

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL	
OMB Number:	3235-0287
Estimated average burden hours per response:	0.5

1. Name and Address of Reporting Person* <u>BARRANCO DAVID</u> (Last) (First) (Middle) <u>AMBAC FINANCIAL GROUP, INC.</u> <u>ONE WORLD TRADE CENTER, 41ST FLOOR</u> (Street) <u>NEW YORK NY 10007</u> (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 <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>Senior Managing Director</u>
	3. Date of Earliest Transaction (Month/Day/Year) <u>03/02/2020</u>	
		6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> 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	03/02/2020		M		12,691 ⁽¹⁾	A	\$0	33,171	D	
Common Stock	03/02/2020		F		4,288 ⁽²⁾	D	\$19.85	28,883	D	
Common Stock	03/02/2020		M		2,730 ⁽³⁾	A	\$0	31,613	D	
Common Stock	03/02/2020		F		863 ⁽⁴⁾	D	\$19.85	30,750	D	
Common Stock	03/02/2020		M		2,209 ⁽⁵⁾	A	\$0	32,959	D	
Common Stock	03/02/2020		F		750 ⁽⁶⁾	D	\$19.85	32,209	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	Amount or Number of Shares				
Deferred Share Units	⁽⁷⁾	03/02/2020		M			2,730	⁽³⁾	⁽³⁾	Common Stock	2,730	\$0	4,323	D	
Restricted Stock Units	⁽⁸⁾	03/02/2020		M			2,209	⁽⁵⁾	⁽⁵⁾	Common Stock	2,209	\$0	11,158	D	

Explanation of Responses:

- The reporting person acquired 12,691 shares of common stock of Ambac Financial Group, Inc. (the "Company") upon the simultaneous vesting and settlement of the reporting person's 2017 Long Term Incentive Plan ("2017 LTIP") award, which had a three year performance period and vested on March 2, 2020.
- As part of the vesting and settlement of the 2017 LTIP, 4,288 shares of common stock were withheld by the Company to satisfy certain tax withholding obligations.
- On March 2, 2020 there were 2,730 deferred share units ("DSUs") that settled, and were converted into shares of common stock of the Company.
- Represents DSUs that were converted into shares of common stock and withheld by the Company to satisfy certain tax withholding obligations.
- On March 2, 2020 there were 2,209 restricted stock units ("RSUs") that settled, and were converted into shares of common stock of the Company.
- Represents RSUs that were converted into shares of common stock and withheld by the Company to satisfy certain tax withholding obligations.
- Each DSU represents a contingent right to receive one share of common stock of the Company.
- Each RSU represents a contingent right to receive one share of common stock of the Company.

Remarks:

William J. White, attorney-in-fact 03/04/2020

** 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.

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 Number.