multiple copies now.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The following table presents information regarding beneficial ownership of our common stock as of March 19, 2013 by:

each of our directors;

each of our Named Executive Officers;

each stockholder that we know to beneficially hold five percent or more of our common stock; and

all of our executive officers and directors as a group.

Beneficial ownership is determined under the rules of the SEC and generally includes voting or investment power with respect to securities. Unless indicated below, to our knowledge, the persons and entities that the table names have sole voting and sole investment power with respect to all shares beneficially owned, subject to community property laws where applicable. Shares of common stock subject to options that are

currently exercisable or exercisable within 60 days of the date of this report are deemed to be outstanding and to be

Table of Contents

beneficially owned by the person holding the options for the purpose of computing the percentage ownership of that person but are not treated as outstanding for the purpose of computing the percentage ownership of any other person. Except as otherwise indicated, the business address for each of our beneficial owners is c/o MRC Global Inc., 2 Houston Center, 909 Fannin Street, Suite 3100, Houston, Texas 77010.

Name and Address	Number of Shares Beneficially Owned	Percent
PVF Holdings(1)	29,082,208	28.6%
The Goldman Sachs Group, Inc.(1) 200 West Street, New York, New York 10282	29,082,208	28.6%
Andrew R. Lane(2)	883,557	*
James E. Braun(3)	12,666	*
Daniel J. Churay(4)	4,791	*
James F. Underhill(5)	20,370	*
Neil P. Wagstaff(6)	20,400	*
Leonard M. Anthony(7)	34,645	*
Rhys J. Best(8)	20,413	*
Peter C. Boylan, III(9)	19,065	*
Henry Cornell(1)	29,082,208	28.6%
Christopher A.S. Crampton(1)	29,082,208	28.6%
John F.X. Daly(1)	29,082,208	28.6%
Craig Ketchum(10)		
Gerard P. Krans(11)	1,348	*
Dr. Cornelis A. Linse(12)	13,484	*
John A. Perkins(13)	29,809	*
H.B. Wehrle, III(14)		
All directors and executive officers, as a group (20 persons)(15)	30,250,388	29.8%
Alan Fournier and Pennant Capital Management, L.L.C.(16)	6,994,971	6.9%
Select Equity Group, Inc., Select Offshore Advisors, LLC and George S. Loening, the controlling shareholder(17)	6,375,054	6.3%

* Less than 1%.

(1) PVF Holdings, LLC, a Delaware limited liability company (PVF Holdings), directly owns 29,082,208 shares of our common stock. GS Capital Partners V Fund, L.P., GS Capital Partners V Offshore Fund, L.P., GS Capital Partners V GmbH & Co. KG, GS Capital Partners V Institutional, L.P., GS Capital Partners VI Fund, L.P., GS Capital Partners VI Offshore Fund, L.P., GS Capital Partners VI Parallel, L.P., and GS Capital Partners VI GmbH & Co. KG (collectively, the Goldman Sachs Funds) are members of PVF Holdings and own common units of PVF Holdings. The Goldman Sachs Funds common units in PVF Holdings correspond to 17,467,495 shares of our common stock. The Goldman Sachs Group, Inc., and

Table of Contents

Goldman, Sachs & Co. may be deemed to beneficially own indirectly, in the aggregate, all of the common stock owned by PVF Holdings because:

- (i) affiliates of Goldman, Sachs & Co. and The Goldman Sachs Group, Inc. are the general partner, managing general partner, managing partner, managing member or member of the Goldman Sachs Funds; and
- (ii) the Goldman Sachs Funds control PVF Holdings and have the power to vote or dispose of all of the common stock of the Company owned by PVF Holdings. Goldman, Sachs & Co. is a direct and indirect wholly owned subsidiary of The Goldman Sachs Group, Inc. Goldman, Sachs & Co. is the investment manager of certain of the Goldman Sachs Funds. Shares of common stock that may be deemed to be beneficially owned by the Goldman Sachs Funds that correspond to the Goldman Sachs Funds common units of PVF Holdings consist of:

4,916,777 shares of common stock deemed to be beneficially owned by GS Capital Partners V Fund, L.P. and its general partner, GSCP V Advisors, L.L.C.;

2,539,801 shares of common stock deemed to be beneficially owned by GS Capital Partners V Offshore Fund, L.P. and its general partner, GSCP V Offshore Advisors, L.L.C.;

1,686,029 shares of common stock deemed to be beneficially owned by GS Capital Partners V Institutional, L.P. and its general partner, GS Advisors V, L.L.C.;

194,933 shares of common stock deemed to be beneficially owned by GS Capital Partners V GmbH & Co. KG and its managing limited partner, GS Advisors V, L.L.C.;

3,794,988 shares of common stock deemed to be beneficially owned by GS Capital Partners VI Fund, L.P. and its general partner, GSCP VI Advisors, L.L.C.;

3,156,537 shares of common stock deemed to be beneficially owned by GS Capital Partners VI Offshore Fund, L.P. and its general partner, GSCP VI Offshore Advisors, L.L.C.;

1,043,556 shares of common stock deemed to be beneficially owned by GS Capital Partners VI Parallel, L.P. and its general partner, GS Advisors VI, L.L.C.; and

134,874 shares of common stock deemed to be beneficially owned by GS Capital Partners VI GmbH & Co. KG and its managing limited partner, GS Advisors VI, L.L.C.

