



A NEW SHADE OF BLUE CHIP<sup>SM</sup>

April 2, 2007

Jim Turner  
Chief, Rapid Response Section  
Ohio Department of Job and Family Services  
145 South Front Street  
P.O. Box 1618  
Columbus, OH 43216-1618

Re: ***Notification Pursuant to the Worker Adjustment and Retraining  
Notification Act (29 U.S.C. §§ 2101 et seq.) and Ohio Rev. Code  
Ann. § 4141.29(C)***

Dear Mr. Turner:

Pursuant to the Worker Adjustment and Retraining Notification Act, 29 U.S.C. §§ 2101 et seq., and Ohio Rev. Code Ann. § 4141.29(C), on April 2, 2007, New Century Financial Corporation (the "Company"), on behalf of itself and its subsidiaries, New Century Mortgage Corporation and Home123 Corporation, will be conducting a plant closing of its facility at 4349 Easton Way, Columbus, OH 43219.

The Company has recently experienced a number of unforeseeable business circumstances that have resulted in a sudden, dramatic, and unexpected liquidity crisis. A series of events – including a downturn in market conditions, diminished investment demands, and New Century's inability to release its annual audited financial statements for the 2006 fiscal year – have suddenly and negatively affected New Century's financial condition. In addition, the Company has received notices from all of its lenders asserting that the Company is in default under its financing arrangements. The Company's lenders' restrictions or refusals to allow the Company to access their financing arrangements have substantially limited the Company's capacity to fund new loans. As a result, the Company has been forced to cease accepting loan applications from prospective borrowers.

During this entire period, New Century has been actively engaged in discussions with lenders and other third parties regarding a refinancing and other alternatives to obtain additional liquidity that would have allowed the Company to resume funding borrowers' loans and continue all of its current operations. Providing this notice previously would have been detrimental to those efforts. Unfortunately, the Company has been unable to obtain such replacement financing.



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As indicated above, the plant closing is expected to begin today, April 2, 2007. While the last day of active employment for the affected employees will be on April 2, 2007, at which time these employees will be relieved of all job duties, they will continue to be paid through April 13, 2007. If the employee is currently enrolled in New Century's benefit plan, he or she will receive continued benefits coverage through April 30, 2007, followed by the opportunity for continued coverage under COBRA.

The job titles of the positions to be affected, the number of affected employees in each job classification, and the schedule of separations are shown on Exhibit A, which is attached and made a part of this notice. The entire plant will be closed. This plant closing is expected to be permanent in nature. The affected employees are unrepresented. Bumping rights do not exist with respect to this action.

Due to the reasons stated above, we have been unable to provide additional notice of this plant closing. In light of the nature of the Company's business going forward, we do not believe that the statutes cited above should apply to this situation. Nonetheless, we are giving as much notice as possible.

For further information, please contact New Century's HR Service Center at (866) 598-8678.

Very truly yours,

A handwritten signature in black ink, appearing to be 'Tim Clark', written over a horizontal line.

Tim Clark

Vice President, Human Resources

Enclosure

SF1:667420.1



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**EXHIBIT A**

Number	Occupation/ Job Title	Date of Separation
33	Account Executive	04/13/2007
4	Account Executive, WS	04/13/2007
12	Account Manager	04/13/2007
2	Account Manager, Jr	04/13/2007
3	Account Manager, Sr	04/13/2007
1	Appraisal Clerk	04/13/2007
1	Appraisal Manager, Region	04/13/2007
1	Area Sales Manager	04/13/2007
1	Closer	04/13/2007
1	Closing Manager	04/13/2007
4	Closing Specialist I	04/13/2007
1	Collateral Analyst	04/13/2007
1	Customer Service Mgr, WS	04/13/2007
1	Division Operations Mgr	04/13/2007
3	Document Processor	04/13/2007
3	Funder	04/13/2007
2	Funder Prime	04/13/2007
1	Funder, Sr	04/13/2007
1	Operations Manager, Region	04/13/2007
1	Opr Guide Advisor, WS	04/13/2007
1	Receptionist	04/13/2007
1	Region Manager	04/13/2007
1	Regional Underwriting Manager	04/13/2007
2	Released Loan Coordinator	04/13/2007
1	Risk Manager	04/13/2007
3	Set-Up Coordinator	04/13/2007
2	Shipper	04/13/2007
7	Underwriter	04/13/2007
1	Underwriter, Sr	04/13/2007
3	Underwriting Specialist II	04/13/2007
4	Underwriting Specialist III	04/13/2007
2	Unit Manager	04/13/2007
1	Wholesale Coordinator	04/13/2007
3	Wholesale Liaison II	04/13/2007
1	Wholesale Liaison III	04/13/2007
<b>110</b>	<b>Total</b>	