

MBIA INC  
Form 11-K  
May 08, 2015  
Table of Contents

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**WASHINGTON, DC 20549**

**FORM 11-K**

x **Annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934**  
**For the fiscal year ended December 31, 2014**

**or**

.. **Transition report pursuant to Section 15(d) of the Securities Exchange Act of 1934**  
**For the Transition Period from \_\_\_\_\_ to \_\_\_\_\_**

**Commission File No. 1-9583**

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:  
**MBIA Inc.**

**401(k) Plan**

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

**MBIA Inc.**

**1 Manhattanville Road**

**Suite 301**

**Purchase, NY 10577**

**Table of Contents**

**Required Information**

The MBIA Inc. 401(k) Plan (the Plan ) is subject to the Employee Retirement Income Security Act of 1974, as amended ( ERISA ). In lieu of the requirements of Items 1-3 of Form 11-K, the financial statements of the Plan and the supplemental schedule have been prepared in accordance with the financial reporting requirements of ERISA and are presented herein.

**Table of Contents**

**MBIA INC.**

**401(k) PLAN**

**FINANCIAL STATEMENTS**

**AS OF DECEMBER 31, 2014 AND 2013**

**SUPPLEMENTAL SCHEDULE**

**AS OF DECEMBER 31, 2014**

**Table of Contents**

**MBIA INC.**

**401(k) PLAN**

**TABLE OF CONTENTS**

	Page(s)
<u>Report of Independent Registered Public Accounting Firm</u>	2
<u>Financial Statements:</u>	
<u>Statements of Net Assets Available for Benefits as of December 31, 2014 and 2013</u>	3
<u>Statement of Changes in Net Assets Available for Benefits for the Year Ended December 31, 2014</u>	4
<u>Notes to Financial Statements</u>	5-13
<u>Supplemental Schedule:</u>	
<u>Schedule of Assets (Held at End of Year) as of December 31, 2014</u>	14-15
<u>Signatures</u>	16
<u>Exhibits</u>	
<u>Exhibit 23.1 - Consent of Independent Registered Public Accounting Firm</u>	17
Schedules required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, other than those listed above, have been omitted because they are not applicable.	

**Table of Contents**

**Report of Independent Registered Public Accounting Firm**

To the Participants and the Plan Administrator

MBIA Inc. 401(k) Plan

Purchase, New York

We have audited the accompanying statements of net assets available for benefits of the MBIA Inc. 401(k) Plan (the Plan ) as of December 31, 2014 and 2013, and the related statement of changes in net assets available for benefits for the year ended December 31, 2014. These financial statements are the responsibility of the Plan s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2014 and 2013, and the changes in net assets available for benefits for the year ended December 31, 2014, in conformity with accounting principles generally accepted in the United States of America.

The accompanying supplemental schedule of assets (held at end of year) as of December 31, 2014 has been subjected to audit procedures performed in conjunction with the audit of the Plan s financial statements. The supplemental schedule is the responsibility of the Plan s management. Our audit procedures included determining whether the supplemental schedule reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental schedule. In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, including its form and content, is presented in conformity with the Department of Labor s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. In our opinion, the supplemental schedule is fairly stated, in all material respects, in relation to the financial statements as a whole.

/s/ BDO USA, LLP

Philadelphia, PA

May 8, 2015

**Table of Contents****MBIA INC.****401(k) PLAN****STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS****AS OF DECEMBER 31, 2014 AND 2013**

	December 31, 2014	December 31, 2013
Investments, at fair value: (Note 4)		
Mutual funds	\$ 92,869,938	\$ 88,464,891
Collective trust	6,338,586	7,042,924
Common stock	4,515,526	6,239,142
Total investments, at fair value	103,724,050	101,746,957
Notes receivable from participants	880,558	1,203,493
Net assets available for benefits, at fair value	104,604,608	102,950,450
Adjustment from fair value to contract value for fully benefit-responsive investment contracts held by a collective trust	(92,648)	(106,158)
Net assets available for benefits	\$ 104,511,960	\$ 102,844,292

The accompanying notes are an integral part of the financial statements.

