

MBIA INC
Form 4
August 07, 2013

FORM 4

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

OMB APPROVAL

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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 *
Warburg Pincus Private Equity X,
L.P.

(Last) (First) (Middle)

C/O WARBURG PINCUS LLC, 450
LEXINGTON AVENUE

(Street)

NEW YORK, NY 10017

(City) (State) (Zip)

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

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

08/05/2013

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

___ Director ___X___ 10% Owner
___ Officer (give title below) ___ Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
X 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)
			Code	V	Amount	(A) or (D)	Price
Common Stock, par value \$1.00 per share (?Common Stock?)	08/05/2013		D		536,375	D	\$ 13.54
					73,452,685	D	
					(1) (2) (3) (4)	(1) (2) (3)	
					(5) (6) (7) (8)		

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

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(Continuation from footnote 1) Charles R. Kaye and Joseph P. Landy, each a Managing General Partner of WP and a Co-President and Managing Member of WP LLC. Messrs. Kaye and Landy may be deemed to control the WP X Funds, WP X LP, WP X LLC, WPP LLC, WP and WP LLC. Each of the WP X Funds, WP X LP, WP X LLC, WPP LLC, WP, WP LLC, and Messrs. Charles R. Kaye and Joseph P. Landy is a "Warburg Pincus Reporting Person" and collectively, the "Warburg Pincus Reporting Persons."

- Pursuant to Rule 16a-1(a)(4) of the Securities Exchange Act of 1934, as amended, each of the Warburg Pincus Reporting Persons, other than the WP X Funds, may be deemed to have an indirect pecuniary interest in an indeterminate portion of the Common Stock, par value
- (3) \$1.00 per share ("Common Stock") of MBIA, Inc. (the "Issuer"), that may be deemed to be beneficially owned by the WP X Funds. Each Warburg Pincus Reporting Person disclaims beneficial ownership of all of the Common Stock of the Issuer that may be deemed to be beneficially owned by the WP X Funds, except to the extent of any indirect pecuniary interest therein.
 - (4) The 73,452,685 shares beneficially owned includes shares of Common Stock as well as shares of Common Stock underlying the warrants exercisable for Common Stock reported in Table II.

- On August 5, 2013, the Issuer issued a warrant (the "New Warrant") to WP X pursuant to the Investment and Settlement Agreement and Waiver and Release, dated August 5, 2013 (the "Agreement"), between WP X, the Issuer and, solely for purposes of Section 1.3 of the Agreement, WP X Partners. The total purchase price for the New Warrant of \$8,386,730.63 was reduced by a cash settlement payment of
- (5) \$1,124,212.81 owed by the Issuer to WP X pursuant to the Agreement. The net consideration of \$7,262,517.82 was paid by surrendering to the Issuer 536,375 shares of Issuer's Common Stock owned by certain Warburg Pincus Reporting Persons based on a per share valuation of \$13.54. The New Warrant is subject to adjustments for certain issuances of common stock, stock splits, stock subdivisions, stock reclassifications, stock combinations, other distributions, business combinations and similar actions.

- Issuer's issuance of a warrant to Blue Ridge Investments, L.L.C. on May 6, 2013 under the settlement agreement with Bank of America Corporation triggered certain anti-dilution adjustments under terms of WP X's (1) Warrant, dated as of January 30, 2008, originally exercisable for 8,698,920 shares of Common Stock at an original exercise price of \$40.00 per share (the "Warrant"), (2) B-Warrant, dated as of January 30, 2008, originally exercisable for 7,430,112 shares of Common Stock at an original exercise price of \$40.00 per share (the "B-Warrant"), (3) B2-Warrant, dated as of February 6, 2008, originally exercisable for 3,870,000 shares of Common Stock at an original exercise price of \$16.20 per share ("B2-Warrant 1"), and (4) B2-Warrant, dated as of February 6, 2008, originally exercisable for 130,000 shares of Common Stock at an original exercise price of \$16.20 per share ("B2-Warrant 2" and, together with the Warrant, the B-Warrant and the B-2 Warrant 1, the "Original Warrants").
- (6)

- (Continuation from footnote 6) Each Original Warrant is subject to adjustments for certain issuances of common stock, stock splits, stock subdivisions, stock reclassifications, stock combinations, other distributions, certain repurchases, business combinations and similar actions. These anti-dilution adjustments are being voluntarily reported; no transaction has taken place with respect to the Original
- (7) Warrants. As a result of the anti-dilution adjustments, (a) the Warrant is now exercisable for 11,819,185 shares at an exercise price of \$29.44 per share, (b) the B-Warrant is now exercisable for 10,095,261 shares at an exercise price of \$29.44 per share, (c) the B2-Warrant 1 is now exercisable for 3,874,784 shares at an exercise price of \$16.18 per share, and (d) the B2-Warrant 2 is now exercisable for 130,161 shares at an exercise price of \$16.18 per share. Each of the Original Warrants is currently exercisable.

- Information with respect to each of the Warburg Pincus Reporting Persons is given solely by such Warburg Pincus Reporting Persons,
- (8) and no Warburg Pincus Reporting Person has responsibility for the accuracy or completeness of information supplied by another Warburg Pincus Reporting Person.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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