

NEW CENTURY FINANCIAL CORP

Form 4

October 19, 2005

**FORM 4****UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

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

## OMB APPROVAL

OMB  
Number: 3235-0287  
Expires: January 31,  
2005  
Estimated average  
burden hours per  
response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
FLANAGAN PATRICK J

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)  
18400 VON KARMAN, SUITE  
1000

3. Date of Earliest Transaction  
(Month/Day/Year)  
10/18/2005

\_\_\_\_ Director \_\_\_\_ 10% Owner  
\_X\_ Officer (give title below) \_\_\_\_ Other (specify below)  
Executive Vice President

(Street)  
IRVINE,, CA 92612

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

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

(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 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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount (A) or (D)	Price	
Common Stock	10/18/2005		M		7,582	A \$ 7.53	342,215 D
Common Stock	10/18/2005		M		29,881	A \$ 9.1	372,096 D
Common Stock	10/18/2005		M		16,875	A \$ 18.66	388,971 D
Common Stock	10/18/2005		F		14,947	D \$ 31.77	374,024 D

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

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SEC 1474  
(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. Amount or Number of Shares
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title		
Stock Option (Right to Buy)	\$ 7.53	10/18/2005		M	7,582	<u>(1)</u>	10/05/2011	Common Stock		7,582
Stock Option (Right to Buy)	\$ 9.1	10/18/2005		M	29,881	<u>(3)</u>	02/22/2012	Common Stock		29,881
Stock Option (Right to Buy)	\$ 18.66	10/18/2005		M	16,875	<u>(4)</u>	01/21/2013	Common Stock		16,875

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
FLANAGAN PATRICK J 18400 VON KARMAN, SUITE 1000 IRVINE,, CA 92612			Executive Vice President	

## Signatures

Jennifer Jewett  
(Attorney-in-fact) 10/19/2005

\_\_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) This stock option grant vested 20% on October 5, 2002, the first anniversary of the grant date, with an additional 5% vesting on the last day of each succeeding calendar quarter thereafter. The final 5% increment will vest on the fifth anniversary of the grant date. The portion of this stock option grant exercised by the reporting person on October 18, 2005 vested as follows: 1,916 shares on March 31, 2005, 1,915 shares on June 30, 2005 and 3,751 shares on September 30, 2005.

(2) This column is not applicable.

(3) This stock option grant vested 20% on February 22, 2003, the first anniversary of the grant date, with an additional 5% vesting on the last day of each succeeding calendar quarter thereafter. The final 5% increment will vest on the fifth anniversary of the grant date. The portion of this stock option grant exercised by the reporting person on October 18, 2005 vested as follows: 7,381 shares on March 31, 2005, 11,250 shares on June 30, 2005 and 11,250 shares on September 30, 2005.

(4) This stock option grant vested 20% on January 21, 2004, the first anniversary of the grant date, with an additional 5% vesting on the last day of each succeeding calendar quarter thereafter. The final 5% increment will vest on the fifth anniversary of the grant date. The portion of this stock option grant exercised by the reporting person on October 18, 2005 vested as follows: 5,625 shares on March 31, 2005, 5,625 shares on June 30, 2005 and 5,625 shares on September 30, 2005.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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