**Table of Contents****MBIA INC.****401(k) PLAN****STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS****FOR THE YEAR ENDED DECEMBER 31, 2014**

	For the Year Ended December 31, 2014
<b>Additions:</b>	
Additions to net assets attributed to:	
Investment income:	
Net appreciation in fair value of investments (Note 4)	\$ 771,215
Interest and dividends	5,388,234
Net investment income	6,159,449
Interest income on notes receivable from participants	52,640
Contributions:	
Participants	3,622,515
Employer	2,026,471
Total contributions	5,648,986
Total additions	11,861,075
<b>Deductions:</b>	
Deductions from net assets attributed to:	
Benefit distributions	10,193,407
Total deductions	10,193,407
Net increase	1,667,668
Net assets available for benefits:	
Beginning of year	102,844,292
End of year	\$ 104,511,960

The accompanying notes are an integral part of the financial statements.



---

**Table of Contents**

**MBIA INC.**

**401(k) PLAN**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2014 AND 2013**

**1. Plan Description**

***General and Contributions***

The MBIA Inc. 401(k) Plan (the Plan) is a defined contribution plan for eligible employees of MBIA Inc. and Subsidiaries (the Company or Employer) who are at least 21 years of age. Leased employees, temporary employees and employees classified as interns are not eligible to participate in the Plan. Eligible participants may contribute up to 25% of their total eligible compensation into the Plan. Effective January 1, 2013 a Roth 401(k) option was added to the Plan. The Company matches employee contributions at the rate of 100% of each participant's contribution up to a maximum of 5%. Contributions are subject to certain limitations. Employer matching contributions are made in the form of cash, whereby participants may direct the Company match to an investment of their choice. At the discretion of the Plan Administrator, the Plan permits eligible employees to rollover funds from a previous employer's tax-qualified plan or tax-qualified individual retirement account.

The Plan is administered by the MBIA Inc. Investment Management Committee and the Plan's assets are managed by Fidelity Management Trust Company (Fidelity), the investment advisor, trustee and custodian.

The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA). Participants should refer to the Summary Plan Description and Plan Document for specific information regarding Plan provisions.

***Vesting and Forfeitures***

Vesting in employer contributions begins after two years of service and full vesting is achieved after five years of service. The Plan's vesting methodology is based on an elapsed time methodology, which provides for employees to be credited with a number of years of service equal to the number of whole years (12 consecutive months) based on an employee's period of service starting with hire date with the Employer regardless of whether or not such periods of service were completed consecutively. Participants are fully vested in their salary deferred contributions at all times including Roth 401(k) contributions. Upon reaching the normal retirement date, death or becoming disabled, a participant will be entitled to receive benefit payments. Nonvested benefits remaining after termination of employment are forfeited upon the earlier of a distribution or five-year period break in service and generally may serve to pay the Plan's administrative expenses and to reduce future Company contributions. During 2014 and 2013, \$133,378 and \$105,623, respectively, of forfeitures were used to fund the Company's matching obligation pursuant to the terms of the Plan. The forfeiture balance as of December 31, 2014 and 2013 was \$16,578 and \$30,561, respectively.

***Participant Accounts***

A participant is entitled to the benefit that can be provided by the contributions and income thereon, including net realized and unrealized investment gains and losses, of each participant's account. Upon retirement, disability, death or termination, a participant or beneficiary can elect to receive either a lump-sum distribution or installment distributions. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

**Table of Contents**

**MBIA INC.**

**401(k) PLAN**

**NOTES TO FINANCIAL STATEMENTS (Continued)**

**DECEMBER 31, 2014 AND 2013**

***Notes Receivable from Participants***

A participant may borrow from his or her account a minimum of \$1,000 up to a maximum for all participant loans equal to the lesser of \$50,000 reduced by the excess, if any, of the highest outstanding balance of loans from the Plan during the one-year period prior to the date of the loan over the current outstanding balance of loans or 50% of their vested account balance reduced by the then outstanding balance of any other loans that a participant received from the Plan. Loan terms may range from 1 to 5 years, or longer for the purchase of a principal residence but not to exceed 10 years. The loans are collateralized by the vested account balance and bear a reasonable rate of interest as managed by Fidelity based on the interest rates charged for similar types of loans by other lenders. Principal and interest are paid ratably through semi-monthly payroll deductions or through direct payment from former employees.

**2. Summary of Significant Accounting Policies**

***Basis of Accounting***

The financial statements have been prepared under the accrual method of accounting in conformity with accounting principles generally accepted in the United States of America ( GAAP ).

***Use of Estimates***

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, changes therein and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported changes in net assets available for benefits during the reporting period. Actual amounts could differ from those estimates.

