

Flagstone Reinsurance Holdings, S.A.  
Form SC 13G/A  
February 17, 2012

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

SCHEDULE 13G

Under the Securities Exchange Act of 1934  
(Amendment No. 2 )\*

Flagstone Reinsurance Holdings, S.A.

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(Name of Issuer)

Common Stock, Par Value \$0.01 Per Share

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(Title of Class of Securities)

L3466T104  
(CUSIP Number)

December 31, 2011  
(Date of Event which Requires Filing  
of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

- Rule 13d-1(b)
- Rule 13d-1(c)
- Rule 13d-1(d)

\*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).



CUSIP No. L3466T104

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1NAME OF REPORTING PERSON

I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Neuberger Berman Group LLC

2CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

(a)

(b)

3SEC USE ONLY

4CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

5SOLE VOTING POWER

0

NUMBER OF  
SHARES  
BENEFICIALLY  
OWNED  
BY  
EACH  
REPORTING  
PERSON  
WITH:

6SHARED VOTING POWER

5,657,818 (see Item 4)

7SOLE DISPOSITIVE POWER

0

8SHARED DISPOSITIVE POWER

5,657,818 (see Item 4)

9AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

5,657,818 (see Item 4)

10CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES

11PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

8.1 % (see Item 4)

12TYPE OF REPORTING PERSON\*

HC

\*SEE INSTRUCTION BEFORE FILLING OUT

CUSIP No. L3466T104

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1NAME OF REPORTING PERSON

I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

NB Alternatives Advisers LLC

2CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

(a)

(b)

3SEC USE ONLY

4CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

5SOLE VOTING POWER

0

NUMBER OF  
SHARES  
BENEFICIALLY  
OWNED  
BY  
EACH  
REPORTING  
PERSON  
WITH:

6SHARED VOTING POWER

5,657,818 (see Item 4)

7SOLE DISPOSITIVE POWER

0

8SHARED DISPOSITIVE POWER

5,657,818 (see Item 4)

9AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

5,657,818 (see Item 4)

10CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES

11PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

8.1 % (see Item 4)

12TYPE OF REPORTING PERSON\*

IA

\*SEE INSTRUCTION BEFORE FILLING OUT

CUSIP No. L3466T104

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1NAME OF REPORTING PERSON

I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

NB Co-Investment Partners LP

2CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

(a)

(b)

3SEC USE ONLY

4CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

5SOLE VOTING POWER

0

NUMBER OF  
SHARES  
BENEFICIALLY  
OWNED  
BY  
EACH  
REPORTING  
PERSON  
WITH:

6SHARED VOTING POWER

4,705,737 (see Item 4)

7SOLE DISPOSITIVE POWER

0

8SHARED DISPOSITIVE POWER

4,705,737 (see Item 4)

9AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

4,705,737 (see Item 4)

10CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES

11PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

6.7% (see Item 4)

12TYPE OF REPORTING PERSON\*

PN

\*SEE INSTRUCTION BEFORE FILLING OUT

CUSIP No. L3466T104

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1 NAME OF REPORTING PERSON  
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

NB Co-Investment Associates LP

2CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

(a)

(b)

3SEC USE ONLY

4CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

5SOLE VOTING POWER

NUMBER OF  
SHARES  
BENEFICIALLY  
OWNED  
BY  
EACH  
REPORTING  
PERSON  
WITH:

0

6SHARED VOTING POWER

4,827,818 (see Item 4)

7SOLE DISPOSITIVE POWER

0

8SHARED DISPOSITIVE POWER

4,827,818 (see Item 4)

9AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

4,827,818 (see Item 4)

10CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES

11PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

6.9% (see Item 4)

12TYPE OF REPORTING PERSON\*

PN

\*SEE INSTRUCTION BEFORE FILLING OUT

Item 1(a) Name of Issuer:

Flagstone Reinsurance Holdings, S.A.

Item 1(b) Address of Issuer's Principal Executive Offices:

65 Avenue de la Gare  
L-1611 Luxembourg, Grand Duchy of Luxembourg

Item 2(a) Name of Person Filing:

This statement is filed by: (i) Neuberger Berman Group LLC (“NBG”) with respect to shares of Common Stock, Par Value \$0.01 Per Share (the “Shares”) of the Issuer beneficially owned by NB Co-Investment Partners LP (“NB Partners”) and certain affiliated investment funds of NBG, (ii) NB Alternatives Advisers LLC (“NB Alternatives”) with respect to Shares owned by NB Partners and certain affiliated investment funds of NBG, (iii) NB Partners with respect to Shares owned by it, and (iv) NB Co-Investment Associates LP (“NB Associates”) with respect to Shares owned by NB Partners.

