

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**

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 * <u>BARRANCO DAVID</u> <hr/> (Last) (First) (Middle) AMBAC FINANCIAL GROUP, INC. ONE WORLD TRADE CENTER, 41ST FLOOR <hr/> (Street) NEW YORK NY 10007 <hr/> (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>AMBAC FINANCIAL GROUP INC [ AMBC ]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner Officer (give title below) Other (specify below) X Senior Managing Director
	3. Date of Earliest Transaction (Month/Day/Year) <u>01/02/2020</u>	
4. If Amendment, Date of Original Filed (Month/Day/Year)		

**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	01/02/2020		M		2,599 <sup>(1)</sup>	A	\$0	21,500	D	
Common Stock	01/02/2020		F		1,020 <sup>(2)</sup>	D	\$21.76	20,480	D	

**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 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: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Title
Restricted Stock Units	<sup>(3)</sup>	01/02/2020		M			2,599	<sup>(1)</sup>	<sup>(1)</sup>	Common Stock	2,599	\$0	13,367	D	

**Explanation of Responses:**

- On January 2, 2020 there were 2,599 restricted stock unit ("RSUs") that vested, settled and were converted into shares of common stock of Ambac Financial Group, Inc. (the "Company").
- Represents the amount of RSUs that were converted into shares of common stock and withheld by the Company to satisfy certain tax withholding obligations.
- Each RSU represents a contingent right to receive one share of the common stock the Company.

**Remarks:**

William J. White, attorney-in-fact 01/06/2020

\*\* 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.

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