

PIPER JAFFRAY COMPANIES

Form DEFA14A

April 16, 2008

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

SCHEDULE 14A

(RULE 14a-101)

SCHEDULE 14A INFORMATION

PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE SECURITIES

EXCHANGE ACT OF 1934

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 Section 240.14a-12

PIPER JAFFRAY COMPANIES

(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 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):

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- o Fee paid previously with preliminary materials.
- o 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.:

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April __, 2008

[Insert Address]

Re: Piper Jaffray Companies 2008 Annual Meeting

Dear _____:

As we have disclosed in our proxy statement, we presently intend to grant an incremental performance-based award to each member of our Management Committee in 2008. As currently contemplated, this award would cliff vest if the company met a return on adjusted common equity target over a fixed period of time (twelve months), assuming the Management Committee member remains an employee. This award would be forfeited, however, if the performance metric for the company is not met within five years. The Compensation Committee recently determined to set the return on adjusted common equity target at 11%. The target of 11% reflects substantial improvement from our current level, compares favorably within a peer context and is realistic to achieve in the context of our business strategy and risk profile.

Second, we stated in the proxy statement that we are cognizant of and sensitive to shareholder concerns about dilution, and we have repurchased 4,539,004 shares of common stock to offset awards of approximately 3,941,646 shares over the last four years. To address concerns regarding dilution from the Incentive Plan in future periods, we announced today that our Board of Directors has authorized a share repurchase in the amount of \$100 million to expire on June 30, 2010.

We believe that our proposal to amend and restate our Incentive Plan to increase the available shares by one million is critical to Piper Jaffray's future success. The Board of Directors recommends that you vote for this proposal, and we ask that you please vote your shares accordingly. Thank you for your consideration.

Sincerely,

Jennifer A. Olson-Goude
Head of Investor Relations
612-303-6277