Henry Cornell, John F.X. Daly and Christopher A.S. Crampton are Managing Directors of Goldman, Sachs & Co. Messrs. Cornell, Daly and Crampton, The Goldman Sachs Group, Inc. and Goldman, Sachs & Co. each disclaims beneficial ownership of the shares of common stock that PVF Holdings and the Goldman Sachs Funds directly or indirectly own, except to the extent of their pecuniary interest therein, if any.

- (2) Mr. Lane owns no shares of our common stock directly. In September 2008, Mr. Lane invested \$3 million to acquire 85,109 shares of common stock, which are currently owned through a limited partnership. Additionally, Mr. Lane owns 138,850 shares of restricted common stock and options to purchase 659,598 shares of our common stock, which are exercisable within the next 60 days, through a limited partnership.

Edgar Filing: MRC GLOBAL INC. - Form DEF 14A

- (3) Mr. Braun owns 5,000 shares of our common stock directly and 7,666 shares of restricted common stock.
- (4) Mr. Churay owns 4,791 shares of restricted common stock.
- (5) Mr. Underhill owns 5,000 shares of our common stock directly and 5,324 shares of restricted common stock. Mr. Underhill owns 32,979 shares indirectly through his ownership of common units and profits units in PVF Holdings. Mr. Underhill does not have the power to vote or dispose of shares of our common stock that correspond to his ownership of common units in PVF Holdings and, thus, does not have beneficial ownership of the shares. Mr. Underhill's profits units do not give him beneficial ownership of any shares of our common stock because the profits units do not give Mr. Underhill the power to vote or dispose of the shares. Mr. Underhill owns options to purchase 10,046 shares of our common stock, which are exercisable within the next 60 days.
- (6) Mr. Wagstaff owns 3,069 shares of restricted common stock. Mr. Wagstaff owns 268,507 shares indirectly through his ownership of common units in PVF Holdings. Mr. Wagstaff does not have the power to vote or dispose of shares of our common stock that correspond to his ownership of common units in PVF Holdings

Table of Contents

- and, thus, does not have beneficial ownership of the shares. Mr. Wagstaff owns options to purchase 17,331 shares of our common stock, which are exercisable within the next 60 days.
- (7) Mr. Anthony owns 14,184 shares of our common stock and 13,440 shares of MRC restricted common stock directly. Mr. Anthony also owns options to purchase 7,021 shares of our common stock, which are exercisable within the next 60 days.
 - (8) Mr. Best owns no shares of common stock directly. Mr. Best owns 10,917 shares indirectly due to his limited liability company's ownership of common units in PVF Holdings. Mr. Best does not have the power to vote or dispose of shares of our common stock that correspond to the limited liability company's ownership of common units in PVF Holdings and, thus, does not have beneficial ownership of the shares. Mr. Best also owns options to purchase 20,413 shares of our common stock, which are exercisable within the next 60 days.
 - (9) Mr. Boylan owns no shares of common stock directly. Mr. Boylan owns 21,834 shares indirectly through his ownership of common units in PVF Holdings. Mr. Boylan does not have the power to vote or dispose of shares of common stock that correspond to his ownership of common units in PVF Holdings and, thus, does not have beneficial ownership of the shares. Mr. Boylan also owns options to purchase 19,065 shares of our common stock, which are exercisable within the next 60 days.
 - (10) Mr. Ketchum owns no shares of common stock directly. Mr. Ketchum owns common units and profits units in PVF Holdings both directly and through a limited liability company that correspond to 996,451 shares of our common stock. Mr. Ketchum does not have the power to vote or dispose of shares of our common stock that correspond to his ownership or his limited liability company's ownership of common units in PVF Holdings and, thus, does not have beneficial ownership of the shares. Mr. Ketchum's profits units do not give Mr. Ketchum beneficial ownership of any shares of our common stock because the profits units do not give Mr. Ketchum the power to vote or dispose of the shares.
 - (11) Mr. Krans owns no shares of common stock directly. Mr. Krans owns 1,834,801 shares indirectly through his ownership of common units in PVF Holdings. Mr. Krans does not have the power to vote or dispose of shares of our common stock that correspond to his ownership of common units in PVF Holdings and, thus, does not have beneficial ownership of the shares. Mr. Krans also owns options to purchase 1,348 shares of our common stock, which are exercisable within the next 60 days.
 - (12) Dr. Linse owns 10,787 shares of common stock directly. Dr. Linse also owns options to purchase 2,697 shares of our common stock, which are exercisable within the next 60 days.
 - (13) Mr. Perkins owns 21,853 shares of our common stock and 5,771 shares of MRC restricted common stock directly. Mr. Perkins also owns options to purchase 2,185 shares of our common stock, which are exercisable within the next 60 days.
 - (14) Mr. Wehrle owns no shares of our common stock directly. Mr. Wehrle owns 477,536 shares through his ownership of common units and profits units in PVF Holdings. Mr. Wehrle does not have the power to vote or dispose of shares of our common stock that correspond to his ownership of common units in PVF Holdings and, thus, does not have beneficial ownership of the shares. Mr. Wehrle's profits units do not give Mr. Wehrle beneficial ownership of any shares of our common stock because the profits units do not give Mr. Wehrle the power to vote or dispose of the shares.
 - (15) The number of shares of our common stock that all of our directors and executive officers, as a group, own reflects:

all shares of our common stock directly owned by PVF Holdings, with respect to which Henry Cornell, John F.X. Daly and Christopher A.S. Crampton may be deemed to share beneficial ownership;

