

Second Quarter
2006



THE PIPELINE

Change Network Ensures OPUS is All About Us

Make no mistake; Project OPUS (or "Operation Us!") is a big deal for New Century. The initiative will leverage support from Accenture to manage or automate many of the company's processes in HR and procurement, standardizing them across the company. When implemented, it promises to reduce administrative burdens for thousands of Associates and yield millions of dollars in savings.

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Q&A with Tony Meola:

The New Executive Vice President of Loan Production is in the Business of Making People and Places Successful

In May, Tony Meola left Washington Mutual to join New Century as Executive Vice President, Loan Production. He'll oversee and expand production nationwide as well as broaden the company's product menu across all of its channels. Tony has more than 19 years of senior management experience in the mortgage industry, as well as expertise in diversified financial services. At WaMu, he was Executive Vice President of Home Lending and was responsible for all mortgage production. Tony recently



Tony Meola

shared his thoughts with us about his passion for production, the reason he made the move to New Century, our future in the industry, Project OPUS and how to win.

The Pipeline: What did your job entail at Washington Mutual?

TM: I was in charge of our production organization, both sales and fulfillment, for retail, wholesale, consumer direct and correspondent distribution channels. I'm very proud of what I accomplished there in terms of building the home loan sales force, my work in loan servicing, expanding our product line, and most importantly, developing our people.

TP: *Besides executive positions in production, you seem to have done it all — CFO, COO, EVP of loan servicing. What do you like about production, in particular?*

TM: Production provides a variety of opportunities to deal with all types of people — borrowers, brokers, investors and Associates. I also love to compete

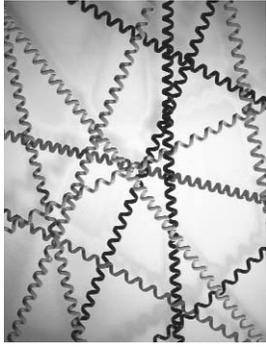
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A NEW SHADE OF BLUE CHIP™



Change Network Ensures OPUS is All About Us

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So perhaps it goes without saying that the successful implementation of OPUS is critically important. And one key to success is communication, according to Jennifer McCusker, Organization Development Manager and Change Management team lead for Project OPUS.

"Communication has to be thorough, consistent and timely for Associates to wholeheartedly accept the new processes and adapt to them," she says.

One approach New Century has taken for communication is the Change Network, a team of nearly 130 Associates across the company that continually provide their co-workers with information about OPUS. Team members receive instructions and a slide presentation before each phase of the OPUS implementation so they can hold meetings with the Associates they represent. They're also available anytime to answer questions and gather feedback from Associates.

"This kind of peer-to-peer communication ensures a high degree of credibility and trust in the information, which eases acceptance of change," Jennifer explains.

Change Network members also pass along concerns or comments they hear from Associates to the Change

Management Team, which can then adjust the messages and tactics to address this input. "This allows us to spot areas of confusion and identify information we should emphasize more," say Jennifer.

Evette Altamirano, an Executive Assistant to Greg Schroeder, Executive Vice President of Marketing and E-Commerce, is a Change Network member representing Wholesale Marketing Associates in Irvine, Calif. She sees the value of having early adopters such as her in Project OPUS. "As a Change Network member, I hear first-hand what changes are coming down the tracks and see how they will impact my group, or me" she explains. "This puts me in a position to prepare for the changes while aiding others. As a result, everyone feels included and has a positive experience."



Evette Altamirano



Greg Spanos

Greg Spanos, Regional Assistant Vice President for Home123 Non-Prime, serves on the Change Network at the Linthicum, Mass., branch. He understands the benefits of clear, widespread communication through fellow Associates, based locally. "Things can get a bit confusing or misinterpreted when they are not communicated properly," explains Greg. "So our purpose is to effectively communicate the changes that will come from Project OPUS and the results of these changes. People are much more receptive because the information is coming from a fellow manager or a peer within the company."



Scott Johnson

Scott Johnson, Regional Vice President for Wholesale Non-Prime in Tampa, Fla., represents several Associates in the Southeast as a Change Network member. He's impressed by the feedback mechanism provided by the Change Network approach. "Viewpoints from Associates in every position, from entry-level, to operations, to management, and to the CEO are being heard."

Patricia Dias, Division Operations Manager for Home123 Prime, is a Change Network team member representing Associates in Bellevue, Wash., where she's based. To her, the Change Network plays a big role in making sure all of the OPUS efforts are implemented properly. "It's like trying to get a recipe right on a cake," she says. "All the ingredients have to mesh, the baking has to be quick, and when you're done, it has to look good and taste good to everyone."

