Flagstone Reinsurance Holdings Ltd Form 4/A

May 21, 2007

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB Number:

3235-0287

OMB APPROVAL

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0.5

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obligations

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may continue.

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

1(b).

(Print or Type Responses)

See Instruction

1. Name and Address of Reporting Person *

2. Issuer Name and Ticker or Trading Symbol

5. Relationship of Reporting Person(s) to Issuer

THORN WRAY T

Flagstone Reinsurance Holdings Ltd

(Check all applicable)

[FSR]

(Last)

(Middle)

(Zip)

3. Date of Earliest Transaction

X_ Director Officer (give title

10% Owner Other (specify

C/O FLAGSTONE REINSURANCE 05/10/2007 **HOLDINGS LTD, 23 CHURCH**

(First)

STREET

(Street)

4. If Amendment, Date Original

6. Individual or Joint/Group Filing(Check

Filed(Month/Day/Year)

(Month/Day/Year)

Applicable Line) _X_ Form filed by One Reporting Person

05/11/2007

Form filed by More than One Reporting

HAMILTON, D0 HM 11

(City) (State) Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)

2. Transaction Date 2A. Deemed (Month/Day/Year)

Execution Date, if

(Month/Day/Year)

3. 4. Securities TransactionAcquired (A) or Code Disposed of (D) (Instr. 8) (Instr. 3, 4 and 5)

5. Amount of Securities Beneficially Owned

6. Ownership 7. Nature of Form: Direct Indirect (D) or Indirect Beneficial Ownership

(Instr. 4)

(A)

Code V Amount (D) Price

Following Reported Transaction(s)

(Instr. 3 and 4)

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)

(Instr. 4)

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. De Se (In
				Code	V	(A) ((D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Restricted	\$ O (1) (6)	05/10/2007(6)		T(2)(6)		6,315		(3)(6)	(3)(6)	Common	6,315	¢

J(2)(6)

(6)

Shares (6)

(6)

(3)(6)

(3)(6)

Reporting Owners

\$ 0 (1) (6)

Share

Units (6)

Reporting Owner Name / Address		Kelationsn		
	Director	10% Owner	Officer	Other

THORN WRAY T C/O FLAGSTONE REINSURANCE HOLDINGS LTD 23 CHURCH STREET HAMILTON, D0 HM 11

05/10/2007(6)



Signatures

/s/Wray T. 05/21/2007 Thorn

**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).
- Each Restricted Share Unit ("RSU") represents the right to receive without payment to Flagstone Reinsurance Holdings Limited (the "Company"), one newly-issued, fully paid and non-assessable common share of the Company, subject to the terms and conditions of the RSU Plan and the grant certificate evidencing each grant. In the discretion of the Compensation Committee, upon vesting the value of an RSU grant alternatively may be paid in cash, or partly in cash and partly in common shares.
- (2) The Company awarded to Marathon Special Opportunity Master Fund, Ltd. (the "Fund") the RSUs described herein.
- (3) The RSUs vest 100% on the date of the grant.
- (4) The reporting person is a director of the Company. The reporting person does not individually hold or otherwise beneficially own any securities of the Company. The reporting person is an employee of Marathon Asset Management, LLC (the "Investment Manager"), which serves as the investment manager of the Fund. The Fund owns 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

Reporting Owners 2

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Manager is deemed to beneficially own the securities of the Company held by the Fund, and the reporting person disclaims beneficial ownership of the securities of the Company held by the Fund.

- The Investment Manager, in its capacity as the holder of sole voting and investment authority of more than 5% of the common shares of the Company pursuant to Reg. 13d-3, separately files statements pursuant to Section 13 of the Securities Exchange Act of 1934, as amended. The reporting person's interest in the securities reported herein is limited to the extent of his pecuniary interest in the Fund, if any.
- ON MAY 11, 2007, THE REPORTING PERSON FILED TWO FORM 4s REPORTING THE SAME TRANSACTION. THE FORM 4 FILING ACCEPTED AT 7:02 P.M. ON MAY 11, 2007 (SEC ACCESSION NO.: 0000910662-07-000219) WAS FILED IN ERROR. PLEASE DISREGARD THE FORM 4 FILING ACCEPTED AT 7:02 P.M. AND REFER ONLY TO THE REPORTING PERSON'S FORM 4 FILING ACCEPTED AT 3:39 P.M. ON MAY 11, 2007 (SEC ACCESSION NO.: 0001005477-07-002962).

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.