85,109 shares of unrestricted MRC common stock, 138,850 shares of restricted MRC common stock and options to purchase 659,598 shares of our common stock that Andrew R. Lane, Chairman, President and Chief Executive Officer and a director of MRC Global Inc., holds through a limited partnership;

5,000 shares of unrestricted MRC common stock and 7,666 shares of restricted common stock that James E. Braun, Executive Vice President and Chief Financial Officer holds;

4,791 shares of restricted common stock that Daniel J. Churay, Executive Vice President - Corporate Affairs, General Counsel and Corporate Secretary holds;

Table of Contents

5,000 shares of unrestricted MRC common stock, 5,324 shares of restricted common stock and options to purchase 10,046 shares of our common stock that James F. Underhill, Executive Vice President and Chief Operating Officer United States, holds.;

3,069 shares of restricted common stock and options to purchase 17,331 shares of our common stock that Neil P. Wagstaff, Executive Vice President of International Operations, holds;

14,184 shares of unrestricted MRC common stock, 13,440 shares of restricted MRC common stock and options to purchase 7,021 shares of our common stock that Leonard Anthony, director of MRC, holds;

options to purchase 20,413 shares of our common stock that Rhys J. Best, director of MRC, holds;

options to purchase 19,065 shares of our common stock that Peter C. Boylan, III, director of MRC, holds;

options to purchase 1,348 shares of our common stock that Gerard P. Krans, director of MRC, holds;

10,787 shares of unrestricted MRC common stock and options to purchase 2,697 of our common stock that Dr. Cornelis A. Linse, a director of MRC, holds;

21,853 shares of unrestricted MRC common stock, 5,771 shares of restricted MRC common stock and options to purchase 2,185 shares of our common stock that John Perkins, director of MRC, holds; and

2,500 shares of unrestricted MRC common stock, 19,287 shares of restricted MRC common stock and options to purchase 85,845 shares of our common stock that other executive officers hold.

(16) On February 14, 2013, Alan Fournier and Pennant Capital Management, L.L.C. filed schedule 13G with the Securities and Exchange Commission reporting shared beneficial ownership of 6,994,971 shares of common stock, which represents 6.9% of MRC Global's outstanding common stock.

(17) On February 14, 2013, Select Equity Group, Inc., Select Offshore Advisors, LLC and George S. Loening, the controlling shareholder of Select and Select Offshore, filed schedule 13G with the Securities and Exchange Commission reporting collective beneficial ownership of 6,375,054 shares of common stock, which represents 6.3% of MRC's outstanding common stock. Select Equity Group, Inc. reported 3,491,274 shares of common stock and Select Offshore Advisors, LLC reported 2,883,780 shares of common stock.

PROPOSAL I

PROPOSAL TO ELECT DIRECTORS

At the Annual Meeting, our stockholders will elect 12 directors to hold office until the 2014 Annual Meeting, or until their successors are elected and qualified, their earlier retirement, removal or death. Each director has served continuously since the date of his appointment. All nominees have consented to being named in this Proxy Statement and to serve if elected.

Table of Contents

If any nominee should be unable or unwilling to stand for election as a director, it is intended that the common stock represented by proxies will be voted for the election of a substitute that the Board may nominate.

<i>Andrew R. Lane</i>	53	<p>Mr. Lane has served as our president and chief executive officer (CEO) since September 2008 and our chairman of the Board since December 2009. He has also served as a director of MRC Global Inc. since September 2008. From December 2004 to December 2007, he served as executive vice president and chief operating officer of Halliburton Company, where he was responsible for Halliburton's overall operational performance, managed over 50,000 employees worldwide and oversaw the integration of several mergers and acquisitions. Prior to that, he held a variety of leadership roles within Halliburton, serving as president and CEO of Kellogg Brown & Root, Inc. from July 2004 to November 2004, as senior vice president, global operations of Halliburton Energy Services Group from April 2004 to July 2004, as president of the Landmark Division of Halliburton Energy Services Group from May 2003 to March 2004, and as president and CEO of Landmark Graphics Corporation from April 2002 to April 2003. He was also chief operating officer of Landmark Graphics from January 2002 to March 2002 and vice president, production enhancement PSL, completion products PSL and tools/testing/TCP of Halliburton Energy Services Group from January 2000 to December 2001. Mr. Lane served as a director of KBR, Inc. from June 2006 to April 2007. He began his career in the oil and natural gas industry as a field engineer for Gulf Oil Corporation in 1982, and later worked as a production engineer in Gulf Oil's Pipeline Design and Permits Group. Mr. Lane received a B.S. in mechanical engineering from Southern Methodist University in 1981 (cum laude). He also completed the Advanced Management Program (A.M.P.) at Harvard Business School in 2000. He is a member of the executive board of the Southern Methodist University School of Engineering.</p>
Director since September 2008		<p>Mr. Lane is uniquely qualified to serve as one of our directors due to his extensive executive and leadership experience in the oil and natural gas industry and his deep knowledge of our operations.</p>
<i>Leonard M. Anthony</i>	58	<p>Mr. Anthony served as the president and CEO of WCI Steel, Inc., an integrated producer of custom steel products, from December 2007 to October 2008. He was also a member of the board of directors of WCI Steel from December 2007 to October 2008. Mr. Anthony has more than 25 years of financial and operational management experience. From April 2005 to August 2007, Mr. Anthony was the executive vice president and chief financial officer of Dresser-Rand Group Inc., a global supplier of rotating equipment solutions to the oil, natural gas, petrochemical and processing industries. From May 2003 to April 2005, he served as chief financial officer of International Steel Group Inc. From 1979 to 2003, he worked at Bethlehem Steel Corporation, where he held various managerial and leadership positions. Mr. Anthony had been the vice president of finance and treasurer of Bethlehem from October 1999 to September 2001 and senior vice president and chief financial officer from October 2001 to its acquisition by International Steel in April 2003, where he assumed the role of chief financial officer and treasurer. Mr. Anthony also serves as Chairman of the board of TechPrecision Corp (TPCS), where he is a member of the Audit</p>
Director since October 2008		

