

Flagstone Reinsurance Holdings Ltd  
 Form 3/A  
 May 14, 2007

**FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

OMB APPROVAL

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**INITIAL STATEMENT OF 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 * |         |          | 2. Date of Event Requiring Statement                                                                                                                                                        | 3. Issuer Name <b>and</b> Ticker or Trading Symbol |                                                                                                                                                                                                               |
| Â SILVER CREEK CAPITAL MANAGEMENT LLC     |         |          | (Month/Day/Year)                                                                                                                                                                            | Flagstone Reinsurance Holdings Ltd [FSR]           |                                                                                                                                                                                                               |
| (Last)                                    | (First) | (Middle) | 03/29/2007                                                                                                                                                                                  |                                                    |                                                                                                                                                                                                               |
| 1301 FIFTH AVENUE, 40TH FLOOR             |         |          | 4. Relationship of Reporting Person(s) to Issuer                                                                                                                                            |                                                    | 5. If Amendment, Date Original Filed(Month/Day/Year)                                                                                                                                                          |
| (Street)                                  |         |          | (Check all applicable)                                                                                                                                                                      |                                                    | 03/29/2007                                                                                                                                                                                                    |
| SEATTLE,Â WAÂ 98101                       |         |          | <input type="checkbox"/> Director <input checked="" type="checkbox"/> 10% Owner<br><input type="checkbox"/> Officer <input type="checkbox"/> Other<br>(give title below)    (specify below) |                                                    | 6. Individual or Joint/Group Filing(Check Applicable Line)<br><input checked="" type="checkbox"/> Form filed by One Reporting Person<br><input type="checkbox"/> Form filed by More than One Reporting Person |
| (City)                                    | (State) | (Zip)    |                                                                                                                                                                                             |                                                    |                                                                                                                                                                                                               |

**Table I - Non-Derivative Securities Beneficially Owned**

| 1. Title of Security<br>(Instr. 4) | 2. Amount of Securities Beneficially Owned<br>(Instr. 4) | 3. Ownership Form:<br>Direct (D)<br>or Indirect (I)<br>(Instr. 5) | 4. Nature of Indirect Beneficial Ownership<br>(Instr. 5) |
|------------------------------------|----------------------------------------------------------|-------------------------------------------------------------------|----------------------------------------------------------|
| Common Shares                      | 9,806,571                                                | I                                                                 | See Footnote <u>(1)</u> <u>(2)</u>                       |

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

SEC 1473 (7-02)

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

| 1. Title of Derivative Security<br>(Instr. 4) | 2. Date Exercisable and Expiration Date<br>(Month/Day/Year) | 3. Title and Amount of Securities Underlying Derivative Security<br>(Instr. 4) | 4. Conversion or Exercise Price of Derivative | 5. Ownership Form of Derivative Security: | 6. Nature of Indirect Beneficial Ownership<br>(Instr. 5) |
|-----------------------------------------------|-------------------------------------------------------------|--------------------------------------------------------------------------------|-----------------------------------------------|-------------------------------------------|----------------------------------------------------------|
|-----------------------------------------------|-------------------------------------------------------------|--------------------------------------------------------------------------------|-----------------------------------------------|-------------------------------------------|----------------------------------------------------------|

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|                        | Date Exercisable | Expiration Date | Title         | Amount or Number of Shares | Security | Direct (D) or Indirect (I) (Instr. 5) |                      |
|------------------------|------------------|-----------------|---------------|----------------------------|----------|---------------------------------------|----------------------|
| Restricted Share Units | Â (3)            | Â (3)           | Common Shares | 5,415                      | \$ 0 (4) | I                                     | See Footnote (2) (5) |

## Reporting Owners

| Reporting Owner Name / Address                                                            | Relationships |           |         |       |
|-------------------------------------------------------------------------------------------|---------------|-----------|---------|-------|
|                                                                                           | Director      | 10% Owner | Officer | Other |
| SILVER CREEK CAPITAL MANAGEMENT LLC<br>1301 FIFTH AVENUE, 40TH FLOOR<br>SEATTLE, WA 98101 | Â             | Â X       | Â       | Â     |

## Signatures

/s/ Eric E. Dillon,  
Manager

05/14/2007

\*\*Signature of Reporting Person

Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 5(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) As originally filed, the Form 3 reported 9,811,986 non-derivative securities in Table I, and no derivative securities in Table II. This amendment instead reports 5,415 of the securities as derivative securities.  
The securities disclosed in this Form 3 are owned by certain funds (the "Funds") managed by Silver Creek Capital Management LLC ("Silver Creek"). By reason of the provisions of Rule 16a-1 under the Securities Exchange Act of 1934, as amended, Silver Creek may be deemed to be the beneficial owner of the securities beneficially owned by the Funds. Silver Creek hereby disclaims beneficial ownership of all such securities, except to the extent of any indirect pecuniary interest therein.
- (2) The Restricted Share Units ("RSUs") vest 100% on the date of the grant.
- (3) Each RSU represents the right to receive without payment to the Issuer, one newly-issued, fully paid and non-assessable common share of the Issuer, subject to the terms and conditions of the Issuer's Restricted Share Unit Plan (the "RSU Plan") and the grant certificate evidencing each grant. In the discretion of the Issuer's Compensation Committee, upon vesting the value of the RSU grant alternatively may be paid in cash, or partly in cash and partly in common shares.
- (4) An employee of Silver Creek, Marc Roston, serves as a director of the Issuer. Mr. Roston has instructed the Issuer to pay any compensation he would have received as a director directly to the Funds. The securities disclosed in Table II were acquired through the RSU Plan as part of the Issuer's director compensation package.

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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