

SIGNATURE GROUP HOLDINGS, INC.
Form DEFA14A
May 24, 2013

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

(Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

SIGNATURE GROUP HOLDINGS, INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

May 24, 2013

Dear Fellow Signature Stockholder:

**PRESERVE YOUR OPPORTUNITY TO
MAXIMIZE VALUE FOR YOUR SHARES!**

At this year's annual meeting for Signature Group Holdings, Inc., currently scheduled for July 16, 2013, you will have the opportunity to direct the future of your investment in the Company by voting **FOR** your Board's slate of director nominees. These director nominees have the right mix of experience and capabilities necessary to successfully execute the Company's value creation strategy.

You may be surprised to learn that just nine months after the Company successfully won a costly proxy fight, there is yet another and different insurgent stockholder group, Charlestown Capital Advisors, LLC, waging yet another proxy fight that is distracting your Company's management from the business of running the Company by requiring it to conduct another proxy contest with its attendant large and wasteful expenditure of capital. We believe Charlestown offers no new ideas to create stockholder value and instead has provided only an unrealistic strategy with no identified management team.

In nine short months, we have made significant progress in focusing the management of the Company on finding acquisitions, cutting costs, and creating value for the stockholders as a whole. Our efforts are reflected in the Company's 104% stock price increase since August 6, 2012. Your Board is committed to continuing this progress and growing our Company and creating value for all stockholders. Your Board is intimately familiar with your Company's business, its day-to-day operations and is in the best position to continue to review, develop and adapt the Company's plan to maximize value for all of the Company's stockholders. Most important, our Board and nominees have actual experience unlocking the value of NOL assets for public companies.

We will soon be mailing to you our proxy materials, including the **WHITE** proxy card, which will contain important information as to why you should vote for the Company's slate of directors. To preserve your opportunity to maximize value for your shares, we urge you to reject Charlestown's scheme to take over your Company's Board and vote **FOR** the Company's director nominees and **FOR** the other proposals listed on the **WHITE** proxy card. Please simply discard any gold proxy card you may receive from Charlestown. Our desire is to continue our efforts on your behalf and we ask you to return the **WHITE** proxy card in support of our recommended nominees.

Respectfully submitted,

G. Christopher Colville, Director

John Koral, Director

Patrick E. Lamb, Director

Philip Tinkler, Director

In support,

Peter Bynoe, Director Nominee

Additional Information:

The proxy statement, the **WHITE** proxy card and related proxy materials for this Annual Meeting and Signature's Annual Report on Form 10-K for the year ended December 31, 2012 are available over the Internet at www.signaturegroup Holdings.com.

The Board urges you **NOT** to sign or return any proxy cards other than the **WHITE** proxy card sent by your Board of Directors. If you need assistance voting the **WHITE** proxy card, please contact our proxy solicitor, Innisfree M&A Incorporated, toll-free at (888) 750-5834.