Table of Contents

Committee and Compensation Committee, and the board of NanoSteel Company. Mr. Anthony earned a bachelor of science in accounting from Pennsylvania State University, a masters of business administration from the Wharton School of the University of Pennsylvania and an A.M.P. from Harvard Business School.

Mr. Anthony has extensive experience at multiple levels of financial control, planning and reporting and risk management for large corporate enterprises.

Rhys J. Best

66 From 1999 until June 2004, Mr. Best was chairman, president and CEO of Lone Star Technologies, Inc., a company engaged in producing and marketing casing, tubing, line pipe and couplings for the oil and natural gas, industrial, automotive and power generation industries. From June 2004 until United States Steel Corporation acquired Lone Star in June 2007, Mr. Best was chairman and CEO of Lone Star. Mr. Best retired in June 2007. Before joining Lone Star in 1989, Mr. Best held several leadership positions in the banking industry. Mr. Best graduated from the University of North Texas with a bachelor of business administration and earned a masters of business administration from Southern Methodist University. He is a member of the board of directors of Cabot Oil & Gas Corporation, an independent natural gas producer, Trinity Industries, which owns a group of businesses providing products and services to the industrial, energy, transportation and construction sectors, and Austin Industries, Inc., a private Dallas-based general construction company (for which he is the non-executive chairman of the board of directors). He is also a member of the board of directors of Commercial Metals Corporation, a producer and marketer of scrap metals and metal products and chairman (non-executive) of the board of directors of Crosstex Energy, L.P., an independent midstream energy services company. He is also involved in a number of industry-related and civic organizations, including the Petroleum Equipment Suppliers Association (for which he has previously served as chairman) and the Maguire Energy Institute of Southern Methodist University. He serves on the board of advisors of the College of Business Administration at the University of North Texas.

Director since December 2007

Mr. Best has extensive executive and leadership experience in overseeing the production and marketing of pipes and fittings in the oil and natural gas industry.

Table of Contents

<p><i>Peter C. Boylan, III</i></p> <p>Director since August 2010</p>	<p>48</p>	<p>In April 2012 Mr. Boylan became Co-founder, Director, President and CEO of Cypress Energy Partners, LLC, an environmental and water solutions company serving the oil and gas industry. Since March 2002, Mr. Boylan has been the CEO of Boylan Partners, LLC, a provider of investment and advisory services. From 1994-2004, Mr. Boylan served in a variety of senior executive management positions of various public and private companies controlled by Liberty Media Corporation, including serving as a board member, Chairman, President, CEO, COO and CFO of several different companies. Mr. Boylan currently serves on the board of directors of publicly traded BOK Financial Corporation, a \$27.5 billion regional financial services and bank holding company, and Cypress Energy Partners, LLC. Mr. Boylan has also served on a number of other public and private company boards of directors over the last 20 years. In 2004, after a federal judge dismissed an SEC civil suit filed against Mr. Boylan in the United States District Court for the Central District of California (Western Division), he entered into court ordered mediation with the SEC leading to a civil settlement and a Final Judgment against Mr. Boylan, enjoining him from violating the anti-fraud, books and records and other provisions of the federal securities laws and ordering the payment of \$600,000 in disgorgement and civil penalties. Mr. Boylan consented to the entry of the order without admitting or denying any wrongdoing. The Final Judgment and settlement had no officer and director bar. The judgment against Mr. Boylan arose out of a complaint filed against Mr. Boylan and other executive officers by the SEC, alleging that Mr. Boylan and other executive officers violated various provisions of the U.S. securities laws during his tenure as co-president, co-chief operating officer and director of Gemstar-TV Guide International, Inc. (Gemstar) from July 2000 to April 2002. Gemstar indemnified Mr. Boylan for legal fees and expenses.</p> <p>Mr. Boylan has extensive corporate senior executive management and leadership experience, and specific expertise with accounting, finance, audit, risk and compensation committee service, intellectual property, corporate development, health care, media, cable and satellite TV, software development, technology, and civic and community service.</p>
<p><i>Henry Cornell</i></p> <p>Director since November 2006</p>	<p>56</p>	<p>Mr. Cornell is a Managing Director of Goldman, Sachs & Co. He is the Chief Operating Officer of Goldman Sachs Merchant Banking Division, which includes all of the firm's corporate, real estate and infrastructure investment activities, and is a member of the global Merchant Banking Investment Committee. Mr. Cornell also serves on the board of directors of The First Marblehead Corporation, Kenan Advantage Group, Apple American Group, ProSight Specialty Insurance, Kinder Morgan, Inc. and USI Holdings Corporation. Mr. Cornell is the chairman of The Citizens Committee of New York City, treasurer and trustee of the Whitney Museum of American Art, a member of The Council on Foreign Relations, trustee emeritus of the Asia Society, trustee emeritus of the Japan Society and a member of Sotheby's International Advisory Board. He earned a bachelor of arts from Grinnell College in 1976 and a juris doctorate from New York Law School in 1981. Mr. Cornell practiced law with the firm of Davis, Polk & Wardwell from 1981 to 1984 in New York and London. Mr. Cornell joined Goldman, Sachs & Co. in 1984.</p>

