

PATSLEY PAMELA H
 Form 3
 January 23, 2009

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 PATSLEY PAMELA H		(Month/Day/Year)	MONEYGRAM INTERNATIONAL INC [MGI]	
(Last)	(First)	(Middle)	4. Relationship of Reporting Person(s) to Issuer	5. If Amendment, Date Original Filed(Month/Day/Year)
			(Check all applicable)	
1550 UTICA AVENUE SOUTH			<input checked="" type="checkbox"/> Director	<input type="checkbox"/> 10% Owner
(Street)			<input checked="" type="checkbox"/> Officer	<input type="checkbox"/> Other
MINNEAPOLIS,Â MNÂ 55416			(give title below) (specify below)	
(City)	(State)	(Zip)	Executive Chairman	
			6. Individual or Joint/Group Filing(Check Applicable Line)	
			<input checked="" type="checkbox"/> Form filed by One Reporting Person	
			<input type="checkbox"/> Form filed by More than One Reporting Person	

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	0	D	Â

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	

Stock Option (right to buy) ⁽¹⁾	Â (2)	01/21/2019	Common Stock	Shares	\$ 1.5	(I)	D	Â
				4,700,000		(Instr. 5)		

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
PATSLEY PAMELA H 1550 UTICA AVENUE SOUTH MINNEAPOLIS, MN 55416	Â X	Â	Â Executive Chairman	Â

Signatures

Teresa H. Johnson on behalf of Pamela H. Patsley
01/23/2009

**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).
- Non-qualified stock option granted under the MoneyGram International, Inc. 2005 Omnibus Incentive Plan pursuant to the Non-Qualified Stock Option Agreement dated January 21, 2009. Except with respect to 500,000 option shares, the options will not vest and are subject to forfeiture if the stockholders of the Corporation do not approve an amendment to the Omnibus Plan to remove the limitation on the
- (1) number of options shares that may be granted to an executive officer in any year. Affiliates of Thomas H. Lee Partners, L.P. have provided an executed Proxy appointing Teresa H. Johnson, the Corporation's Executive Vice President, General Counsel and Secretary, as attorney and proxy to vote "FOR" the amendment to the Omnibus Plan at the next annual or special meeting of stockholders of the Corporation.
- Options for 50% of the shares are considered "Time Vested" and options for 50% of the shares are considered "Performance Vested." The Time Vested options will vest in equal installments over four years on the anniversary of the grant date. The Performance Vested options will vest as follows: Options for 50% of the shares will vest when the value of the common stock of the Corporation has reached \$3.00
- (2) per share for a period of 20 consecutive trading days during the 5-year period following the grant date; and options for 50% of the shares will vest when the value of the common stock of the Corporation has reached \$4.50 per share for a period of 20 consecutive trading days during the 5-year period following the grant date. If the shares of common stock of the Corporation are not publicly traded, then vesting for the options that are Performance Vested will be vested in the manner set forth in the stock option agreement.

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.