NEW CENTURY EQUITY HOLDINGS CORP
Form DEFM14A
December 22, 2008

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

SCHEDULE 14A
(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT
SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

Filed by the Registrant x

Filed by a Party other than the Registrant o

Check the appropriate box:

o Preliminary Proxy Statement

o Confidential, For Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

x Definitive Proxy Statement

o Definitive Additional Materials

o Soliciting Material Pursuant to § 240.14a-12

New Century Equity Holdings Corp.
(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

o No fee required.

x Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies: common stock of New Century Equity Holdings Corp., par value $0.01 per share

(2) Aggregate number of securities to which transaction applies: 62,550,606 shares of common stock of New Century Equity Holdings Corp.

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

Filing fee of $910.00 based on (i) $8,131,579 (the value of 62,550,606 shares of common stock of New Century Equity Holdings Corp. at the average of the bid and ask prices reported as of October 7, 2008 ($0.13)); and (ii) $15,000,000 in cash.

(4) Proposed maximum aggregate value of transaction: $30,000,000

(5) Total fee paid: $910.00

x Fee paid previously with preliminary materials:

o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount previously paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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December 22, 2008

Dear Stockholder:

You are cordially invited to attend the 2008 Annual Meeting of Stockholders (the "Annual Meeting") of New Century Equity Holdings Corp. (the "Company"). The Annual Meeting will be held on February 5, 2009, at 11:00 a.m. local time, at the Company's offices located at 200 Crescent Court, Suite 1400, Dallas, Texas 75201, or at any adjournment or postponement thereof.

Please take note that the purpose of this year's Annual Meeting is not only to elect directors and ratify the appointment of auditors as in prior annual meetings but to also allow our stockholders to consider and approve our proposed acquisition of Wilhelmina International, Ltd. and its affiliated entities and various amendments to our Certificate of Incorporation and Bylaws. We therefore urge you to carefully consider the information contained in the accompanying Notice of Annual Meeting and Proxy Statement and vote your shares at the Annual Meeting.

Whether or not you expect to attend the Annual Meeting, please mark, sign, date and promptly return the enclosed proxy card in the prepaid envelope provided. Returning the proxy card will not deprive you of your right to attend the Annual Meeting. If you attend the Annual Meeting, you may withdraw your proxy and vote your shares in person at the Annual Meeting.

On behalf of the Board of Directors, I would like to express our appreciation for your continued interest in our Company. We look forward to seeing you at the Annual Meeting.

Sincerely,

Mark E. Schwarz
Chairman of the Board

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This Notice of Annual Meeting and Proxy Statement is dated December 22, 2008
and is being distributed to New Century stockholders on or about December 29, 2008.

NEW CENTURY EQUITY HOLDINGS CORP.
200 Crescent Court, Suite 1400
Dallas, Texas 75201
(214) 661-7488

NOTICE OF 2008 ANNUAL MEETING OF STOCKHOLDERS
AND PROXY STATEMENT

TO THE STOCKHOLDERS OF NEW CENTURY EQUITY HOLDINGS CORP.:

NOTICE IS HEREBY GIVEN that the 2008 annual meeting of stockholders of New Century Equity Holdings Corp. ("New Century", the "Company", "us", "we" or "our"), a Delaware corporation, will be held at 11:00 a.m. local time, on February 5, 2009, at the Company's offices located at 200 Crescent Court, Suite 1400, Dallas, Texas 75201, or any adjournment or postponement thereof (the "Annual Meeting"). You are cordially invited to attend the Annual Meeting, which will be held for the following purposes:

(1) to consider and vote upon a proposal to approve our acquisition of Wilhelmina International, Ltd. and its affiliated entities (the "Acquisition Proposal");

(2) to consider and vote upon a proposal to approve and adopt an amendment to our Amended and Restated Certificate of Incorporation (the "Certificate of Incorporation") to change our name from "New Century Equity Holdings Corp." to "Wilhelmina International, Inc." (the "Name Change Proposal");

(3) to consider and vote upon a proposal to approve and adopt an amendment to the Certificate of Incorporation to increase the number of authorized shares of our common stock, par value $0.01 per share (the "Common Stock") from 75,000,000 to 250,000,000 (the "Capitalization Proposal");

(4) to consider and vote upon a proposal to grant authority to our Board of Directors (the "Board" or "Board of Directors") to effect at any time prior to December 31, 2009 a reverse stock split of our Common Stock at a ratio within the range from one-for-ten to one-for-thirty, with the exact ratio to be set at a whole number within this range to be determined by our Board of Directors in its discretion (the "Reverse Stock Split Proposal");

