

Flitman David Michael
Form 4
March 19, 2012

FORM 4

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

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

OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person *
Flitman David Michael

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)

FLAGSTONE REINSURANCE
HOLDINGS, S.A., 65 AVENUE DE
LA GARE

(Street)

3. Date of Earliest Transaction
(Month/Day/Year)
03/15/2012

____ Director ____ 10% Owner
____X____ Officer (give title ____ Other (specify
below) below)
Ex. Dir. of Glob. Prop. Under.

LUXEMBOURG, N4 L-1611

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

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

(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)
Common Shares	03/15/2012 ⁽¹⁾		A	Amount 79,887 ⁽²⁾	A \$ 0 207,049	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
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SEC 1474
(9-02)

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

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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)	8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Own Follo Repo Trans (Instr
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
Flitman David Michael FLAGSTONE REINSURANCE HOLDINGS, S.A. 65 AVENUE DE LA GARE LUXEMBOURG, N4 L-1611	Ex. Dir. of Glob. Prop. Under.

Signatures

/s/ William F. Fawcett, by power of attorney
03/19/2012

__Signature of Reporting Person Date

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).
- The Performance Share Units ("PSUs") vested on January 1, 2012; however, settlement of any shares took place following the calculation of the factor described in footnote (2). The factor used to determine the number of common shares awarded was determined following the filing of the Company's annual report on Form 10-K on March 13, 2012.
- (1) Vesting of PSUs is contingent on the reporting person's continued employment with Flagstone Reinsurance Holdings SA (the "Company") and the Company meeting certain fully diluted return-on-equity ("FDROE") goals. Upon vesting, the PSU holder is entitled to receive a number of common shares of the Company (or the cash equivalent, at the election of the Company) equal to the product of the number of PSUs granted multiplied by a factor based on the Company's FDROE during the vesting period. The factor ranges between 0.5 and 1.5, depending on the FDROE achieved during the vesting period. Based on the FDROE achieved during the relevant period, the number of common shares awarded was determined by multiplying the number of PSUs by a factor of 0.5.
- (2)

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.