***Investments***

The Plan's investments, including its investments in a collective trust, which holds fully benefit-responsive investment contracts, are stated at fair value.

Investment contracts held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for the portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. Contract value represents contributions, transfers in or loan repayments made by participants plus interest and dividends, less withdrawals, transfers out or loan initiations by participants. The statements of net assets available for benefits present the fair value of the collective trust holding investment contracts, as well as the adjustment of its fully benefit-responsive investment contracts from fair value to contract value. The statement of changes in net assets available for benefits is prepared on a contract value basis.

The Plan's shares of mutual funds are valued at quoted market prices which represent the net asset value of shares held by the Plan at each year end. Investments in common stock, including

**Table of Contents**

**MBIA INC.**

**401(k) PLAN**

**NOTES TO FINANCIAL STATEMENTS (Continued)**

**DECEMBER 31, 2014 AND 2013**

the Company's common stock, are stated at fair value based on the last reported sales price on the last business day of the year in the active market in which the security is traded. One of the Plan's investment options includes a participant-directed brokerage account which allows participants to establish a brokerage account and select various investments consisting primarily of mutual funds, common stock and interest bearing cash. Interest bearing cash is valued at carrying value, which approximates fair value.

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Purchases and sales of securities are recorded on a trade-date basis. Interest income from investments is recorded on an accrual basis. Dividend income is recorded on the ex-dividend date. The Plan's net appreciation in the fair value of its investments consists of realized gains and losses and unrealized appreciation and depreciation on investments.

***Risks and Uncertainties***

Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits. The Company's common stock comprises approximately 4% and 6% of the net assets available for benefits for the years ending December 31, 2014 and 2013, respectively.

***Contributions***

Contributions from eligible participants and matching Company contributions are recorded in the month the related payroll deductions are made.

***Notes Receivable from Participants***

Notes receivable from participants are stated at their unpaid principal balance, plus accrued but unpaid interest. Loans outstanding are reflected as a receivable of the Plan. Interest income is recorded on an accrual basis. No allowance for credit losses has been recorded as of December 31, 2014 or 2013. If a participant ceases to make loan repayments and the plan administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded.

***Participant Accounts***

Each participant has an account which is credited with the Company's contribution, participant's contribution, and net results from the investment activities of the participant's account, reduced for any withdrawal activity and fees associated with notes receivable from participants and participant-directed brokerage accounts.

---

**Table of Contents**

**MBIA INC.**

**401(k) PLAN**

**NOTES TO FINANCIAL STATEMENTS (Continued)**

**DECEMBER 31, 2014 AND 2013**

The Plan may elect to allocate the revenue credit received from Fidelity, on a quarterly basis, to eligible participant s accounts based on a defined formula. The amount allocated as of December 31, 2014 and 2013 was \$65,502 and \$48,811, respectively.

***Payment of Benefits***

Benefits are recorded when paid.

***Administrative Expenses***

Administrative expenses, which consist primarily of investment management, recordkeeping and auditing fees, are paid directly by the Company rather than from Plan assets, and are not reflected in the Plan s financial statements.

***Fair Value Measurements***

Financial Accounting Standards Board ( FASB ) Accounting Standards Codification ( ASC ) Topic 820, Fair Value Measurement ( ASC 820 ) provides the framework for measuring fair value. Under ASC 820, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., exit price).

ASC 820 provides a fair value hierarchy for inputs used in measuring fair value that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Plan. Unobservable inputs reflect the Plan s assumption about the inputs market participants would use in pricing an asset or liability based on the best information available in current circumstances. The fair value hierarchy is categorized into three levels based on observability and reliability of valuation inputs as follows:

Level 1 Valuations based on unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Valuations based on: a) quoted prices for similar assets or liabilities in active markets, b) quoted prices for identical or similar assets or liabilities in inactive markets, c) inputs other than quoted prices that are observable for the asset or liability, and d) inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Valuations based on inputs that are unobservable and supported by little or no market activity and that are significant to the overall fair value measurement.