(5) to consider and vote upon a proposal to approve and adopt an amendment to the Certificate of Incorporation and our Bylaws (the "Bylaws") to provide for the annual election of directors (the "Declassification Proposal");

(6) to elect the following number of directors to our Board of Directors (the "Director Proposal"):

(a) seven directors in the event that both the Acquisition Proposal and the Declassification Proposal are approved;

(b) three directors in the event that the Acquisition Proposal is not approved and the Declassification Proposal is approved;

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(c) five directors in the event that the Acquisition Proposal is approved and the Declassification Proposal is not approved; or

(d) one director in the event that neither the Acquisition Proposal nor the Declassification Proposal is approved;

(7) to ratify the appointment of Burton McCumber & Cortez, L.L.P. as our independent registered public accounting firm for the fiscal year ending December 31, 2008 (the "Auditor Proposal");

(8) to consider and vote upon a proposal to adjourn the Annual Meeting to a later date or dates, if necessary, to permit the further solicitation and voting of proxies if, based upon the tabulated vote at the time of the Annual Meeting, any of the foregoing proposals have not been approved (the "Adjournment Proposal"); and

(9) to consider such other business as may properly be brought before the Annual Meeting.

These items of business are described in this proxy statement, which we encourage you to read in its entirety before voting. Only holders of record of our Common Stock at the close of business on December 19, 2008 (the "Record Date") are entitled to notice of the Annual Meeting and to vote and have their votes counted at the Annual Meeting.

Both the Acquisition Proposal and the Declassification Proposal must be approved by the holders of not less than 66-2/3% of the outstanding shares of our Common Stock entitled to vote thereon. Each of the Name Change Proposal, the Capitalization Proposal and the Reverse Stock Split Proposal must be approved by the holders of a majority of the outstanding shares of our Common Stock entitled to vote thereon. The Auditor Proposal and the Adjournment Proposal must be approved by a majority of the votes cast thereon and represented at the Annual Meeting. With respect to the Director Proposal, those director nominees who receive a plurality of votes cast will be elected. Approval of the Name Change Proposal, the Capitalization Proposal and the Reverse Stock Split Proposal are conditioned upon the approval of the Acquisition Proposal.

Your broker, bank or nominee cannot vote your shares on any proposal unless you provide instructions on how to vote in accordance with the information and procedures provided to you by your broker, bank or nominee. If you hold shares beneficially in street name and do not provide your broker with voting instructions, your shares may constitute "broker non-votes." Abstentions and broker non-votes, though considered present for the purposes of establishing a quorum, will have the same effect as a vote "AGAINST" each of the Acquisition Proposal, the Name Change Proposal, the Capitalization Proposal, the Reverse Stock Split Proposal and the Declassification Proposal. Abstentions (or withhold votes in the case of the Director Proposal) and broker non-votes will have no effect on the Director Proposal, the Auditor Proposal and the Adjournment Proposal.

After careful consideration, a majority of our Board has determined that each of the Acquisition Proposal, the Name Change Proposal, the Capitalization Proposal, the Reverse Stock Split Proposal, the Declassification Proposal, the Director Proposal, the Auditor Proposal and the Adjournment Proposal is fair to and in the best interests of the Company and its stockholders.

A majority of our Board recommends that you vote or give instruction to vote "FOR" the approval of each of the Acquisition Proposal, the Name Change Proposal, the Capitalization Proposal, the Reverse Stock Split Proposal, the Declassification Proposal, the Auditor Proposal and the Adjournment Proposal and "FOR" the election of each of the director nominees as set forth in the Director Proposal.

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All our stockholders are cordially invited to attend the Annual Meeting in person. To ensure your representation at the Annual Meeting, however, you are urged to complete, sign, date and return the enclosed proxy card as soon as possible. If you are a stockholder of record of our Common Stock, you may also cast your vote in person at the Annual Meeting. If your shares are held in an account at a brokerage firm or bank, you must instruct your broker or bank on how to vote your shares or, if you wish to attend the meeting and vote in person, obtain a proxy from your broker or bank. If you do not vote or do not instruct your broker or bank how to vote, it will have the same effect as voting against each of the abovementioned proposals other than the Director Proposal, the Auditor Proposal and the Adjournment Proposal.

A complete list of our stockholders of record entitled to vote at the Annual Meeting will be available for 10 days before the Annual Meeting at our principal executive offices for inspection by stockholders during ordinary business hours for any purpose germane to the Annual Meeting.