"I want OPUS to be the vehicle that removes all obstacles and eliminates all excuses, so we can focus on loan production, which — as we all know — we do best."

— Patricia Dias, Division Operations Manager for Home123 Prime

The Change Network has communicated — and will continue to communicate — vital information about the phases of OPUS, including:

Recruiting — improved methods and user-friendly applications for screening, selecting and tracking applicants.

HR Information Systems and Service Center — immediate access to view and change personal data online as well as a new HR service center available to answer your HR related questions.

Payroll/Time & Attendance — online application to track, approve and report hours with an automatic data feed into the payroll system.

Purchasing — online procurement of office supplies as well as other goods and services based on negotiated deals with pre-approved vendors; expense reporting/reimbursement will also be online.

"Change Network members put a lot of time and energy into preparing for the presentations, organizing the meetings with their peers and continually answering their questions," says Jennifer. "We all owe them our thanks and gratitude for their extra efforts to ensure Project OPUS can go as smoothly as possible." ■



What Change Network Members Say About OPUS

"While change is not always viewed positively, OPUS and the directives behind it are changes for the better. Ultimately these changes are helping us to mature as an organization."

— Greg Spanos, Regional Assistant Vice President for Home123 Non-Prime

"These changes will save our company millions of dollars every year. Saving money is always a good thing and it allows New Century to develop additional products and processes to enhance our productivity in the market place. We must change in this volatile market if we are to maximize profit for our shareholders and within our own departments."

—Scott Johnson, Region Vice President for Wholesale Non-Prime in Tampa, Fla

"Project OPUS is extremely exciting. The streamlining of processes and the forthcoming automation will result in Associates having more time to really focus on their jobs and strategic goals."

—Evette Altamirano, Executive Assistant in Irvine, Calif.



Access Lending: The Right Fit for a Full-Service Mortgage Company

The strategic sense behind New Century Warehouse Corporation's February, 2006 purchase of Access Lending's assets is clear. Kevin Cloyd, Executive Vice President, Secondary Marketing, New Century Financial Corporation, explains why: *"Having capabilities in warehouse lending [financing for smaller lenders] gives New Century an important competitive advantage. It enhances the products and services we are able to provide to our growing network of hundreds of correspondent lenders whose loans we purchase, and will be a valuable addition to our existing product offerings."*

But why Access Lending in particular? Kevin clarifies this as well: "With an established business, a variety of product offerings and a proven, experienced management team, Access Lending will allow New Century to enter a growing and underserved market," he says.

An Established Business

Access Lending, based in Sugar Land, Texas, was founded in 1997 to provide lines of credit that allow small to mid-sized mortgage bankers to close loans in their name. "We had talked previously with a number of other companies, but they didn't represent the same cultural fit that our union with New Century does," says David Fleig, founder and CEO of Access Lending. "Both New Century and Access Lending are entrepreneurial and we have similar philosophies and complementary businesses."



David Fleig

Like New Century, Access Lending is an organization built on performance, integrity and value-added partnerships with its customers. The company has earned a reputation as a trusted advisor to its clients by developing customized, business-building solutions for them, similar to the approach New Century's Wholesale Division takes with its brokers.

"We are very serious about understanding our customers, providing a personal touch and holding their hands," says David. "That could include helping with outsourcing back office support, accounting, secondary marketing and insurance requirements, as necessary."

Access Lending is especially adept at providing guidance to brokers attempting to make the transition to bankers. And that supports a key objective of New Century's Secondary Marketing Division. "We want to expand our correspondent business and the range of business products that we offer mortgage brokers, while retaining our relationships with them as they become bankers," says Rick Holguin, Vice President, Alternative Products, at New Century.

"We are very serious about understanding our customers, providing a personal touch and holding their hands. That could include helping with outsourcing back office support, accounting, secondary marketing and insurance requirements, as necessary."

– David Fleig, founder and CEO of Access Lending

Added Value on Broad Product Line-Up

Access Lending funds a full range of mortgage products — prime, non-prime, jumbos and seconds — and customers can sell the loans to any investor the company deems credit-worthy. After pre-qualification, all of Access Lending's customers are eligible for expedited approval as a New Century correspondent lender. Value propositions for warehousing New Century loans include financing up to 100 percent and minimal documentation.

"It's essential that we maintain our reputation for excellent service, no matter the loan type or investor," says David. "At the same time, we want to make it as attractive as possible to do business with New Century Mortgage Corporation. The initial response from our customers has been very positive."