To the extent that the valuation is based on inputs that are less observable or unobservable, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is more significant for the investments categorized in Level 3. In certain cases, the inputs used to measure fair value may fall into different levels of the fair

**Table of Contents****MBIA INC.****401(k) PLAN****NOTES TO FINANCIAL STATEMENTS (Continued)****DECEMBER 31, 2014 AND 2013**

value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety is determined based on the lowest level input that is significant to the fair value measurement in its entirety. Estimated values do not necessarily represent the amounts that may be ultimately realized due to the occurrence of future circumstances that cannot be reasonably determined. Because of the inherent uncertainty of valuation, those estimated values may be materially higher or lower than the values that would have been used had the securities been readily marketable. The Plan's policy is to recognize transfers in and transfers out of levels as of the date of the event or change in circumstances that caused the transfer. The Plan has no level 3 investments. There have been no changes in the valuation methodologies or inputs used to value Plan assets at December 31, 2014 and 2013. Refer to Note 4, Investments, for information regarding the fair value of Plan investments.

***Subsequent Events***

The Plan's management has evaluated subsequent events through the date the financial statements were available to be issued and there were no subsequent events requiring adjustments to the financial statements or disclosures, as stated herein.

**3. Plan Termination**

The Company has not expressed any intent to discontinue its contributions or terminate the Plan. However, it reserves the right to temporarily suspend contributions to or amend or terminate the Plan. Upon termination of the Plan, the accounts of all affected participants shall become fully vested, and the net assets of the Plan shall be distributed among the participants and beneficiaries of the Plan in proportion to their respective account balances, subject to the provisions of ERISA.

**4. Investments**

The Plan's investments, at fair value, that represent 5% or more of the Plan's net assets for benefits as of December 31, 2014 and 2013, are presented in the following table:

	December 31, 2014	December 31, 2013
<b>Common stock:</b>		
MBIA Inc.	\$ *	\$ 6,239,142
<b>Mutual funds:</b>		
Fidelity Growth Company Fund	16,892,345	15,815,182
Fidelity Spartan 500 Index Institutional Fund	12,005,230	11,310,411
Vanguard Total International Stock Index Fund	6,494,971	6,923,608
<b>Collective trust:</b>		
Fidelity Managed Income Portfolio Fund**	\$ 6,338,586	\$ 7,042,924

\* Less than 5% of net assets available for benefits.

\*\* Contract value totaled \$6,245,938 at December 31, 2014 and \$6,936,766 at December 31, 2013.

**Table of Contents****MBIA INC.****401(k) PLAN****NOTES TO FINANCIAL STATEMENTS (Continued)****DECEMBER 31, 2014 AND 2013**

The Plan's net appreciation in fair value of investments including gains and losses on investments bought and sold as well as held during the year for the year ended December 31, 2014 was as follows:

	Year Ended December 31 2014
<b>Investments:</b>	
Mutual funds	\$ 1,935,957
Common stock	(1,164,742)
 Net appreciation in fair value	 \$ 771,215

The Plan's investment assets recorded at fair value have been categorized based upon a fair value hierarchy in accordance with ASC 820. The following tables present information about the Plan's assets measured at fair value as of December 31, 2014 and 2013:

**Assets at Fair Value as of December 31, 2014**

	Level 1	Level 2	Level 3	Total
<b>Mutual funds:</b>				
Balanced funds	\$ 21,314,814	\$	\$	\$ 21,314,814
Fixed income funds	7,104,191			7,104,191
Growth funds	29,295,972			29,295,972
Blended funds	1,971,949			1,971,949
Value funds	8,857,979			8,857,979
Index funds	20,539,825			20,539,825
Other funds	3,785,208			3,785,208
<b>Total mutual funds</b>	<b>92,869,938</b>			<b>92,869,938</b>
Collective trust		6,338,586		6,338,586
Common stock	4,515,526			4,515,526
 Total investment assets at fair value	 \$ 97,385,464	 \$ 6,338,586	 \$	 \$ 103,724,050

**Table of Contents****MBIA INC.****401(k) PLAN****NOTES TO FINANCIAL STATEMENTS (Continued)****DECEMBER 31, 2014 AND 2013**Assets at Fair Value as of December 31, 2013

	Level 1	Level 2	Level 3	Total
Mutual funds:				
Balanced funds	\$ 20,767,994	\$	\$	\$ 20,767,994
Fixed income funds	7,204,116			7,204,116
Growth funds	27,286,916			27,286,916
Blended funds	1,629,553			1,629,553
Value funds	8,520,581			8,520,581
Index funds	19,773,410			19,773,410
Other funds	3,282,321			3,282,321
Total mutual funds	88,464,891			88,464,891
Collective trust		7,042,924		7,042,924
Common stock	6,239,142			6,239,142
Total investment assets at fair value	\$ 94,704,033	\$ 7,042,924	\$	\$ 101,746,957

