

MBIA INC
Form 4
February 28, 2007

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

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 *
BUDNICK NEIL G

(Last) (First) (Middle)

C/O MBIA, 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)
02/26/2007

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)
Vice President

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 Ownership (Instr. 4)
			Code	V	Amount or Price		
Common Stock	02/26/2007		M		13,560 (1) \$ 67.53	A	193,839 D
Common Stock	02/26/2007		F		11,017 (2) \$ 67.53	D	182,822 D
Common Stock	02/26/2007		M		19,170 (1) \$ 67.53	A	201,992 D
Common Stock	02/26/2007		F		15,532 (2) \$ 67.53	D	186,460 D
Common Stock	02/26/2007		M		225,000 (1) \$ 67.53	A	411,460 D

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Common Stock 02/26/2007 F 186,992 (2) D \$ 67.53 224,468 D

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

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SEC 1474 (9-02)

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

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)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount Number Shares
Employee Stock Option	\$ 42.792	02/26/2007		M	13,560	(3) 12/11/2007	Common Stock	13,560	
Employee Stock Option	\$ 42.5	02/26/2007		M	19,170	(3) 12/09/2008	Common Stock	19,170	
Employee Stock Option	\$ 45.25	02/26/2007		M	225,000	01/07/2004 01/07/2009	Common Stock	225,000	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BUDNICK NEIL G C/O MBIA 113 KING STREET ARMONK, NY 10504			Vice President	

Signatures

/s/Leonard I. Chubinsky, 02/28/2007
Attorney-in-Fact

**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) Represents shares acquired pursuant to Net Settlement Procedure for exercise of employee stock options.
- (2) Represents shares surrendered to Issuer for payment of tax liability upon vesting of restricted stock.
- (3) Vests cumulatively over 5 year period as follows: 40% on 2nd anniversary, 60% on 3rd anniversary, 80% on 4th anniversary and 100% on 5th anniversary. Original grant dates were 12/11/97, 12/09/98, and 1/7/99, respectively.

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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