

NEW CENTURY FINANCIAL CORP  
Form 4  
May 12, 2006

**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 \*  
**EINHORN DAVID**

2. Issuer Name and Ticker or Trading Symbol  
**NEW CENTURY FINANCIAL CORP [NEW]**

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)  
**05/10/2006**

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

**C/O GREENLIGHT CAPITAL, INC., 140 EAST 45TH STREET, FLOOR 24**

(Street)

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

**NEW YORK,, NY 10017**

(City) (State) (Zip)

**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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
|                                 |                                      |  | Code                           | V   | Amount or (D) Price   |  |                                   |
| Common Stock                    | 05/10/2006                           |  | A                              |   | 1,973 <sup>(1)</sup><br>\$ 0  | 3,227  | D                                 |
| Common Stock                    | 05/10/2006                           |  | A                              |   | 345 <sup>(2)</sup><br>\$ 0  | 3,622  | D                                 |
| Common Stock                    |                                      |  |                                |   |   | 2,713,800 <sup>(3)</sup>                                 | I See Footnote <sup>(4)</sup>     |
| Common Stock                    |                                      |  |                                |   |   | 780,900 <sup>(3)</sup>                                   | I See Footnote                    |

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

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(9-02)

**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 Beneficially Owned (Instr. 5) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable   | Expiration Date   | Title                                      | Amount or Number of Shares                                       |

## Reporting Owners

| Reporting Owner Name / Address  | Relationships |           |         |       |
|---|---------------|-----------|---------|-------|
|   | Director      | 10% Owner | Officer | Other |
| EINHORN DAVID<br>C/O GREENLIGHT CAPITAL, INC.<br>140 EAST 45TH STREET, FLOOR 24<br>NEW YORK, NY 10017 |               | X         |         |       |

## Signatures

Jennifer Jewett  
(Attorney-in-fact) 05/12/2006

\*\*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).
- (1) Restricted stock award that vests as to one-third of the total number of shares of restricted stock on each of the first three anniversaries of the grant date.
- (2) Restricted stock award that vests as to 100% of the total number of shares of restricted stock on the first anniversary of the grant date.
- (3) Mr. Einhorn is the senior managing member of Greenlight Capital, L.L.C. ("Greenlight LLC"). The filing of this Form 4 shall not be construed as an admission that Mr. Einhorn is or was for the purposes of Section 16(a) of the Securities Exchange Act of 1934, as

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amended (the "Act"), or otherwise the beneficial owner of any shares of common stock, par value \$0.01 per share (the "Common Stock"), of New Century Financial Corporation owned by Greenlight Capital, L.P. ("Greenlight Fund") or Greenlight Capital Qualified, L.P. ("Greenlight Qualified"). Pursuant to Rule 16a-1 of the Act, Mr. Einhorn disclaims beneficial ownership except to the extent of his pecuniary interest.

- (4) Greenlight LLC controls the voting and disposition of 2,713,800 shares of Common Stock through the account of Greenlight Qualified, of which Greenlight LLC is the general partner. Greenlight LLC receives an allocation of net profits from and owns a partnership interest in Greenlight Qualified. Mr. Einhorn reports the shares held indirectly by Greenlight LLC because, as the senior managing member of Greenlight LLC at the time of purchase, Mr. Einhorn controlled the disposition and voting of the securities.

- (5) Greenlight LLC controls the voting and disposition of 780,900 shares of Common Stock through the account of Greenlight Fund, of which Greenlight LLC is the general partner. Greenlight LLC receives an allocation of net profits from and owns a partnership interest in Greenlight Fund. Mr. Einhorn reports the shares held indirectly by Greenlight LLC because, as the senior managing member of Greenlight LLC at the time of purchase, Mr. Einhorn controlled the disposition and voting of the securities. Additionally, Mr. Einhorn owns a limited partnership interest in Greenlight Fund.

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.