Your vote is important regardless of the number of shares you own. Whether you plan to attend the Annual Meeting or not, please sign, date and return the enclosed proxy card as soon as possible in the envelope provided.

Thank you for your participation. We look forward to your continued support.

By Order of the Board of Directors

Mark E. Schwarz
Chairman of the Board

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS DETERMINED IF THIS PROXY STATEMENT IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

SEE “RISK FACTORS” ON PAGE 28 OF THIS PROXY STATEMENT FOR A DISCUSSION OF VARIOUS FACTORS THAT YOU SHOULD CONSIDER IN CONNECTION WITH THE PROPOSALS.

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SUMMARY OF THE MATERIAL TERMS OF THE ACQUISITION

This Summary of the Material Terms of the Acquisition, together with the section entitled "Questions and Answers About the Proposals," summarizes certain material information contained in this proxy statement. You should carefully read this entire proxy statement for a more complete understanding of the matters to be considered at the 2008 annual meeting of stockholders of New Century Equity Holdings Corp.

Parties to the Acquisition

- The parties to the Acquisition Agreement (as defined below) are New Century, Wilhelmina Acquisition Corp., a wholly owned subsidiary of the Company ("Wilhelmina Acquisition" or "Merger Sub"), Dieter Esch ("Esch"), Lorex Investments AG ("Lorex"), Brad Krassner ("Krassner"), Krassner Family Investments Limited Partnership ("Krassner L.P." and together with Esch, Lorex and Krassner, the "Control Sellers"), Wilhelmina International, Ltd. ("Wilhelmina International"), Wilhelmina – Miami, Inc. ("Wilhelmina Miami"), Wilhelmina Artist Management LLC ("WAM"), Wilhelmina Licensing LLC ("Wilhelmina Licensing"), Wilhelmina Film & TV Productions LLC ("Wilhelmina TV" and together with Wilhelmina International, Wilhelmina Miami, WAM and Wilhelmina Licensing, the "Wilhelmina Companies") Sean Patterson ("Patterson"), and the stockholders of Wilhelmina Miami (the "Miami Holders" and together with the Control Sellers and Patterson, the "Sellers").

- The Control Sellers own all of the equity interests in Wilhelmina International, Wilhelmina Licensing and WAM, and a majority of the equity interests in Wilhelmina TV and Wilhelmina Miami. Patterson owns a minority equity interest in Wilhelmina TV.

- New Century, formerly known as Billing Concepts Corp., was incorporated in the State of Delaware in 1996 and for the past few years has been seeking to redeploy its assets to enhance stockholder value and has been analyzing and evaluating potential acquisition and merger candidates. New Century currently has an investment in ACP Investments L.P. (d/b/a Ascendant Capital Partners), an alternative asset management company. This investment currently represents the Company's sole operating business.

- The Wilhelmina Companies provide modeling and talent management services, specializing in the representation and placement of models, entertainers, artists, athletes and other "talent" and celebrities, to various customers and clientele including retailers, designers, advertising agencies and catalog companies.

See "Proposal No. 1 – Approval of the Acquisition – Description of New Century" beginning on page 57 and "Proposal No. 1 – Approval of the Acquisition – Description of the Wilhelmina Companies" beginning on page 65.

Structure of the Merger

- Pursuant to the terms of an agreement entered into by the abovementioned parties (the "Acquisition Agreement"), Wilhelmina Acquisition will merge with and into Wilhelmina International in a stock-for-stock transaction, as a result of which Wilhelmina International will become a wholly owned subsidiary of the Company, and the Company will purchase the outstanding equity interests of the remaining Wilhelmina Companies for cash (the "Acquisition"). See "Proposal No. 1 – Approval of the Acquisition – Acquisition Agreement – General" beginning on page 84.

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Acquisition Consideration

- At the closing of the Acquisition Agreement (the "Closing"), the Company will pay an aggregate purchase price of $30,000,000 in connection with the Acquisition, of which $24,000,000 will be paid for the outstanding equity interests of the Wilhelmina Companies and $6,000,000 in cash will repay the outstanding balance of a note held by a Control Seller. The purchase price includes $15,000,000 of Common Stock of New Century, valued at book value as of July 31, 2008 (which the parties agreed is $0.247 per share of Common Stock, subject to adjustment) to be issued in connection with the merger of Wilhelmina Acquisition with and into Wilhelmina International. The remaining $9,000,000 of cash will be paid to acquire the equity interests of the remaining Wilhelmina Companies.