A Proven, Experienced Team

Access Lending has continued to operate under its own name as a separate division. David leads a team of 24 Associates who are all focused on the organization's formula for building relationships: superior customer service, including quick turnaround of financing requests, reliable funding and consistent, friendly guidance.

The Access Lending team's credentials are impressive. David himself has nearly 27 years of mortgage industry experience. Prior to establishing Access Lending in 1997, he co-owned and operated a successful servicing venture known as First Nationwide Mortgage Partnership; during its six-year life, the partnership's average annual return on equity was over 38 percent. Prior to that, David was Chief Operating Officer for Thornburg Funding Corporation (which later became a publicly traded REIT on the New York Stock Exchange). He also spent nine years at Ernst & Young LLP in the national mortgage banking practice area. David is a cum laude graduate of Texas A&M University in College Station, Texas. *See next page for background of other key team members.*

Recipe for Growth

When you combine Access Lending's wide selection of products, its customer-centric approach and its leadership talent with the backing of one of the nation's premier finance companies, you get a recipe for growth.

"New Century brings us financial strength, which has helped us to significantly reduce our cost of funds," says David. "And that, in turn, helps us to be much more competitive when we need to be on larger deals. Consequently, we're very excited about the ability to expand our market share while helping New Century achieve its goal of becoming a top, full-service lender."

Continued on next page



Access Lending

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A Deep Talent Pool

The knowledge and experience that Access Lending's team members possess helps them to thoroughly understand customer needs, provide superior guidance and nurture strong relationships. Here are members of David's management team:

John Sullivan

Executive Vice President and CFO

- Responsible for accounting and systems
- More than 15 years of mortgage industry experience
- Bachelor's degree in accounting from Texas Tech University

Karen Farwell

Senior Vice President

- Directs national marketing efforts
- More than 20 years of mortgage industry experience
- Bachelor's degree from California State University, Chico
- Graduate, School of Mortgage Banking Northwestern University, Evanston, Ill.

Michael Rea

Senior Vice President

- Responsible for credit, collateral control and internal audit
- More than 20 years of mortgage industry experience
- Bachelor's degree in accounting from State University of New York.

Scott Young

Senior Vice President

- Responsible for customer relations and operations
- 23 years of experience in the financial services, with 17 of it in the mortgage industry
- MBA in economics and a bachelor's degree in finance from Sam Houston State University

Eric Frazee

Vice President

- Responsible for accounting and cash management operations
- More than 11 years of business experience with the last six years of it in the mortgage industry

Sandy Horton

Vice President

- Responsible for funding and collateral management
- Nearly 20 years of experience in the mortgage industry
- Bachelor's degree from University of North Texas

Barbara Stagner

Vice President

- Responsible for administrative services
- Nearly five years in licensing and compliance in the mortgage industry
- Bachelor's and master's degrees from West Texas A&M University

Debra J. Turk

Vice President

- Responsible for credit, operations, and customer relations
- More than 20 years of mortgage industry experience

Kenneth "Mack" MacKenzie

Eastern Region Marketing Director

- Breadth of mortgage industry experience in secondary marketing and loan sales
- Bachelor's degree from East Tennessee State University
- Series 7 and 63 securities licenses

Pauletta McDade

Central Region Marketing Director

- 30 years of mortgage industry experience, including branch management, quality control, compliance, underwriting and secondary marketing
- Bachelor's degree from Southern Methodist University
- Graduate, School of Mortgage Banking, Northwestern University

“We are the premier wholesale non-prime organization in the industry. Plus, we are well-positioned to make [our retail platform] a great contributor.”

– Tony Meola, Executive Vice President of Loan Production

Q & A with Tony Meola

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Tony Meola

and, of course, win in this market. It gives me a sense of accomplishment and pride. Additionally, production is a direct producer of revenue in the system and it's great to have that kind of impact on the numbers.

TP: *What attracted you to New Century?*

TM: There were two things. First, our values [T.E.A.C.H.]; they're the same ones I've always had personally and

professionally. Second, a great business opportunity; we are the premier wholesale non-prime organization in the industry and in the current cycle we are poised to grow more dominant. Plus, with the acquisition of a great prime lending organization to enhance our retail platform, we are uniquely positioned to make this business a great contributor.

