

BROWN JOSEPH W
Form 4
February 18, 2009

FORM 4

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN 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 *
BROWN JOSEPH W

(Last) (First) (Middle)

C/O MBIA INC., 113 KING STREET

(Street)

ARMONK, NY 10504

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
MBIA INC [MBI]

3. Date of Earliest Transaction (Month/Day/Year)
02/18/2009

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)
Chairman and CEO

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
Common Stock	02/18/2009		A	V	Amount 1,291,990 (1) (2) (3) Price \$ 3.87	A	D

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

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)

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

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Owned Following Reporting Transaction (Instr. 6)
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Reporting Owners

Reporting Owner Name / Address	Relationships			
	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
Date: 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).
- (1) 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 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.
- (3) Any restricted stock that remains unvested after voluntary termination (other than retirement), termination for cause, or February 18, 2013 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.