Table of Contents

		Mr. Cornell brings extensive experience in corporate investment, corporate governance and strategic planning including in the pipeline transportation and energy storage industries. He also has extensive experience serving on boards of directors of other significant companies including multinational companies in the energy industry.
<i>Christopher A.S. Crampton</i>	34	Mr. Crampton is a Managing Director of Goldman, Sachs & Co, where he has worked since 2003. From 2000 to 2003, he worked in the investment banking division of Deutsche Bank Securities. Mr. Crampton currently serves as a director of Americold Realty Trust, Andrews International, Interline Brands, and U.S. Security Associates. He is a graduate of Princeton University.
Director since January		
2007		
		Mr. Crampton has extensive experience in investment banking, corporate finance and strategic planning.
<i>John F.X. Daly</i>	46	Mr. Daly is a Managing Director of Goldman, Sachs & Co, where he has worked since 2000. From 1998 to 2000, he was a member of the Investment Banking Division of Goldman, Sachs & Co. From 1991 to 1997, Mr. Daly was a senior instructor of mechanical and aerospace engineering at Case Western Reserve University. He earned a bachelor of science and master of science in engineering from Case Western Reserve University and a masters in business administration from the Wharton School of Business at the University of Pennsylvania. Mr. Daly currently serves as a director of KAG Holding Corp., Fiberlink Communications Corp., Hawker Beechcraft, Inc., Seamless Web Holdings and U.S. Security Associates, Inc. In the past five years, Mr. Daly has also served on the boards of Cooper-Standard Automotive, Inc., Euramax Holdings, Inc. and IPC Systems, Inc.
Director since January		
2007		
		Mr. Daly has extensive experience in investment banking, corporate finance and strategic planning, including in the industrial and manufacturing sectors. He also has extensive experience serving on boards of directors of other significant companies, including multinational companies.
<i>Craig Ketchum</i>	55	Mr. Ketchum served as our chairman of the Board from September 2008 to December 2009 and as our president and CEO from May 2008 to September 2008. Prior to that, he served as co-president and co-CEO of McJunkin Red Man Corporation, a Delaware corporation and direct subsidiary of MRC, since the business combination between McJunkin Corporation and Red Man Pipe & Supply Co. in October 2007. He served at Red Man Pipe & Supply Co. in various capacities since 1979, including store operations and sales, working at Red Man Pipe & Supply Co. locations in Ardmore, Oklahoma, Tulsa, Oklahoma, Denver, Colorado, and Dallas, Texas. He was named vice president sales at Red Man Pipe & Supply Co. in 1991, executive vice president of Red Man Pipe & Supply Co. in 1994 and president and CEO in 1995. He also served on Red Man Pipe & Supply Co. s board of directors. Mr. Ketchum graduated from the University of Central Oklahoma with a business degree and joined Red Man Pipe & Supply Co. in 1979. He has served as chairman of the Petroleum Equipment Suppliers Association.
Director since October		
2007		

Table of Contents

		Mr. Ketchum is intimately familiar with pipe, valve and fitting (PVF) distribution operations and is uniquely qualified to serve as a director due to his years of service in senior management of both Red Man Pipe & Supply Co. and McJunkin Red Man Corporation.
<i>Gerard P. Krans</i>	65	Mr. Krans serves as the chief executive officer and chairman of the board of directors of Transmark Holdings N.V., a privately owned energy and oil services group, and Transmark Investments. Mr. Krans also serves on the board of directors of Royal Wagenborg and Crucell. From 2001 to 2007, Mr. Krans served as chairman of the board of directors of Royal van Zanten. From 1995 to 2000, Mr. Krans served on the executive board of VOPAK. From 1973 to 1995, Mr. Krans served in various positions with Royal Dutch Shell. Mr. Krans received university degrees in law, econometrics and taxation.
Director since December 2009		
		Mr. Krans has extensive experience in strategic planning and corporate oversight, including in the energy, chemical and oil sectors.
<i>Dr. Cornelis A. Linse</i>	63	Dr. Linse was formerly a non-executive director of Transmark Holdings N.V., a privately owned energy and oil services group. From February 2007 until January 2010, Dr. Linse was the director of common infrastructure management for Shell International B.V. During this same period, he also served as chairman of the board of Shell Pension Fund The Netherlands, a pension fund that Shell Petroleum N.V. sponsors. From February 2003 to February 2007, he was the executive vice president of contracting and procurement for Shell International B.V. Dr. Linse earned a doctorate degree from Leiden University in 1978.
Director since May 2010		
		Dr. Linse has held various leadership and managerial roles in the oil and gas industry since 1978 and has extensive experience in developing business infrastructure in growing, multinational companies.
<i>John A. Perkins</i>	65	From 2001 until 2006, Mr. Perkins was chief executive of London-based Truflo International plc, an international industrial group involved in the manufacture and specialist distribution of valves and related flow control products. Prior to emigrating to the UK in 1987, he was executive director and (from 1982) managing director of Metboard, a South African investment, property and financial services group, which merged with the banking group Investec, which was subsequently listed on the Johannesburg and London Stock Exchanges. Mr. Perkins earned a bachelor of commerce degree from the University of the Witwatersrand and is a South African and English chartered accountant.
Director since December 2009		
		Mr. Perkins brings extensive experience in the valve manufacturing and distribution industries throughout Europe, the United States, Australasia and the Far East.

