

Flagstone Reinsurance Holdings Ltd
 Form 4
 December 14, 2009

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549

OMB APPROVAL

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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, 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 *
THORN WRAY T

2. Issuer Name and Ticker or Trading Symbol
Flagstone Reinsurance Holdings Ltd [FSR]

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
 12/11/2009

Director 10% Owner
 Officer (give title below) Other (specify below)

C/O FLAGSTONE REINSURANCE, HOLDINGS LIMITED 23 CHURCH STREET

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

HAMILTON, D0 HM 11

(City) (State) (Zip)

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 Shares	12/11/2009		J ⁽¹⁾		90,700	D	\$ 11.004	1,456,027	I	See footnote (2) (3)
Common Shares	12/11/2009		J ⁽¹⁾		3,400	D	\$ 11.0001	1,452,627	I	See footnote (2) (3)
Common Shares	12/11/2009		J ⁽¹⁾		10,000	D	\$ 11.0001	1,442,627	I	See footnote (2) (3)

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The Funds own certain securities of the Company, all of which are subject to the sole voting and investment authority of the Investment Manager. Thus, for the purposes of Reg. Section 240.13d-3, the Investment Manager is deemed to beneficially own the securities of the Company held by the Funds, and the reporting person hereby disclaims beneficial ownership of the securities of the Company held by the Funds except to the extent of his pecuniary interest therein.

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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