

SCPIE HOLDINGS INC
Form DEFA14A
February 11, 2008

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-11(c) or §240.14a-12

SCPIE HOLDINGS INC.

(Name of Registrant as Specified In Its Charter)

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

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 the transaction applies:

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

(3) Per unit price or other underlying value of the 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 the 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:

[LETTERHEAD OF SCPIE HOLDINGS INC.]

February 11, 2008

Dear Fellow Stockholders,

SCPIE's Board of Directors recommends and asks that you vote **FOR** our company's merger with The Doctors Company, which has agreed to pay \$28.00 per share in **cash**.

This recommendation was formulated after an exhaustive auction process to determine the most favorable transaction reasonably available for SCPIE stockholders. Nevertheless, Joseph Stilwell opposes this sale to The Doctors Company. Mr. Stilwell favors another bidder, American Physicians Capital, Inc. (ACAP), which offered **stock**, rather than cash. Moreover, hardly by coincidence, he owns a significant ownership stake in this bidder and has been a member of its board of directors since 2004.

Merging with The Doctors Company is the right decision for SCPIE, our stockholders and our insureds. The Doctors Company has an A-rating from A.M. Best and is the largest physician-owned carrier in California and in the United States. In contrast, ACAP has a B++ rating, does no business in California and is only a fraction of the size of The Doctors Company.

When you receive Stilwell's gold proxy card, discard it. We strongly urge you to vote **FOR** the merger on SCPIE's **WHITE** card, then return it in the enclosed postage-paid envelope. You may also vote via phone or Internet. If you have any questions, please call SCPIE's proxy solicitor, MacKenzie Partners, at 800/322-2885, or SCPIE's investor relations department at 310/551-5948.

Since we are involved in a contested proxy, we want all stockholders to have accurate and current information; therefore, we will keep you apprised of any further developments, as appropriate.

On behalf of the Board of Directors, we hope we can count on your support for the benefit of all stockholders as we move forward to complete this transaction.

Sincerely,

Mitchell S. Karlan MD

Chairman, Board of Directors

Additional Information and Where to Find It

On January 30, 2008, SCPIE filed a definitive proxy statement with the Securities and Exchange Commission (SEC) in connection with its proposed acquisition by The Doctors Company. The proxy statement has been mailed to SCPIE's stockholders, who are urged to read the proxy statement and other relevant materials filed with the SEC because they contain important information about the acquisition. Investors and security holders may obtain free copies of these documents and other documents filed with the SEC at the SEC's website at www.sec.gov. In addition, investors and security holders may obtain free copies of the documents filed with the SEC by SCPIE at the Investors/Media section on its corporate website at www.scpie.com.

SCPIE's executive officers and directors may be participants in the solicitation of proxies from SCPIE stockholders with respect to the acquisition. Information about SCPIE's executive officers and directors, and their ownership of SCPIE Holdings common stock, is set forth in the definitive proxy statement SCPIE filed with the SEC on January 30, 2008, and in the reports filed by the executive officers and directors under Section 16 of the Securities Exchange Act of 1934, as amended, since such date. Additional information regarding the direct and indirect interests of SCPIE's executive officers and directors in the acquisition is in the definitive proxy statement.