TP: *How do we stack up against the competition and what does the future hold?*

TM: As I look at the current players in this business I do not see a team as strong as ours. The mortgage industry will sort itself out over the next five years. Weak players will leave and strong prime players will attempt to enter the non-prime world without the knowledge of this market that is required to win. This will be our time to expand. We need to grow the product line and build our customer base in both wholesale and retail to reap greater rewards. To accomplish this, we need to continue to support the field with people, technology and processes that have gotten us to the top.

TP: *Speaking of processes, how will Project OPUS, the company's process improvement initiative, contribute to our growth?*

TM: Implementing OPUS will be significant. It leverages our size and strength to better manage and automate many of our processes in HR and procurement. As that happens, productivity will go up and we become more competitive. Make no mistake, OPUS won't be easy — anything worthwhile never is easy. We'll have to change some ways we've done things around here and resist the urge to second-guess

everything. We all need to pitch in, be constructive, be positive and stay our course.

TP: *Can you tell us something about yourself personally?*

TM: Sure — I was born and raised in New Jersey and graduated Rutgers University a long time ago! I've been married for over 28 years to a great lady and a wonderful partner. I have three children — Matt, 23; Greg, 22; and Lindsay, 14. Matt is a sports announcer and Greg a stand-out hockey player as well as coach for a high school team; Lindsay is a competitive ice skater. And being from Jersey, I'm a huge Bruce Springsteen fan. I've enjoyed going to his concerts and have at least 200 of his songs on my iPod. And like the title of one of The Boss's songs, I guess I was "born to run." That's the pace we all need to keep in production. In fact, no matter what role we have in the company we have to be running if we're going to win! ■





Leading Effective Teams:

Prime Division Branch Manager Brad Sorsabal Shows His Peers How

A decade before New Century established its 2006 strategic goals, it turns out that Home123 Prime's Brad Sorsabal was operating his business based on most of the same principles. That's how long Brad — a Branch Manager in Palmdale, Calif. — has been coaching Associates to increase productivity, build human capital and boost customer satisfaction. And now he's teaching his peers how to do that too.



Brad Sorsabal

Brad facilitates a mandatory day-and-a-half-long workshop for Prime Division branch managers called "Leading Effective Teams". The workshop, held in the division's Houston office, covers business planning and coaching tactics to help the managers drive execution and accountability in their teams.

"The management team is the foundation of everything," says Brad, asked personally by Home123 Prime Division President Jonathan Threadgill to conduct the workshop. "If we're not giving them the tools they need, they're not going to do their job to the best of their ability."

The workshop begins with Jonathan's philosophies, as well as his mission for the division. Then the participants discuss Home123's market niche and issues they're facing locally. The bulk of the time, however, is devoted to what Brad calls the "Core Four": life planning, business vision, business planning and time-blocking (prioritizing). Managers begin to create check sheets of "daily disciplines" — tasks they should be doing to achieve short-term goals. During this process, Brad spends time with each participant individually to ensure they get the most out of it.

"We emphasize that success is not just about management — it's about leadership too," says Brad.

"The management team is the foundation of everything. If we're not giving them the tools they need, they're not going to do their job to the best of their ability."

– Brad Sorsabal, Branch Manager, Palmdale, Calif.

to Coach Their Way to Highly Productive Operations

Chuck Wilson, Branch Manager in Tulsa, Okla., was a workshop beneficiary. "Since Brad spent time with us, my assistant and I have completely changed the way we work together," says Chuck. "My productivity and effectiveness with my customers, partners and Associates have dramatically improved."

Learning How to Coach on a Larger Scale

Brad has worked in the mortgage industry since 1991 and has been coaching others for about 10 years. He joined what is now Home123's Prime Lending Division in 2002 and his stellar performance soon got his leader's attention. Jonathan asked Brad if he could show other managers his successful business practices on a larger scale. "Brad is a seasoned sales trainer and coach, a highly successful originator, and among our company's top performing branch managers," says Jonathan.

Chuck Jackson, Division Manager, Benicia, Calif., agrees with Jonathan's assessment. "Brad has molded one of the most successful operations in the company through his own eyes, while allowing his staff to be creative individuals," he says. "His character and leadership abilities are unquestioned."

To help him transition from one-on-one coaching to teaching groups of people,

Brad enlisted the help of Building Champions, a coaching company based in Lake Oswego, Oregon. Some of the content for the workshop, including the Core Four, comes from this firm. But a lot of the exercises and material were also developed from the direct input of Home123 Prime Division managers across the country.

Brad launched the workshop first to regional and divisional managers in 2004 to get their buy-in as well as test the program. Then he began rolling it out to branch managers in early 2005. Nearly 135 of them benefited from the workshop last year. So far in 2006, Brad has held one session of the workshop (in March), with more planned in late June and later in the fall.