**5. Investment in Collective Trust**

The Plan holds an investment in a collective trust, specifically the Fidelity Managed Income Portfolio Fund (the "MIP"). The MIP invests in investment contracts issued by insurance companies and other financial institutions, fixed income securities, money market funds and may include derivative instruments such as futures contracts and swap agreements to provide daily liquidity. The investment contract issuers seek to preserve the principal investment and earnings, but cannot guarantee that they will be able to do so. The MIP is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. There are no reserves against contract values for credit risk of the contract issuers or otherwise. There are no unfunded commitments and the redemption frequency is daily.

Certain events limit the ability of the Plan to transact at contract value with the participants. Such events include the following: (a) amendments to the Plan documents (including complete or partial plan termination or merger with another plan), (b) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions, (c) bankruptcy of the plan sponsor or other plan sponsor events (e.g., divestitures or spin-offs of a subsidiary) which cause a significant withdrawal from the Plan, or (d) the failure of the Plan to qualify for exemption from federal income taxes or any other prohibited transaction exception under ERISA. The Plan Administrator does not believe that the occurrence of any such event, which would limit the Plan's ability to transact at contract value with the participants, is probable.

**Table of Contents**

MBIA INC.

401(k) PLAN

**NOTES TO FINANCIAL STATEMENTS (Continued)****DECEMBER 31, 2014 AND 2013****6. Tax Status**

The Internal Revenue Service ( IRS) has determined and informed the Company by letter dated March 21, 2012, that the Plan constitutes a qualified plan under Section 401(a) of the Internal Revenue Code (the IRC ) and is therefore exempt from federal income taxes under provisions of Section 501(a) of the IRC. The Plan Administrator believes that the Plan is currently designed and being operated in accordance with the IRC.

GAAP requires that Plan management evaluate each tax position taken by the Plan and recognize a liability (or asset) if the Plan has taken an uncertain tax position that more-likely-than-not (i.e. a likelihood of more than 50 percent), based on the technical merits, would not be sustained on examination. The Plan Administrator has analyzed the tax positions taken by the Plan and has concluded that as of December 31, 2014 there are no uncertain tax positions taken or expected to be taken. Accordingly, the Plan has recognized no interest and penalties associated with any liability for unrecognized tax benefits. The Plan's policy is to record such amounts, if any, as income tax expense. The Plan is no longer subject to U.S. federal, state and local income tax examinations by tax authorities for years before 2011.

**7. Reconciliation of Financial Statements to Form 5500**

The following is a reconciliation of net assets available for benefits as reported in the Plan's financial statements at December 31, 2014 and 2013 to Form 5500:

	December 31, 2014	December 31, 2013
Net assets available for benefits per the financial statements	\$ 104,511,960	\$ 102,844,292
Adjustment from contract value to fair value for fully benefit-responsive investment contracts held by a collective trust	92,648	106,158
Net assets available for benefits per the Form 5500	\$ 104,604,608	\$ 102,950,450



**Table of Contents****MBIA INC.****401(k) PLAN****NOTES TO FINANCIAL STATEMENTS (Continued)****DECEMBER 31, 2014 AND 2013**

The following is a reconciliation of the net increase in net assets available for benefits as reported in the Plan's financial statements to Form 5500 for the year ended December 31, 2014:

	December 31, 2014
Net increase in net assets available for benefits per the financial statements	\$ 1,667,668
Change in adjustment from contract value to fair value for fully benefit-responsive investment contracts held by a collective trust	(13,510)
Net increase in net assets available for benefits per the Form 5500	\$ 1,654,158

**8. Related Party Transactions**

Certain Plan investments are managed by Fidelity, the investment advisor, trustee and custodian for the Plan, and shares of the Company's common stock. The investments with MBIA Inc. common stock were \$4,515,526 and \$6,239,142 at December 31, 2014 and 2013, respectively. These transactions qualify as party-in-interest transactions. Notes receivable from participants also qualify as party-in-interest transactions.

**Table of Contents**

MBIA INC.

