

Flagstone Reinsurance Holdings, S.A.
Form 4
December 10, 2010

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

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2015
Estimated average burden hours per response... 0.5

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 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 *
Haverford (Bermuda) Ltd.

2. Issuer Name and Ticker or Trading Symbol
Flagstone Reinsurance Holdings, S.A. [FSR]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
48 PAR LA VILLE ROAD, SUITE 504
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
12/08/2010

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

HAMILTON, D0 HM 11

(City) (State) (Zip)

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

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 Ownership (Instr. 4) | | |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|---|---|
| | | | | (A) or (D) | Price | | | | |
| Common Shares | 12/08/2010 | | S ⁽¹⁾ | V | 2,849,868 | D | \$ 11.4823 | 0 | D |

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

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.

SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

Edgar Filing: Flagstone Reinsurance Holdings, S.A. - Form 4

| 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 Underlying Securities (Instr. 3 and 4) | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|---------------|-------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount Number of Shares |
| Warrant | \$ 14.8 | 12/08/2010 | | S ⁽¹⁾ | 7,955,553 | 12/01/2013 | 12/31/2013 | Common Shares | 7,955,553 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|------------------|
| | Director | 10% Owner | Officer | Other |
| Haverford (Bermuda) Ltd. 48 PAR LA VILLE ROAD SUITE 504 HAMILTON, D0 HM 11 | | | | Former 10% Owner |

Signatures

/s/Mark J. Byrne 12/10/2010
 __Signature of Date
 Reporting Person

Explanation of Responses:

- * 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).
- (1) On December 8, 2010, Flagstone (Bermuda) Holdings, Limited entered into an agreement to purchase: (i) 8,005,024 shares of Flagstone Reinsurance Holdings, S.A. (the "Issuer") from Haverford (Bermuda) Ltd. ("Haverford") and Limestone Business Limited ("Limestone") and (ii) the Amended and Restated Share Purchase Warrant dated as of June 25, 2010 (the "Haverford Warrant"), issued to Haverford and exercisable for 7,955,553 shares, par value \$0.01 per share, of the Issuer.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.