"As a manager, one of the most rewarding things to hear your staff members express to you is how satisfied and successful they are," says Brad. "I feel so lucky to be able to produce this type of outcome on such a large scale through coaching. It's what makes it all worthwhile at the end of the day." ■



A New Face of Blue Chip:

Diversity Program Brings Out Leadership Skills in High Potential Associates

Andrea Christenot, a Regional Sales Manager for Wholesale Non-Prime in Irvine, oversees nearly 50 Associates who've got to set monthly, quarterly and annual sales objectives. She describes her challenge: "The hardest part of being a manager is getting everyone to work toward the same goals," she says. "I'm juggling 50 different sales personalities — no one thinks, acts or works alike."



Andrea Christenot

Her most valuable management skill is communication. It used to be good, but now it's much better. Why? "I've learned new techniques and strategies from women at New Century who have clearly made it," she explains.

Andrea is one of about 20 female Associates at New Century who recently graduated from the first-ever New Face of Blue Chip (NFBC) leadership development program. The diversity initiative was spearheaded by the New Century Women's Forum (NCWF), a



group of women in senior management who network and share ideas, for both their own and the company's benefit. It aims to identify, prepare and support women in the company who demonstrate strong leadership and management potential. Participants receive specialized instruction and mentoring from NCWF members via six half-day workshops, held monthly. The inaugural NFBC program was limited to Southern California but may expand to include other locations in the future.

"New Century is committed to attracting, retaining and developing a diverse and talented workforce," says Patti Dodge, the company's CFO and chair of NCWF since it was founded in 2003. "And because women make up more than half of New Century's workforce, developing the prospective leaders among them is an important part of our strategic goal to build and align human capital."

The rationale for the NFBC program is also supported by a 2004 analysis of more than 350 FORTUNE 500 companies. The study showed that the top 25 percent of organizations with the highest number women in leadership positions had a 35 percent greater return on equity and a 34 percent greater return to shareholders than corporations with the lowest representation of women in senior leadership positions.

How to Become a New Face of Blue Chip

Candidates must:

- Be nominated by a senior manager
- Have approval of direct supervisor (if not the nominator)
- Be a New Century Associate for at least two years
- Have a record of high performance
- Be recognized as potential leader
- Be committed to participating in the program
- Be no higher than assistant vice president level

For more information, contact NCWF steering committee member Alex Piacenza at (949) 225-7897 or apiacenz@ncen.com. The next series of NFBC workshops will begin in September, 2006.

"I've learned new techniques and strategies from women at New Century who have clearly made it."

— Andrea Christenot, Regional Sales Manager for Wholesale Non-Prime, Irvine, Calif.

Insight that Makes a Difference

The NFBC workshop curriculum reflects the input of senior executives — both male and female — on the skills they deemed necessary in leadership positions as well as management competencies commonly valued at New Century. Topics include communication, conflict resolution, leading high-performance teams, coaching, accelerating change and basic finance. Besides being placed in an exclusive, "high-potential Associates" category for promotion opportunities, graduates will receive email listings of new positions, attend quarterly NCWF gatherings, and have ongoing access to an NCWF mentor.

Did the graduates in NFBC's first "class" emerge with helpful insight? You bet they did.

"I've learned new ways to motivate and inspire people," says Carin Colton, Vice President and Division Operations Manager. "You have to keep it fresh, or the people reporting to you will start to see through your canned speeches."

Torrie Sullivan, Business Solutions Director of IT Strategy and Planning, discovered how to focus on the strategic aspects of her job. She also observed that while her instructors in the program have diverse styles, they have one thing in common that's contributed to their success: authenticity. "That is a key trait of an effective leader," says Torrie.



Torrie Sullivan



Lynette Nagy

For Lynette Nagy, a Transaction Manager in Secondary Marketing one of the most fascinating facets of the program was finding new strategies to exhibit strength in positive ways "I saw different, creative perspectives on being bold without being offensive," she says.

NFBC had a big impact — professionally and personally — on Agnes Mendoza, AVP, Regulatory Compliance. "I learned that to achieve a fully actualized life, one must align goals with self, family, work, and community," she says. "In so doing, one must remain humble and vulnerable to the fact that we may not know everything but we're willing to learn."