- The purchase price is subject to certain post-closing adjustments, which will be effected against a total of $4,600,000 of Common Stock that will be held in escrow pursuant to the Acquisition Agreement (the "Seller Restricted Shares"). The $30,000,000 to be paid at Closing, less $4,500,000 of Common Stock to be held in escrow in respect of the "core business" purchase price adjustment, provides for a floor purchase price of $25,500,000 (which amount may be further reduced in connection with certain indemnification matters). The shares of Common Stock held in escrow may be repurchased by the Company for a nominal amount, subject to certain earnouts and offsets. See "Proposal No. 1 – Approval of the Acquisition – Acquisition Agreement – Acquisition Consideration" beginning on page 85.

- The shares held in escrow support earnout offsets and indemnification obligations of the Sellers. The Sellers will be required to leave in escrow, through 2011, any stock "earned" following resolution of "core" adjustment, up to a total value of $1,000,000. Losses at WAM and Wilhelmina Miami, respectively, can be offset against any positive earnout with respect to the other Wilhelmina Company. Losses in excess of earnout amounts could also result in the repurchase of the remaining shares of Common Stock held in escrow for a nominal amount. Working capital deficiencies may also reduce positive earnout amounts. The earnouts are payable in 2011. See "Proposal No. 1 – Approval of the Acquisition – Acquisition Agreement – Acquisition Consideration" beginning on page 85.

Conditions to Closing of the Acquisition Agreement

- The parties plan to consummate the Acquisition and effect the Closing provided that:

o New Century's stockholders approve the Acquisition Proposal and the Capitalization Proposal;

o there are not any legal restraints preventing, prohibiting or rendering illegal the consummation of the Acquisition;

o there are not any legal proceedings or orders seeking to restrain or to invalidate the Acquisition or otherwise questioning the validity of the Acquisition Agreement or any of the related documents, which could reasonably be expected to result in a material adverse effect on the Wilhelmina Companies or New Century; and

o the other conditions precedent to the Closing specified in the Acquisition Agreement have been satisfied or waived. See "Proposal No. 1 – Approval of the Acquisition – Acquisition Agreement – Closing Conditions" beginning on page 97.

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Indemnification

- Subject to certain limitations and in varying amounts, Esch, Krassner and each other Seller will indemnify, defend and hold harmless New Century, Wilhelmina Acquisition and their respective directors, officers, employees, agents, attorneys and stockholders (collectively, the "Purchaser Group") in respect of claims or losses incurred by the Purchaser Group, in connection with any breach or non-fulfillment of any representation, warranty, covenant, agreement or obligation by or of the Wilhelmina Companies, the Control Sellers or the other Sellers in the Acquisition Agreement or any related document.

- Additionally, subject to certain limitations, New Century will indemnify, defend and hold harmless the Sellers and their respective directors, officers, employees, agents, attorneys and stockholders (collectively, the "Seller Group") in respect of any and all claims or losses incurred by the Seller Group, in connection with any breach or non-fulfillment of any representation, warranty, covenant, agreement or obligation by or of New Century or Wilhelmina Acquisition in the Acquisition Agreement or any related document.

See "Proposal No. 1 – Approval of the Acquisition – Acquisition Agreement – Indemnification" beginning on page 100.

Termination of the Acquisition Agreement

- The Acquisition Agreement may be terminated prior to the Closing as follows:

  - by mutual written consent of the Wilhelmina Companies and the Control Sellers on the one hand and New Century on the other hand;

  - at the election of the Control Sellers or New Century if the Closing has not occurred on or before February 15, 2009; provided that this right to terminate will not be available if the terminating party's actions or failure to act has been a principal cause of or resulted in the failure of the Closing to occur on or before such date and such action or failure to act constitutes a breach of the Acquisition Agreement;

  - at the election of the Control Sellers or New Century if the Acquisition Proposal and the Capitalization Proposal have not been approved at the stockholder meeting of New Century at which such proposals are voted on;

  - at the election of the Control Sellers if the Board of New Century has changed its recommendation with respect to the requisite proposals to be submitted at a stockholder meeting of New Century in a manner adverse to the Sellers and the Wilhelmina Companies; or

  - in certain other events at the election of one of or either the Control Sellers or New Century, as specified in the Acquisition Agreement.

