

BLITZER MICHAEL  
Form 4  
October 29, 2010

**FORM 4**

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN 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 \*  
BLITZER MICHAEL

2. Issuer Name and Ticker or Trading Symbol  
SIGNATURE GROUP HOLDINGS INC [SGGH.PK]

5. Relationship of Reporting Person(s) to Issuer  
(Check all applicable)

(Last) (First) (Middle)  
11 EAST 44TH STREET, SUITE 704  
(Street)

3. Date of Earliest Transaction (Month/Day/Year)  
10/27/2010

Director  10% Owner  
 Officer (give title below)  Other (specify below)

NEW YORK, NY 10017

(City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock					760,000 <sup>(1)</sup>	I	Kingstown Capital Partners, LLC
Common Stock <sup>(2)</sup>	10/27/2010 <sup>(2)</sup>		A		45,181 <sup>(2)</sup>	D	\$ 0.83

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

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number.

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

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. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Owned Beneficially (Instr. 5)
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## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BLITZER MICHAEL 11 EAST 44TH STREET SUITE 704 NEW YORK, NY 10017	X			

## Signatures

/s/ Michael Blitzer  
10/29/2010  
\*\*Signature of Reporting Person Date

## 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).
- Michael Blitzer is a Managing Partner of Kingstown Capital Partners, LLC, the general partner of Kingstown Partners Master Fund, Ltd,
- (1) which purchased 300,000 common shares and now beneficially owns 3,800,000 shares of the issuer. Michael Blitzer is deemed to have beneficial ownership of the shares via his general partner's 20% profit allocation.
- On October 27, 2010, the Board of Directors of Signature Group Holdings, Inc. approved a compensation package for each of it's independent Directors which includes annual compensation of \$75,000 of restricted stock. The restricted stock shall vest at the end of
- (2) each year of the grant, subject to immediate vesting in the event of a change of control. The initial grants were issued on October 27, 2010 in the amount of \$37,500 for each independent Director for the period relating to their services from June 11, 2010 through December 31, 2010 which shall be deemed vested on January 1, 2011.

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.