Table of Contents

<p><i>H.B. Wehrle, III</i></p> <p>Director since January 2007</p>	<p>61</p>	<p>Mr. Wehrle served as our president and CEO from January 31, 2007 to October 30, 2007. From October 31, 2007 to May 2008, Mr. Wehrle served as co-president and co-CEO of McJunkin Red Man Corporation, and from May 2008 until September 2008, he served as our chairman of the Board. Mr. Wehrle began his career with McJunkin Corporation in 1973 in sales. He subsequently served as treasurer and was later promoted to executive vice president. He was elected president of McJunkin Corporation in 1987. Mr. Wehrle graduated from Princeton University and received a master of business administration from Georgia State University in 1978. He is affiliated with the Young Presidents' Organization. He serves on the boards of the Central WV Regional Airport Authority, the Mid-Atlantic Technology, Research and Innovation Center and the National Institute for Chemical Studies in Charleston, West Virginia. He also serves on the board of the Mountain Company in Parkersburg, West Virginia and the University of Charleston.</p>
---	-----------	--

Mr. Wehrle is intimately familiar with PVF distribution operations and is uniquely qualified to serve as a director due to his years of service in senior management of both McJunkin Corporation and McJunkin Red Man Corporation.

Each of our directors, except for Messrs. Lane, Anthony, Best, Boylan, Linse and Perkins, is also a director of PVF Holdings, our largest stockholder. Messrs. Wehrle and Ketchum, two of our directors, are each co-chairman of PVF Holdings.

The Company's by-laws state that for a director nominee to be elected, so long as The Goldman Sachs Group, Inc., and its affiliates, beneficially own more than 15% of the Company's outstanding shares of common stock, the director must receive a plurality of the votes cast by the stockholders present in person or represented by proxy voting together as a single class with respect to that director nominee's election at the Annual Meeting. When The Goldman Sachs Group, Inc., and its affiliates, beneficially own less than 15% of the Company's outstanding shares of common stock, each director must receive a majority of those votes.

Abstention and broker non-votes will not be treated as votes cast for or against the proposal, and therefore will have no effect on the outcome of Proposal I Election of Directors.

Board Recommendation: *THE BOARD RECOMMENDS A VOTE FOR ALL DIRECTOR NOMINEES.*

CORPORATE GOVERNANCE AND BOARD MATTERS

Corporate Governance

General

Our Board believes that strong corporate governance is critical to achieving our performance goals and to maintaining the trust and confidence of investors, employees, suppliers, business partners, regulatory agencies and other stakeholders.

Corporate Governance Guidelines

Our Corporate Governance Guidelines provide a framework for the governance of MRC as a whole and also address the operation, structure, and practice of the Board and its committees. The Governance Committee reviews these guidelines at least annually. A copy of our Corporate Governance Guidelines have been posted on our website at www.mrcglobal.com.

Table of Contents

Strategic Planning

During the year, the Board meets with management to discuss and approve strategic plans, financial goals, capital spending and other factors critical to successful performance. The Board also conducts mid-year reviews of progress on objectives and strategies. During Board meetings, directors review key issues and financial performance. The Board meets privately with the CEO four times per year and meets in executive session at each regular Board meeting and additionally as required. Further, the CEO communicates regularly with the Board on important business opportunities and developments. In 2012, the Board held one of its regularly scheduled meetings at one of our field locations to further educate the directors about our operations.

Board/Committee/Director Evaluations

The Board and each of its committees conduct annual self-assessments.

Chief Executive Officer Evaluation and Management Succession

The Board and the CEO annually discuss and collaborate to set the CEO's performance goals and objectives. The Board meets annually in executive session to assess the CEO's performance. The Board maintains a process for planning orderly succession for the CEO and other executive officer positions and oversees executive officer development.

Communications with Directors

Any stockholder or other interested person may communicate with our Board, individually or as a group, by contacting our Corporate Secretary or the Chairman of the Board. The contact information is maintained on the Investor Relations tab of our website at www.mrcglobal.com.

The current contact information for either the Corporate Secretary or the Chairman of the Board is as follows and should be addressed to either of their attention, as applicable:

MRC Global Inc.

2 Houston Center, Suite 3100

909 Fannin Street

Houston, TX 77010

Communications to directors at this address will be forwarded to the relevant director(s) except for solicitations or other matters not related to MRC.

Director Attendance at Annual Meeting of Stockholders

We do not have a policy requiring all Board members attend our Annual Meeting of stockholders, but all Board members are expected to attend.

Code of Ethics

We have adopted a code of ethics that applies to our principal executive officer (our CEO), principal financial officer (our executive vice president and chief financial officer), principal accounting officer (our senior vice president and chief accounting officer), and controller (our senior vice president and controller) and persons performing similar functions. A copy of the code of ethics has been posted on our website at www.mrcglobal.com. If we amend or waive provisions of this code of ethics with respect to such officers, we intend to also disclose the same on our website.

Table of Contents

Board of Directors

The Board currently consists of 12 members. The current directors are listed under "Proposal to Elect Directors" above. Our directors are elected annually to serve until the next Annual Meeting of stockholders or until their successors are duly elected and qualified, their earlier retirement, removal or death.

