BROWN JOSEPH W

Form 4

February 18, 2009

FORM 4

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

OMB 3235-0287

Estimated average

Check this box if no longer subject to Section 16.

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Number: January 31, 2005

OMB APPROVAL

Section 16. Form 4 or Form 5 obligations may continue.

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

burden hours per response... 0.5

See Instruction 1(b).

Common

Stock

02/18/2009

(Print or Type Responses)

| BROWN JOSEPH W | | | ol | nd Ticker or Trading | 5. Relationship of Reporting Person(s) to Issuer | | | |
|-------------------------|---------------------|-------------------|-----------------|---------------------------|--|-----------------|-------------|--|
| <i>(</i> T . 1) | Œ' À | | MBIA INC [MBI] | | (Check all applicable) | | | |
| (Last) | (First) | (Middle) 3. Dat | e of Earliest 7 | Transaction | | | | |
| | | | h/Day/Year) | | _X_ Director | 10% | | |
| C/O MBIA INC., 113 KING | | | 3/2009 | | _X_ Officer (give below) | below) | er (specify | |
| STREET | | | | | Chai | rman and CEO | | |
| (Street) | | | mendment, Γ | Date Original | 6. Individual or Joint/Group Filing(Check | | | |
| | | | Month/Day/Ye | ar) | Applicable Line) | | | |
| | | | | | _X_ Form filed by C | | | |
| ARMONK | L, NY 10504 | | | | Form filed by M. Person | iore man One Re | eporung | |
| (City) | (State) | (Zip) T | able I - Non- | Derivative Securities Acq | uired, Disposed of | , or Beneficial | ly Owned | |
| 1.Title of | 2. Transaction Date | e 2A. Deemed | 3. | 4. Securities Acquired (A |) 5. Amount of | 6. | 7. Nature | |
| Security | (Month/Day/Year) | Execution Date, i | f Transacti | oror Disposed of (D) | Securities | Ownership | Indirect | |
| (Instr. 3) | | any | Code | (Instr. 3, 4 and 5) | Beneficially | Form: | Beneficia | |
| | | (Month/Day/Year | r) (Instr. 8) | | Owned | Direct (D) | Ownershi | |
| | | | | | Following | or Indirect | (Instr. 4) | |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Code V

Α

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474

(9-02)

Reported

Transaction(s)

(Instr. 3 and 4)

4,128,446

(A)

or

(D)

Price

3.87

Amount

1,291,990

(1) (2) (3)

(I)

D

(Instr. 4)

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

of

Edgar Filing: BROWN JOSEPH W - Form 4

| 1. Title of | 2. | 3. Transaction Date | 3A. Deemed | 4. | 5. | 6. Date Exerc | cisable and | 7. Titl | le and | 8. Price of | 9. Nu |
|-------------|-------------|---------------------|--------------------|------------|------------|---------------|-------------|---------|----------|-------------|--------|
| Derivative | Conversion | (Month/Day/Year) | Execution Date, if | Transacti | onNumber | Expiration D | ate | Amou | int of | Derivative | Deriv |
| Security | or Exercise | | any | Code | of | (Month/Day/ | Year) | Under | lying | Security | Secui |
| (Instr. 3) | Price of | | (Month/Day/Year) | (Instr. 8) | Derivative | e | | Secur | ities | (Instr. 5) | Bene |
| | Derivative | | | | Securities | | | (Instr. | 3 and 4) | | Owne |
| | Security | | | | Acquired | | | | | | Follo |
| | • | | | | (A) or | | | | | | Repo |
| | | | | | Disposed | | | | | | Trans |
| | | | | | of (D) | | | | | | (Instr |
| | | | | | (Instr. 3, | | | | | | |
| | | | | | 4, and 5) | | | | | | |
| | | | | | | | | | | | |
| | | | | | | | | | Amount | | |
| | | | | | | Date | Expiration | · | or | | |
| | | | | | | Exercisable | Date | Title | Number | | |
| | | | | G 1 W | (A) (B) | | | | of | | |
| | | | | Code V | (A) (D) | | | | Shares | | |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | | | | |
|--|---------------|-----------|------------------|-------|--|--|--|
| 1 0 | Director | 10% Owner | Officer | Other | | | |
| BROWN JOSEPH W C/O MBIA INC. 113 KING STREET ARMONK, NY 10504 | X | | Chairman and CEO | | | | |

Signatures

/s/Leonard I. Chubinsky, Attorney-in-Fact 02/18/2009

**Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- The restricted stock was awarded to Mr. Brown when he rejoined the Company in 2008 to become effective on February 18, 2009 subject to shareholder approval at annual shareholder meeting on May 1, 2008 and to his continued employment on such date, which conditions have been satisfied. The number of restricted shares granted was determined by dividing the amount of \$5,000,000 by the average market value per share for the 20 trading days immediately preceding February 18, 2009.
 - The restricted stock will vest fully if on or before February 18, 2013, the Company's average closing share price over any 20 consecutive trading days is at least \$40 per share. In addition, a portion of the restricted stock vests upon a change of control (based on the share price immediately prior to the change of control) or retirement or February 18, 2013 (based on the average share price for the previous 20
- (2) trading days), where (1) none of the restricted stock vests if the price is less than an amount equal to the larger of \$16.20 and \$3.87, the 20-day average price used to determine the number of shares for the restricted stock grant, (2) 20% vests if the price is \$20.96, (3) 40% vests if the price is \$25.72, (4) 60% vests if the price is \$30.48, (5) 80% vests if the price is \$35.24, and (6) all of the restricted stock vests if the price is \$40 or more, with interpolated vesting if the price is between such points.
- Any restricted stock that remains unvested after voluntary termination (other than retirement), termination for cause, or February 18, 2013 (3) shall be forfeited. Restricted stock may not be disposed of until the later of February 18, 2013 and one year after termination of employment.

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.

Reporting Owners 2