

NEW CENTURY FINANCIAL CORP  
 Form 4  
 November 22, 2006

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

OMB APPROVAL

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**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 \*  
 GOTSCHALL EDWARD F

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)  
 11/20/2006

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

(Street)  
 IRVINE,, CA 92612

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

(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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	Price	
Common Stock	11/20/2006		M		36,975	A \$ 6.65	1,100,521 D
Common Stock	11/20/2006		M		28,325	A \$ 10.47	1,128,846 D
Common Stock	11/20/2006		S <sup>(1)</sup>		65,300	D \$ 36.99	1,063,546 D
Common Stock	11/21/2006		M		57,395	A \$ 10.47	1,120,941 D
Common Stock	11/21/2006		M		78,750	A \$ 18.66	1,199,691 D

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Common Stock	11/21/2006	S <sup>(1)</sup>	136,145	D	\$ 36.62	1,063,546	D	
Common Stock						1,127	I	By daughter
Common Stock						1,127	I	By son
Common Stock						1,127	I	By son <sup>(2)</sup>
Common Stock						100,000	I	By wife

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
Stock Option (Right to Buy)	\$ 6.65	11/20/2006		M	36,975	<sup>(3)</sup> 09/04/2011	Common Stock	36,975
Stock Option (Right to Buy)	\$ 10.47	11/20/2006		M	28,325	<sup>(5)</sup> 02/27/2012	Common Stock	28,325
Stock Option (Right to Buy)	\$ 10.47	11/21/2006		M	57,395	<sup>(6)</sup> 02/27/2012	Common Stock	57,395
Stock Option (Right to Buy)	\$ 18.66	11/21/2006		M	78,750	<sup>(7)</sup> 01/21/2013	Common Stock	78,750

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
GOTSCHALL EDWARD F 18400 VON KARMAN, SUITE 1000 IRVINE,, CA 92612		X		

## Signatures

Jennifer Jewett  
(Attorney-in-Fact) 11/22/2006

\_\_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) This sale was effected pursuant to a 10b5-1 trading plan adopted by the reporting person.
- (2) Shares held by the reporting person's wife as custodian for the benefit of his son under the California Uniform Transfers to Minor Act.  
This stock option grant vested 20% on September 4, 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 vested on the fifth anniversary of the grant date and the option is, therefore, currently exercisable.
- (3) This column is not applicable.  
This stock option grant vested 20% on February 27, 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 the option exercised by the reporting person on November 20, 2006 vested as follows: 7,944 shares on February 27, 2003, 5,625 shares on each of June 30, September 30 and December 31, 2003 and 3,506 shares on March 31, 2004.
- (4) This column is not applicable.  
This stock option grant vested 20% on February 27, 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 the option exercised by the reporting person on November 21, 2006 vested as follows: 1,145 shares on March 31, 2004 and 5,625 shares on each of June 30, 2004, September 30, 2004, December 31, 2004, March 31, 2005, June 30, 2005, September 30, 2005, December 31, 2005, March 31, 2006, June 30, 2006 and September 30, 2006.
- (5) This column is not applicable.  
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 the option exercised by the reporting person on November 21, 2006 vested as follows: 22,500 shares on January 21, 2004 and 5,625 shares on each of June 30, 2004, September 30, 2004, December 31, 2004, March 31, 2005, June 30, 2005, September 30, 2005, December 31, 2005, March 31, 2006, June 30, 2006 and September 30, 2006.
- (6) This column is not applicable.  
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 the option exercised by the reporting person on November 21, 2006 vested as follows: 22,500 shares on January 21, 2004 and 5,625 shares on each of June 30, 2004, September 30, 2004, December 31, 2004, March 31, 2005, June 30, 2005, September 30, 2005, December 31, 2005, March 31, 2006, June 30, 2006 and September 30, 2006.
- (7) This column is not applicable.  
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 the option exercised by the reporting person on November 21, 2006 vested as follows: 22,500 shares on January 21, 2004 and 5,625 shares on each of June 30, 2004, September 30, 2004, December 31, 2004, March 31, 2005, June 30, 2005, September 30, 2005, December 31, 2005, March 31, 2006, June 30, 2006 and September 30, 2006.

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.