The Board determined that, until March 12, 2013, we were a controlled company under the rules of the NYSE and, as a result, for the period up to such date, qualified for, and relied on, exemptions from certain corporate governance requirements of the NYSE. Pursuant to the controlled company exception to the board of directors and committee composition requirements, we were exempt from the rules that require that:

the Board be comprised of a majority of independent directors ;

our Compensation Committee be comprised solely of independent directors ; and

we establish a nominating and corporate Governance Committee comprised solely of independent directors (as the rules of the NYSE define).

The controlled company exception does not modify the independence requirements for the Audit Committee. Both of our Audit and Governance Committees are currently comprised entirely of independent directors.

On March 12, 2013, our largest stockholder, PVF Holdings, sold 26,450,000 shares of our common stock in a secondary public offering. PVF Holdings now holds approximately 28.6% of our common stock. Accordingly, as of that date we are no longer a controlled company and, under the rules of the NYSE, our Board must be comprised of a majority of independent directors within one year after March 12, 2013, the date we ceased to be a controlled company. In addition, our Compensation Committee must be comprised of a majority of independent directors within 90 days after such date and must be comprised solely of independent directors within one year after such date. We intend to comply with the NYSE's board independence requirements within the transition periods specified.

Director Independence

MRC Global Inc. currently has five directors who would be considered independent within the definitions of the NYSE: Messrs. Anthony, Best, Boylan, and Perkins and Dr. Linse. As noted above under "Board of Directors", our Board must be comprised of a majority of independent directors within one year after March 12, 2013, the date we ceased to be a controlled company under the rules of the NYSE. We intend to comply with the NYSE's board independence requirements within that transition period.

Board Leadership Structure

The Board currently combines the positions of CEO and Chairman of the Board. Mr. Lane currently holds these positions. The responsibilities of the chairman include presiding at all meetings of the Board, reviewing and approving meeting agendas, meeting schedules and other information, as appropriate, and performing such other duties as the Board requires from time to time. We believe that the current model is effective for the Company as the combined position of CEO and chairman maximizes strategic advantages as well as company and industry expertise. Mr. Lane has extensive leadership experience in our industry and is best positioned to set and execute strategic priorities. Mr. Lane's leadership enhances the Board's exercise of its responsibilities. In addition, this model provides enhanced efficiency and effective decision-making and clear accountability. We have not designated a lead independent director. The Board evaluates this structure periodically.

Both of our Audit and Governance Committees are currently comprised entirely of independent directors. In addition, an independent director chairs each of our Audit, Governance and Compensation Committees. The Board believes that having independent Audit and Governance Committees and having these three key committees with independent chairs provides a structure for strong independent oversight of our management.

Table of Contents

Risk Oversight

The Board administers its risk oversight function primarily through the Audit Committee, which oversees the Company's risk management practices. The Audit Committee is responsible for, among other things, discussing with management on a regular basis the Company's guidelines and policies that govern the process for risk assessment and risk management. This discussion includes the Company's major risk exposures and actions taken to monitor and control these exposures. The Board believes that its administration of risk management has not affected the Board's leadership structure, as described above.

In addition, we have established a Risk Management Committee. Our Risk Management Committee is currently comprised of Messrs. Lane, Braun, Churay, Ittner, Isaac, Hutchinson, Underhill and Wagstaff, as well as Rory O'Byrne, our senior vice president human resources, Elton Bond, our senior vice president and chief accounting officer, Theresa L. Dudding, our senior vice president and controller, John Wilkinson, vice president-international finance, John Durbin, our senior vice president of finance and treasurer, Brian K. Shore, our senior vice president associate general counsel, chief compliance officer and assistant corporate secretary, Cinda Bowling, our vice president of financial reporting, Stephanie McCaffrey, our vice president of internal audit, and John Lohman, our vice president global tax. The principal responsibilities of the Risk Management Committee are to review and monitor any material risks or exposures associated with the conduct of our business, the internal risk management systems implemented to identify, minimize, monitor or manage these risks or exposures, and the Company's policies and procedures for risk management. While the Audit Committee is responsible for reviewing the Company's policies and practices with respect to risk assessment and risk management, it is the responsibility of senior management of the Company to determine the appropriate level of the Company's exposure to risk.

Meetings of the Board and Committees

During 2012, the Board held seven meetings. Each director attended at least 75% of the aggregate of the total number of meetings of the Board and meetings of the committees of the Board on which the person served, with the exception that Mr. Daly and Mr. Wehrle attended 69% and 71%, respectively, of the aggregate number of meetings of the Board and meetings of the committees of the Board on which they served. Mr. Daly was unable to attend two committee meetings and two board meetings during a one week period shortly before the Company's initial public offering due to a death in the family. Mr. Wehrle was unable to attend two special board meetings during the year due to the inability to resolve scheduling conflicts given the short notice provided for the special meetings. But for these events, both Messrs. Daly and Wehrle would have had 100% attendance for the year.

Directors are expected to attend all Board meetings and all meetings of committee of the Board of which they are a member. Attendance by telephone or videoconference is deemed attendance at a meeting.

Meetings of Non-Management Directors

The non-management directors of the Board meet in regularly scheduled executive sessions at times and for reasons as they desire and set, with at least four executive sessions per year. During the session, the directors in attendance choose a presiding director for the meeting as necessary.

Committees of the Board

Audit Committee. Our Audit Committee is currently comprised of Messrs. Anthony, Best and Perkins. Mr. Anthony is chairman of the Audit Committee. The Board has determined that Mr. Anthony qualifies as an audit committee financial expert and each member of the Audit Committee is an independent director under the rules of the NYSE.