401(k) PLAN

SCHEDULE H (FORM 5500) LINE 4i

SCHEDULE OF ASSETS (HELD AT END OF YEAR)

EIN: 06-1185706, PLAN 002

DECEMBER 31, 2014

		(c)		
		Description of Investments,		
		Including Maturity Date,		
(b)		Rate of Interest, Collateral,		
Identity of Issue, Borrower,		Par or Maturity Value	(d)	(e)
(a)	Lessor, or Similar Party		Cost <sup>(1)</sup>	Current Value
	Common stock:			
*	MBIA Inc.	Common stock		\$ 4,515,526
	Mutual funds:			
*	Fidelity Puritan Fund	Mutual fund		2,767,364
*	Fidelity Growth Company Fund	Mutual fund		16,892,345
*	Fidelity Blue Chip Growth Fund	Mutual fund		4,954,331
*	Fidelity Spartan 500 Index Inst. Fund	Mutual fund		12,005,230
*	Fidelity Spartan Extended Market Index INV	Mutual fund		1,668,253
*	Fidelity Spartan U.S.Bond Index ADV	Mutual fund		371,371
*	Fidelity Low-Priced Stock Fund	Mutual fund		2,231,611
*	Fidelity Freedom Income Fund	Mutual fund		351,004
*	Fidelity Freedom Fund 2010	Mutual fund		1,554,125
*	Fidelity Freedom Fund 2015	Mutual fund		992,999
*	Fidelity Freedom Fund 2020	Mutual fund		3,306,259
*	Fidelity Freedom Fund 2025	Mutual fund		2,452,564
*	Fidelity Freedom Fund 2030	Mutual fund		3,337,207
*	Fidelity Freedom Fund 2035	Mutual fund		3,004,090
*	Fidelity Freedom Fund 2040	Mutual fund		1,923,367
*	Fidelity Freedom Fund 2045	Mutual fund		1,056,101
*	Fidelity Freedom Fund 2050	Mutual fund		551,290
*	Fidelity Freedom Fund 2055	Mutual fund		18,444
	Deutsche Cash Management Fund Institutional Class	Mutual fund		396,151
	Baron Asset Inst Fund	Mutual fund		3,062,509
	Baron Growth Inst Fund	Mutual fund		4,306,667
	PIMCO High Yield Institutional Fund	Mutual fund		1,950,017
	PIMCO Total Return Institutional Fund	Mutual fund		4,538,830
	Cohen and Steers Realty Shares, Inc. Fund	Mutual fund		889,683

**Table of Contents**

**MBIA INC.**

**401(k) PLAN**

**SCHEDULE H (FORM 5500) LINE 4i (Continued)**

**SCHEDULE OF ASSETS (HELD AT END OF YEAR)**

**EIN: 06-1185706, PLAN 002**

**DECEMBER 31, 2014**

		(c)		
		Description of Investments,		
		Including Maturity Date,		
		Rate of Interest, Collateral,		
(b)				
Identity of Issue, Borrower,				
(a)	Lessor, or Similar Party	Par or Maturity Value	(d) Cost <sup>(1)</sup>	(e) Current Value
	Royce Opportunity Fund	Mutual fund		1,061,596
	Allianz NFJ Dividend Value Fund	Mutual fund		928,433
	Dodge & Cox International Stock Fund	Mutual fund		1,971,949
	RidgeWorth Mid-Cap Value Fund	Mutual fund		3,746,656
	Vanguard Total International Stock Index Fund	Mutual fund		6,494,971
	Templeton Global Bond Fund	Mutual fund		615,344
	Conestoga Small Cap Fund INV	Mutual fund		80,120
		Participant-directed		
	Fidelity BrokerageLink	brokerage accounts		3,389,057
	Collective trust:			
*	Fidelity Managed Income Portfolio Fund	Collective trust		6,338,586
		Interest rates: 5.25% to 7.75%;		
		Maturity dates: 2/12/15 to		
*	Participant loans	5/28/24		880,558
	<b>Total</b>			<b>\$ 104,604,608</b>

<sup>(1)</sup> Cost is not required for participant-directed investments.

\* Fidelity Management Trust Company, including associated funds, participants and the Company are parties-in-interest.

**Table of Contents**

**Signatures**

Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

**MBIA Inc.  
401(k) Plan**

Date: May 8, 2015

/s/ C. EDWARD CHAPLIN  
C. Edward Chaplin  
President  
Chief Financial Officer

Date: May 8, 2015

/s/ ALAN PEARLMAN  
Alan Pearlman  
Plan Administrator