- In the event that (i) either New Century or the Control Sellers validly terminates the Acquisition Agreement as a result of the failure of New Century to obtain the requisite approvals at a stockholder meeting held for that purpose, or (ii) the Control Sellers validly terminate the Acquisition Agreement as a result of the Board of New Century changing its recommendations with respect to the requisite proposals to be submitted at the stockholder meeting of New Century in a manner adverse to the Sellers and the Wilhelmina Companies, New Century will pay to the Control Sellers their expenses incurred in connection with the Acquisition up to a maximum of $150,000.

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See “Proposal No. 1 – Approval of the Acquisition – Acquisition Agreement – Termination” beginning on page 101.

Registration Rights Agreement

- In connection with the Acquisition Agreement, the Company entered into a registration rights agreement (the “Registration Rights Agreement”) with the Control Sellers and Patterson (collectively, the “Registration Rights Holders”). Pursuant to the Registration Rights Agreement, effective upon the Closing, the Registration Rights Holders will obtain certain demand and piggyback registration rights with respect to the Common Stock to be issued to the Registration Rights Holders under the Acquisition Agreement. The Registration Rights Agreement contains certain indemnification provisions for the benefit of the Company and the Registration Rights Holders, as well as certain other customary provisions. See “Proposal No. 1 – Approval of the Acquisition – Other Transaction Documents – Registration Rights Agreement” beginning on page 102.

Equity Financing Agreement

- Concurrently with the execution of the Acquisition Agreement, the Company entered into a purchase agreement (the “Equity Financing Agreement”) with Newcastle Partners, L.P., a Texas limited partnership (“Newcastle”), which currently owns 19,380,768 shares or approximately 36% of the outstanding Common Stock, for the purpose of obtaining financing to complete the transactions contemplated by the Acquisition Agreement. Pursuant to the Equity Financing Agreement, subject to and conditioned upon the closing of the Acquisition Agreement, the Company will sell to Newcastle $3,000,000 of shares of Common Stock at $0.247 per share, or approximately (but slightly higher than) the per share price applicable to the Common Stock issuable under the Acquisition Agreement (the “Financing Transaction”). In addition, under the Equity Financing Agreement, Newcastle committed to purchase, at the Company’s election at any time or times prior to six months following the Closing, up to an additional $2,000,000 of Common Stock on the same terms. The Equity Financing Agreement is subject to certain other conditions, including the parties’ entry into a registration rights agreement upon the closing of the Acquisition Agreement, pursuant to which Newcastle will be granted certain demand and piggyback registration rights with respect to the Common Stock it holds, including the Common Stock issuable under the Equity Financing Agreement. See “Proposal No. 1 – Approval of the Acquisition – Other Transaction Documents – Equity Financing Agreement” beginning on page 104.

Mutual Support Agreement

- Concurrently with the execution of the Acquisition Agreement, Newcastle and the Control Sellers entered into a mutual support agreement (the “Mutual Support Agreement”), pursuant to which Newcastle agreed to vote its shares of Common Stock in favor of the Acquisition Agreement and related proposals at a meeting of the Company’s stockholders to be held for the purpose of approving the transactions contemplated under the Acquisition Agreement. The parties to the Mutual Support Agreement agreed, effective upon the Closing, (i) to use their commercially reasonable efforts to cause their representatives serving on the Board to vote to nominate and recommend the election of individuals designated by such parties (three designees of Newcastle, one designee of Esch and one designee of Krassner (collectively, the “Designees”)) and, in the event the Board appoints directors without stockholder approval, to use their commercially reasonable efforts to cause their representatives on the Board to appoint the Designees to the Board, (ii) to vote their shares of Common Stock to elect the Designees at any meeting of the Company’s stockholders or pursuant to any action by written consent in lieu of a meeting pursuant to which directors are to be elected to the Board, and (iii) not to propose, and to vote their Common Stock against, any amendment to the Company’s Certificate of Incorporation or Bylaws, or the adoption of any other corporate measure, that frustrates or circumvents the provisions of the Mutual Support Agreement with respect to the election of the Designees. The parties to the Mutual Support Agreement also agreed, effective upon the Closing, that for a period of three years thereafter the parties will use their commercially reasonable efforts to cause their

representatives on the Board to vote to maintain the size of the Board at no more than nine persons, unless otherwise agreed to by the Designees. See “Proposal No. 1 – Approval of the Acquisition – Other Transaction Documents – Mutual Support Agreement” beginning on page 105.