Agnes Mendoza

Leadership is Learned

NCWF steering committee member Monika McCarthy, Senior Vice President, General Counsel and head of New Century's Legal Department, has some words of wisdom for the graduates — and for any leader: "Leadership doesn't

2006 New Face of Blue Chip Graduates

- Agnes Mendoza** - AVP, Regulatory Compliance
- Amanda Fowler** - AVP, Director of Investor Relations
- Andrea Christenot** - Regional Sales Manager, Wholesale Non-Prime
- Anna Gould** - Online Marketing Director, Home123
- Beth Baker** - Senior Financial Analyst
- Camille Richardson** - Vice President, Program Management
- Carin Colton** - VP, Division Operations Manager, Wholesale Non-Prime
- Dinesa Thomas** - AVP, Government Affairs
- Heather Smeaton** - Regional Funding Manager, Central Operations
- Joann Fanucchi** - Data Warehouse Manager
- Karen Garrett** - AVP, Consumer Relations
- Lynette Nagy** - Transaction Manager, Secondary Marketing
- Natalie Desimone** - Division Communications Manager for Wholesale Non-Prime
- Nicole Haggard** - Regional Manager, Home123
- Rebecca Pajor** - Director, Wholesale Marketing
- Torrie Sullivan** - Business Solutions Director, IT Strategy and Planning
- Tracie Paulin** - Senior Auditor, Central Investigations
- Tracy Wilson** - Operations Manager, Wholesale Non-Prime
- Vivian Jackson** - Senior Payroll Administrator

just occur," says Monika. "You have to strive to be knowledgeable, assertive and true to your own character. Above all, don't compromise your ethics; no one follows a leader they don't trust." ■



President's Club:

New Wholesale Recognition Program Is All About Total Performance

Account Executive (AE) Suzi Banick is a nine-year company veteran and a consistent top performer in Green Bay, Wisconsin. But the last time she qualified for a New Century sales incentive trip was in 1999 — that is, until this year.

This August, Suzi will join more than 50 other Wholesale Non-Prime Division Associates — equally represented across all regions — for a four-day vacation in Montreal, Canada. It's one of their rewards for earning entry into the President's Club, a new quarterly recognition program.



Suzi Banick

What made the difference for Suzi? Her performance, and that of her peers, is now measured according to the division's growth strategies and not just their sales volume — the defining factor in past contests.

The problem was, competition based only on production numbers favored salespeople in areas with

high populations and home values. But in the President's Club program, the numbers matter in multiple categories besides volume, such as funded units, rate deviation, funded brokers, funding ratio and percent of loans funded through FastQual (New Century's online loan approval system).

Suzi is happy to be credited for her hard work. "Hey, my average loan size is \$75-\$85K, so it's been hard to qualify in the past," she says. "But now it's equitable; let's face it — each unit takes the same amount of time to bring to the table and fund, no matter where you are."

Program With a Greater Purpose

Why the change in the performance measurement approach? Steve Lemon, New Century's Executive Vice President, Wholesale Division - East, has the answer: "Having a successful career requires balance, and it's the same in the mortgage business," he explains. "In the past we focused strictly on production volume. Production is still important, of course, but we also care about how you produce those results and we are rewarding individuals who demonstrate New Century's best practices."

Steve's counterpart in the Wholesale Division - West, Rob Champion, agrees: "These best practices not only figure into our strategy for competing in this tough market environment, but also reinforce our brand — that we are driven to build our customers' businesses."

Other elements of the program also have specific purposes:

- **Team Recognition** — the top salespeople, top regional manager and top operations managers in each division are invited to go on the trip with one guest each. In addition, the sales and operations managers reporting to the top regional manager in each division get to attend with their guests. Plus, account executives can nominate a member of their account team for a special service award. "By valuing both sales and production efforts across several departments as well as individual performers, we are reinforcing one of the 'Simple Truths' in the New Century Mortgage brand statement — a team approach," explains Greg, Executive Vice President of Marketing and E-Commerce.

"I think winning means a lot more to people now than it did in an annual contest. It's fair to say those who qualify for the President's Club truly earned it for overall performance."

— Rob Champion, New Century Executive Vice President, Wholesale Division - East

— and Company Profitability

- **Quarterly Measurements** — Highlighting top performance four times a year instead of annually encourages continual competition and provides more frequent incentives to motivate people, according to Rob. Another benefit: "It also allows Steve and I to tweak the measurement categories more often to suit the ever-changing business needs and drive certain behaviors."
- **Rookie Award** — Sales Associates on the job for six months or fewer can compete in a special category called "Rising Stars," designed to engage and retain new recruits. "It can be a bit brutal when you first start in this business, or with a new company," says Steve. "This award is a way to encourage the newcomers and recognize their hard work."
- **Fewer Qualifiers** — Only about 10 Associates from each region are honored every quarter based on the highest rankings in all categories; previously, all salespeople who met certain volume threshold were rewarded — and there were typically hundreds of them. Limiting the number of winners promotes

exclusivity and increases the drive to succeed. "I think winning means a lot more to people now than it did in an annual contest," says Rob. "It's fair to say those who qualify for the President's Club truly earned it for overall performance."

