

# AMBAC FINANCIAL GROUP INC

Reported by  
**BARRANCO DAVID**

## FORM 4

(Statement of Changes in Beneficial Ownership)

Filed 05/16/17 for the Period Ending 05/12/17

|             |  |
|-------------|--|
| Address     | ONE STATE ST PLZ<br>NEW YORK, NY 10004 |
| Telephone   | 2126680340                             |
| CIK         | 0000874501                             |
| Symbol      | AMBC                                   |
| SIC Code    | 6351 - Surety Insurance                |
| Industry    | Corporate Financial Services           |
| Sector      | Financials                             |
| Fiscal Year | 12/31                                  |

# FORM 4

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

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

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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 or Section 30(h) of the Investment Company Act of 1940

|   |  |  |  |   |  |
|---|--|--|--|---|--|
| 1. Name and Address of Reporting Person <sup>2</sup><br><b>BARRANCO DAVID</b><br><br>(Last) (First) (Middle)<br><b>AMBAC FINANCIAL GROUP, INC., ONE STATE STREET PLAZA</b><br>(Street)<br><b>NEW YORK, NY 10004</b><br>(City) (State) (Zip) |  | 2. Issuer Name and Ticker or Trading Symbol<br><b>AMBAC FINANCIAL GROUP INC [ AMBC ]</b> |  | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable)<br><br>____ Director _____ 10% Owner<br><input checked="" type="checkbox"/> Officer (give title below) _____ Other (specify below)<br><b>Senior Managing Director</b> |  |
|   |  | 3. Date of Earliest Transaction (MM/DD/YYYY)<br><b>5/12/2017</b>                         |  | 6. Individual or Joint/Group Filing (Check Applicable Line)<br><br><input checked="" type="checkbox"/> Form filed by One Reporting Person<br>____ Form filed by More than One Reporting Person  |  |
|   |  | 4. If Amendment, Date Original Filed (MM/DD/YYYY)  |  |   |  |

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

| 1. Title of Security (Instr. 3) | 2. Trans. Date | 2A. Deemed Execution Date, if any | 3. Trans. 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                    | 5/12/2017      |                                   | A                         |   | 1862  | 11         | A   | 50   | 11  | D     |
| Common Stock                    | 5/12/2017      |                                   | F                         |   | 688   | 12         | D   | \$17.18  |   | D     |

**Table II - Derivative Securities Beneficially Owned ( e.g. , puts, calls, warrants, options, convertible securities)**

| 1. Title of Derivate Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Trans. Date | 3A. Deemed Execution Date, if any | 4. Trans. 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 |     | 7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4) |                 | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--|--|----------------|-----------------------------------|---------------------------|---|--|---|-----|---|-----------------|--|--|--|--|
|  |  |                |                                   | Code                      | V |  | (A)                                     | (D) | Date Exercisable  | Expiration Date |  |  |  |  |

**Explanation of Responses:**

- The reporting person acquired 1,862 shares of common stock of Ambac Financial Group, Inc. (the "Company") upon the simultaneous vesting and settlement of the reporting person's 2014 Long Term Incentive Plan award, which had a three year performance period and vested on May 12, 2017.
- As part of this vesting and settlement, 688 shares of common stock were withheld by the Company to satisfy certain tax withholding obligations.

**Reporting Owners**

| Reporting Owner Name / Address  | Relationships |           |                          |       |
|---|---------------|-----------|--------------------------|-------|
|   | Director      | 10% Owner | Officer                  | Other |
| BARRANCO DAVID<br>AMBAC FINANCIAL GROUP, INC.<br>ONE STATE STREET PLAZA<br>NEW YORK, NY 10004 |               |           | Senior Managing Director |       |

**Signatures**

William J. White, attorney-in-fact                      5/16/2017  
Signature of Reporting Person                      Date

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

\* 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).

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

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.

POWER OF ATTORNEY

I, DAVID BARRANCO, do hereby nominate, constitute and appoint each of William White, Stephen M. Ksenak and Yolanda Ortiz, as my true and lawful agent and attorney-in-fact, with full power and authority to act hereunder, in his or her discretion, in my name and on my behalf as fully as I could if I were present and acting in person, to make any and all required or voluntary filings under Section 16(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the applicable rules and regulations thereunder, with the Securities and Exchange Commission, the New York Stock Exchange, Ambac Financial Group, Inc., a Delaware corporation (the "Company"), and any other person or entity to which such filings may be required under Section 16(a) of the Exchange Act as a result of my service as an officer of the Company or beneficial ownership (within the meaning of Section 16(a) of the Exchange Act) of more than ten percent of any class of equity securities of the Company.

I hereby consent to, ratify and confirm all that each said attorney-in-fact shall do or cause to be done by virtue of this Power of Attorney. I hereby acknowledge that each attorney-in-fact, in serving in such capacity at my request, is not assuming, nor is the Company assuming, any of my responsibilities to comply with Section 16 of the Exchange Act.

This Power of Attorney shall remain in full force and effect from this date forward for so long as I am an officer or director of the Company and for such time thereafter as may be necessary to make any such filings or until revoked or modified by me. I hereby revoke all prior powers of attorney relating to the foregoing acts.

IN WITNESS WHEREOF, I have hereunto signed my name this 17th day of December, 2013.

\_\_\_/s/ David Barranco\_\_\_