

NEW CENTURY FINANCIAL CORP  
Form DEFA14A  
February 17, 2006

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**SCHEDULE 14A**

**(Rule 14A-101)**

**INFORMATION REQUIRED IN PROXY STATEMENT**

**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 §240.14A-11(c) or §240.14A-2

**NEW CENTURY FINANCIAL CORPORATION**

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(Name of Registrant as Specified In Its Charter)

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(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)(4) and 0-11.

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

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

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(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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(4) Proposed maximum aggregate value of transaction:

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(5) Total fee paid:

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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:

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

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(3) Filing Party:

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(4) Date Filed:

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ASSOCIATE BULLETIN

**February 17, 2006**

**To:** All New Century Associates

**From:** Bob Cole, Chairman & CEO and  
Brad Morrice, Vice Chairman, President and COO, NCFC  
**New Century Shareholder Announces Proxy Contest**

Today one of our shareholders announced that it intends to nominate a competing slate of three directors for election at our next annual meeting to be held on May 10, 2006, and begin a process that is commonly referred to as a proxy contest. Several of you have asked what this means for us, so we would like to take this opportunity to summarize the implications of this proxy contest.

Like all publicly traded companies, New Century holds an annual shareholders meeting. During each annual meeting, our shareholders elect three or four directors, out of a total of 10, to our Board. In connection with this election, New Century sends to each of its shareholders a document known as a proxy statement, which identifies those people whom New Century has nominated to serve on the Board. Shareholders may vote either in person at the meeting or by filling out a proxy card that accompanies the proxy statement to indicate whether they support or withhold support from New Century's nominees. The proxy card is typically submitted to the company by mail.

A proxy contest occurs when a shareholder or group of shareholders nominates one or more directors to oppose those nominated by the company. That shareholder will also seek the proxies of New Century's shareholders to vote for its nominees; the nominees who receive the most votes win and will serve as New Century directors.

Although we are confident that our shareholders will support our nominees, it is important to note that even if the dissident slate wins the election, they will not gain majority control of New Century's Board. They would have one, two or three seats on our 10-member Board, depending on the outcome of the election.

We believe that this shareholder and its nominees intend to use their status as directors to influence the strategic direction of the company in a manner that will **not** be in the best interest of its shareholders. While we disagree with the filing shareholder's opinion of New Century's performance and direction, we are committed to good corporate governance practices and will continue to be receptive to all of our shareholders input. In the final analysis, the Board will continue to do what it believes is in the best interest of **all** of the company's shareholders.

Although the election of directors is very important, it does not change your day-to-day life at New Century. We have an ongoing commitment to our customers, and our focus needs to remain on them. This is the best way to achieve our goals as a company.

Oftentimes these types of events attract the attention of reporters and other media. Please remember to refer all media inquiries to Erin Freeman, Vice President of Corporate Communications (949-862-7624), and refrain from commenting on the matter publicly.

You can [read the press release](#) we issued today on this subject on either the Go! intranet or on [ncen.com](http://ncen.com). We will keep you informed should there be any further developments related to this matter. As always, we thank you for your continued hard work and dedication.

**Additional Information and Where to Find It**

In connection with its 2006 Annual Meeting of Stockholders, New Century Financial Corporation will file a proxy statement with the Securities and Exchange Commission (SEC). STOCKHOLDERS OF NEW CENTURY FINANCIAL CORPORATION ARE URGED TO READ THE PROXY STATEMENT AND ANY OTHER RELEVANT DOCUMENTS FILED WITH THE SEC WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION. Investors and stockholders can obtain free copies of the proxy statement and other documents when they become available on the company's website [www.ncen.com](http://www.ncen.com) or by contacting Georgeson Shareholder Communications, Inc., the company's proxy solicitor. Telephone: (212) 440-9800. In addition, documents filed with the SEC by New Century Financial Corporation will be available free of charge at the SEC's web site at <http://www.sec.gov>.

Information regarding the identity of the persons who may, under SEC rules, be deemed to be participants in the solicitation of stockholders of New Century Financial Corporation, and their interests in the solicitation, are set forth in the proxy statement filed by New Century Financial Corporation with the SEC on April 11, 2005.