NBG, NB Alternatives, NB Partners and NB Associates have entered into a Joint Filing Agreement, a copy of which is filed with this Schedule 13G as Exhibit 99.1, pursuant to which they have agreed to file this Schedule 13G jointly in accordance with the provisions of Rule 13d-1(k) of the Securities Exchange Act of 1934, as amended.

Item 2(b) Address or Principal Business Office:

The address of the principal business office of each reporting person is 605 Third Avenue New York, New York 10158.

Item 2(c) Citizenship:

Each of NBG and NB Alternatives is a Delaware limited liability company. Each of NB Partners and NB Associates is a Delaware limited partnership.

Item 2(d) Title of Class of Securities:

Common Stock, Par Value \$0.01 Per Share

Item 2(e) CUSIP Number:

L3466T104

Item 3                    This statement is filed pursuant to Rules 13d-1(b), or 13d-2(b) or (c),  
the person filing is a (j) "Group," in accordance with Rule  
13d-1(b)(1)(ii)(J).

Item 4                    Ownership:

The percentages used herein are calculated based upon the 70,058,168 Shares issued and outstanding as of November 4, 2011, as reported on the Issuer's quarterly report filed on Form 10-Q filed with the Securities and Exchange Commission by the Issuer for the quarterly period ended September 30, 2011.

As of the close of business on December 31, 2011:

1. NBG

- (a) Amount beneficially owned: 5,657,818
- (b) Percent of class: 8.1 %
- (c)(i) Sole power to vote or direct the vote: -0-
- (ii) Shared power to vote or direct the vote: 5,657,818
- (iii) Sole power to dispose or direct the disposition: -0-
- (iv) Shared power to dispose or direct the disposition: 5,657,818

2. NB Alternatives

- (a) Amount beneficially owned: 5,657,818
- (b) Percent of class: 8.1 %
- (c)(i) Sole power to vote or direct the vote: -0-
- (ii) Shared power to vote or direct the vote: 5,657,818
- (iii) Sole power to dispose or direct the disposition: -0-
- (iv) Shared power to dispose or direct the disposition: 5,657,818

3. NB Partners

- (a) Amount beneficially owned: 4,705,737
- (b) Percent of class: 6.7 %
- (c)(i) Sole power to vote or direct the vote: -0-
- (ii) Shared power to vote or direct the vote: 4,705,737
- (iii) Sole power to dispose or direct the disposition: -0-
- (iv) Shared power to dispose or direct the disposition: 4,705,737

4. NB Associates

- (a) Amount beneficially owned: 4,827,818
- (b) Percent of class: 6.9 %
- (c)(i) Sole power to vote or direct the vote: -0-
- (ii) Shared power to vote or direct the vote: 4,827,818
- (iii) Sole power to dispose or direct the disposition: -0-
- (iv) Shared power to dispose or direct the disposition: 4,827,818

NBG, NB Alternatives and NB Associates own directly no Shares. Pursuant to investment management agreements, NB Alternatives maintains investment and voting power with respect to the securities held by NB Partners and certain affiliated investment funds. NB Associates is the general partner of NB Partners and may be deemed to have beneficial ownership of the securities held by NB Partners. NBG controls each of NB Alternatives and NB Associates. By reason of the provisions of Rule 13d-3 of the Securities Exchange Act of 1934, as amended, each of NBG and NB

Alternatives may be deemed to beneficially own 5,657,818 Shares (constituting approximately 8.1 % of the Shares outstanding). Each of NBG and NB Alternatives disclaims beneficial ownership of any of the securities covered by this statement.

Item 5 Ownership of Five Percent or Less of a Class:

If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of more than five percent of the class of securities, check the following.

o

Item 6 Ownership of More than Five Percent on Behalf of Another Person:

Not Applicable

Item 7 Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on By the Parent Holding Company:

Not Applicable

Item 8 Identification and Classification of Members of the Group:

Not Applicable

Item 9 Notice of Dissolution of Group:

Not Applicable

Item 10 Certification:

By signing below the signatory certifies that, to the best of his knowledge and belief, the securities referred to above were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: February 16, 2012

Neuberger Berman Group LLC

By: /s/ Brad Cetron  
Name: Brad Cetron  
Title: Deputy General Counsel

NB Alternatives Advisers LLC

By: /s/ Christian Neira  
Name: Christian Neira  
Title: Senior Vice President

NB Co-Investment Partners LP

By: /s/ Christian Neira  
Name: Christian Neira  
Title: Senior Vice President

NB Co-Investment Associates LP

By: /s/ Christian Neira  
Name: Christian Neira  
Title: Senior Vice President