To see the full list of current President's Club qualifiers, visit the Go! intranet or The Lounge. ■

WORDS OF WINNERS

Here's what some of the Q1 President's Club honorees have to say about this new way of competing for rewards and recognition at New Century:

"Being new to this very competitive and tightening industry, I found that I needed to be well-rounded in all areas. This [contest] has helped me to be a more effective AE, and my clients have gained a greater appreciation for our high level of service."

— Benjamin Carter, AE, San Diego, Calif.

"Measuring performance using totals from our whole business really shows the best overall comparison between AEs. Being recognized is a wonderful honor."

— Roland Núñez, Jr., AE, Plano, Texas

"I believe that the new criteria rewards a profitable way of doing business. The result for me has been fewer customer [problems] and faster funding times."

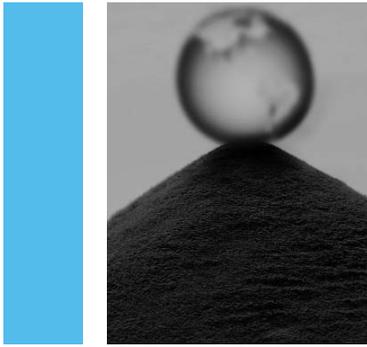
— Sal DiFonzo, Area Sales Manager, Phoenix, Ariz.

"This is my sixth incentive trip and I have to admit this one was the most challenging. It makes us all truly in a league of our own."

— Cathy Castle, AE, Tampa, Fla.

"The criteria do seem to level the playing field. I had to change nothing in the way I operate — just doing the job the way it needs to be done."

— Paul LeFebvre, AE, Columbus, Ohio



Profiles in Blue

Note: Because the previous two issues of The Pipeline were dedicated to special topics (2006 strategy and our 10-year birthday), these profiles of the Q3, Q4 and annual 2005 Acts of Blue award winners appear in this issue. Watch for a profile of the Q1 and Q2 2006 Acts of Blue winners in the next issue of The Pipeline.



Valerie Reynolds, center, had lunch with New Century executives as one of her rewards. Left to right, Bob Lambert, SVP, Leadership & Organization Development; Brad Morrice, Vice Chairman, President & COO, NCFC; Valerie; Joe Eckroth, EVP, COO, NCFC; and Bob Cole, Chairman & CEO, NCFC.

A Model of Professionalism: Home123 Prime's Valerie Reynolds Wins Annual Acts of Blue Award

Valerie Reynolds, Office Manager for Home123 Prime, in Champaign, Ill., was shocked to learn she was not only the winner of the "Acts of Blue" award for the fourth quarter 2005, but she had also been selected among the 2005 quarterly winners to receive the annual prize.

But Loan Officer Joni Quick, who nominated Valerie for the award, is not surprised at all. "Valerie's strong sense of professionalism and constant willingness to go the extra

mile contributes greatly to the success of our branch," says Joni. "I wouldn't be where I am today if I didn't have Valerie working here alongside me."

Valerie also goes the extra mile in her community where she serves as a team leader for volunteer firefighters. In addition to taking emergency calls at all hours of the night, she is required to attend training sessions twice a month. All of this is done without compensation. "Living in a small, rural community, we rely strongly on our volunteers," says Valerie. "I love to help people, so this is just natural for me."

Valerie started in the industry at Bank of America in 1998 as a loan processor. She joined the Prime Division in January 2005 as a Loan Coordinator and was promoted to Office Manager in January of this year. She and her husband are the parents of two teenage boys.

As a quarterly winner, Valerie's prizes included \$1,000 for her and a \$1,000 donation made to a favorite non-profit organization in her honor. As the annual winner, Valerie also received those same prizes, but in the amount of \$5,000 each.

Valerie asked that her \$6,000 donation go to the Junior Football League, a local volunteer sports program for boys and girls in grades 4 through 8. "This program has helped so many kids over the years, including my own," explains Valerie. "So I'd like to give something back to help them buy new uniforms and thrive. I want other children in our community to have the same opportunity that my sons have had." ■

"It means a lot to me that what I've done for another person has impacted them so much. Helping co-workers is part of treating them with respect, embracing change and acting with integrity."