Table of Contents

The Audit Committee met seven times during 2012. The Audit Committee's functions are described in detail in its charter, which is available on the Company's website at www.mrcglobal.com. As described in its charter, the Audit Committee's primary duties and responsibilities are to assist Board oversight of:

the integrity of the Company's financial statements;

the integrity and adequacy of the Company's auditing, accounting and financial reporting processes and systems of internal controls for financial reporting;

the Company's compliance with legal and regulatory requirements, including internal controls designed for that purpose;

the selection of the Company's independent auditor;

the independence, qualifications and performance of the Company's independent registered public accounting firm;

performance of the Company's internal audit function; and

the Company's enterprise risk management framework and its policies and procedures for risk management.

Compensation Committee. Our Compensation Committee is currently comprised of Messrs. Best, Boylan, Crampton and Daly. Mr. Best is chairman of the Compensation Committee. Messrs. Crampton and Daly would not be considered independent within the definitions of the NYSE. As noted above under "Board of Directors", our Compensation Committee must be comprised of a majority of independent directors within 90 days after March 12, 2013, the date we ceased to be a controlled company under the rules of the NYSE, and must be comprised solely of independent directors within one year after such date. We intend to comply with the NYSE's Compensation Committee independence requirements within those transition periods.

The Compensation Committee met four times during 2012. The Compensation Committee's functions are described in detail in its charter, which is available on the Company's website at www.mrcglobal.com. See "Compensation Discussion and Analysis Overview".

As described in its charter, the Compensation Committee's primary functions include:

establishing policies and periodically determining matters involving executive compensation;

recommending changes in employee benefit programs;

granting or recommending the grant of stock options and stock and other long-term incentive awards; and

providing counsel regarding key personnel selection.

Compensation Committee Interlocks and Insider Participation

Edgar Filing: MRC GLOBAL INC. - Form DEF 14A

Currently and at all times during 2012, no executive officer of the Company served on the Compensation Committee or served as a director of another entity or member of the compensation committee of another entity where an executive officer of that entity also served on the Compensation Committee or on the Board.

Governance Committee. Our Governance Committee is currently comprised of Messrs. Best, Anthony and Perkins. Mr. Best is chairman of the Governance Committee.

The Governance Committee was formed by the Board on July 31, 2012. The Governance Committee met once during 2012. The Governance Committee's functions are described in detail in its charter, which is available on

Table of Contents

the Company's website at www.mrcglobal.com. As described in its charter, the Governance Committee's primary functions include:

identifying individuals qualified to become members of the Board consistent with any criteria the Board approves from time to time;

recommending to the Board director candidates for election at the Annual Meeting of stockholders or to fill vacancies pursuant to the Board's By-Laws;

recommending to the Board director nominees for each Board committee;

developing, annually reviewing and recommending to the Board a set of corporate governance guidelines for the Company;

assisting the Board in assessing the independence of the members of the Board; and

leading the Board and other Board committees in their annual evaluation process.

If you wish to raise a proposal (including a director nomination) from the floor during our 2014 Annual Meeting of stockholders, we must receive a written notice of the proposal between January 8, 2014 and February 7, 2014. Your submission must contain the additional information that our bylaws require.

Legal Proceedings

To the best of our knowledge, there is no material proceeding to which any director, director nominee or executive officer or affiliate of the Company, any owner of record or beneficially of more than 5% of any class of voting securities of the Company, or any associate of such director, nominated director, officer, affiliate of the Company, or security holder is a party adverse to the Company or any of its subsidiaries or has a material interest adverse to the Company or any of its subsidiaries.

Non-Employee Director Compensation

After our initial public offering in April 2012 (IPO), we adopted in May 2012 a new compensation plan for our non-employee directors. Pursuant to this plan, as compensation for their services on the Board, we pay each non-employee director an annual cash fee of \$60,000. We pay the chairmen of the Audit Committee and the Compensation Committee an additional annual cash retainer of \$15,000. We pay the chairman of the Governance Committee an additional annual cash retainer of \$10,000. In addition, we will pay each non-employee director a meeting fee of \$2,000 for each Board meeting that the director attends in excess of five meetings per year. The Company also grants \$100,000 in equity awards (in a form that the Board determines) to each non-employee director immediately following each Annual Meeting of stockholders of the Company. Prior to the adoption of this plan in May 2012, we paid each director \$20,000 with the exception of Messrs. Cornell, Crampton and Daly who did not receive board fees prior to the adoption of this plan. In addition, many of our directors have received equity compensation awards at the time of their appointment to the Board and at such other times as the Committee and the Board has deemed appropriate. All directors are also reimbursed for travel expenses and other out-of-pocket costs incurred in connection with their attendance at meetings.

Table of Contents**Director Compensation for 2012**

Name	Fees Earned or Paid in Cash (\$)	Stock Awards (1) (\$)	Option Awards (2) (\$)	All Other Compensation (\$)	Total (\$)
Leonard M. Anthony	80,250	177,199	99,994		357,443
Rhys J. Best	83,250		99,994		183,244
Peter C. Boylan, III	69,000		99,994		168,994
Henry Cornell(3)	47,000		99,994		146,994
Christopher A.S. Crampton(3)	47,000		99,994		146,994
John F.X. Daly(3)	45,000		99,994		144,994
Craig Ketchum	69,000		99,994		168,994
Gerard P. Krans	69,000		99,994		168,994
Andrew R. Lane(4)					
Dr. Cornelis A. Linse	69,000		99,994		168,994