- Pam Warrick, West Coast Manager of Risk

Mentoring Makes the Difference for Q3 2005 Award Winner

While Pam Warrick, West Coast Manager of Risk, embodies all of New Century's core values, her mentoring skills were a factor in her winning the Q3 2005 Acts of Blue award.

Fellow Risk Manager Sherri Long, who benefited directly from Pam's mentoring, nominated Pam for the award. Several years ago, when Sherri decided she wanted to become an underwriter, Pam showed her the ropes. "She was not asked to train me but was so thoughtful and kind — always answering any questions, no matter how busy she was," recalls Sherri. "This was a great opportunity to give back to somebody who was so generous with her time and her mind."

Pam is honored, but also believes mentoring is consistent with New Century's values. "It means a lot to me that what I've done for another person has impacted them so much," says Pam. "Helping co-workers is part of treating them with respect, embracing change and acting with integrity," she says.

Her supervisor, Sally Young, AVP, Production Risk, believes Pam's time management and people skills allow her to mentor others. "She never allows herself to get stressed and I can always count on her to get the job done."

Pam joined New Century in April, 2002, as a Quality Assurance Analyst. She's also served the company as Credit Evaluation Analyst, Underwriter and

Senior Risk Manager on her path to her current position. Pam has about 14 years of mortgage industry experience, most of it in loan servicing. Prior to New Century, she worked at Long Beach Mortgage, Option One and Fremont.

Pam spent her \$1,000 award on a family ski trip and designated the Susan G. Komen Breast Cancer Foundation as the recipient of the company's \$1,000 charitable donation in her name. ■



One of the reasons Sherri Long (left) nominated Pam Warrick was her kindness as a mentor.

To nominate someone for an "Acts of Blue" award, visit the Go! intranet and type "Acts of Blue" into the search field.



At New Century, there's a select few who've built great careers with great overall performance, including big production numbers.

The Billion-Dollar Club

Sales success is not just about volume (see article, page 12), but let's face it: if you don't produce the numbers, you ain't got bragging rights. At New Century, there's a select few who have several reasons to brag — at least a billion, anyway. They've built great careers here with great overall performance, including big production numbers. We've ranked them in order of their totals since they joined the company.

\$2 billion

Shelley Parker,
Area Sales Manager
Territory: Region 3
Yrs. with NC: 10
Guiding Sales Philosophy: Make all clients feel like they're my top priority.



Shelley Parker

\$1.8 billion

Anna Kwan,
Area Sales Manager
Territory: Region 3
Yrs. with NC: 10
Guiding Sales Philosophy: Persistence.



Anna Kwan

\$1.6 billion

Bill Gerard,
Area Sales Manager
Territory: Region 9
Yrs. with NC: 9
Guiding Sales Philosophy: Always return phone calls; never over-promise and under-deliver.



Bill Gerard

\$1.5 billion

Brent Eneix,
Area Sales Manager
Territory: Region 2
Yrs. with NC: 7.5
Guiding Sales Philosophy: Hard work, honesty and accountability.



Brent Eneix

\$1.3 billion

Ralph Ongkeko,
Area Sales Manager
Territory: Region 3
Yrs. with Company: 8
Guiding Sales Philosophy: Always call people back right away.



Ralph Ongkeko

\$1.15 billion

Frank Brandt, Area Sales Manager
Territory: Region 4
Yrs. with NC: 8.5
Guiding Sales Philosophy: Provide great service, be knowledgeable and responsive.



Frank Brandt

\$1.1 billion

Maria Bekris-Selky,
Area Sales Manager
Territory: Region 17
Yrs. with NC: 8
Guiding Sales Philosophy: Work hard every day and treat each loan as if it were your last.



Maria Bekris-Selky

\$1.07 billion

Juju Morones,
Area Sales Manager
Territory: Region 5
Yrs. with NC: 4
Guiding Sales Philosophy: Always know what you are selling, whether it's product, rates or yourself; also, remember a broker likes honesty, confidence and knowledge.



Juju Morones

\$1.07 billion

Kevin Helmick,
Area Sales Manager
Territory: Region 4
Yrs. with NC: 4
Guiding Sales Philosophy: The harder I work, the luckier I get.



Kevin Helmick

\$1.04 billion

Nima Fariman,
Area Sales Manager
Territory: Region 26
Yrs. with NC: 6
Guiding Sales Philosophy: Be relentless.



Nima Fariman



THE PIPELINE
New Century's Associate Newsletter

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