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The Escrow Agreement

- Pursuant to the terms of the Acquisition Agreement, the Control Sellers will enter into escrow agreements prior to the Closing of the Acquisition Agreement (one agreement for Esch and Lorex, and another separate agreement for Krassner and Krassner L.P.), a form of which is attached hereto as Annex E (the "Escrow Agreement" and once executed, each an "Escrow Agreement") with respect to the Seller Restricted Shares. While the Escrow Agreements remain effective, the Seller Restricted Shares may not be sold, exchanged, assigned, gifted, encumbered, pledged, mortgaged, set over, hypothecated, transferred or otherwise disposed of, whether voluntarily or involuntarily, or by operation of law by any of the Control Sellers, except with the express written consent of the Company. The property required to be deposited with the escrow agent under the Escrow Agreements may be subject to repurchase by the Company in accordance with the terms of the Escrow Agreements based on certain adjustments with respect to the aggregate purchase price in connection with the Acquisition, indemnification obligations of the Control Sellers and loss offset provisions with respect to WAM and Wilhelmina Miami under the Acquisition Agreement. See "Proposal No. 1 – Approval of the Acquisition – Other Transaction Documents – Escrow Agreement" beginning on page 106.

Post-Acquisition Board of Directors and Management

- Upon the consummation of the Acquisition, Wilhelmina International will be a wholly owned subsidiary of the Company and will be the Company's primary operating subsidiary. The current executive management of the Company will not change as a result of the Acquisition. The executive management of the Company will oversee the operations of the Wilhelmina International subsidiary along with Sean Patterson, the current President of Wilhelmina International, who will serve as the President of the subsidiary after the consummation of the Acquisition. The Wilhelmina International subsidiary will also have other officers appointed in accordance with the Acquisition Agreement, however, these officers will not have any policy-making functions. See "Proposal No. 1 – Approval of the Acquisition – Post-Acquisition Management and Ownership" beginning on page 115.

- In the event that each of the Acquisition Proposal and the Declassification Proposal are approved, the following persons will stand for election to the Board: Mark E. Schwarz, Jonathan Bren, James Risher, John Murray, Evan Stone, Dr. Hans-Joachim Bohlk and Derek Fromm. In the event that the Acquisition Proposal is approved and the Declassification Proposal is not approved, the following persons will stand for election to the Board: James Risher, John Murray, Evan Stone, Dr. Hans-Joachim Bohlk and Derek Fromm. See "Proposal No. 6 – Election of Director Nominees" beginning on page 132.

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- Pursuant to the Acquisition Agreement, the effectiveness of the election of John Murray, Evan Stone, Dr. Hans-Joachim Bohlk and Derek Fromm to the Board is conditioned on the consummation of the Acquisition. See "Proposal No. 6 – Election of Director Nominees" beginning on page 132.

Post-Acquisition Ownership

- It is anticipated that, immediately following the consummation of the Acquisition, there will be 128,580,227 shares of Common Stock outstanding.

- It is anticipated that, immediately following the consummation of the Acquisition, Newcastle, Esch and his affiliates, and Krassner and his affiliates, will own approximately 24.5%, 23.6% and 23.6% of the Common Stock outstanding, respectively.

See "Proposal No. 1 – Approval of the Acquisition – Post-Acquisition Management and Ownership" beginning on page 115.

Other Proposals to be Acted Upon at the Annual Meeting

- In addition to considering and voting upon a proposal to approve our acquisition of Wilhelmina International and its affiliated entities, the Company's stockholders will be asked to do the following:

- consider and vote upon a proposal to approve and adopt an amendment to the Certificate of Incorporation to change our name from "New Century Equity Holdings Corp." to "Wilhelmina International, Inc.";

- consider and vote upon a proposal to approve and adopt an amendment to the Certificate of Incorporation to increase the number of authorized shares of Common Stock from 75,000,000 to 250,000,000;

- consider and vote upon a proposal to grant authority to our Board of Directors to effect at any time prior to December 31, 2009 a reverse stock split of our Common Stock at a ratio within the range from one-for-ten to one-for-thirty, with the exact ratio to be set at a whole number within this range to be determined by our Board in its discretion;

- consider and vote upon a proposal to approve and adopt an amendment to the Certificate of Incorporation and Bylaws to provide for the annual election of directors;

    - to elect the following number of directors to our Board of Directors:

§ seven directors in the event that both the Acquisition Proposal and the Declassification Proposal are approved;

§ three directors in the event that the Acquisition Proposal is not approved and the Declassification Proposal is approved;

§ five directors in the event that the Acquisition Proposal is approved and the Declassification Proposal is not approved; or

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§ one director in the event that neither the Acquisition Proposal nor the Declassification Proposal is approved;

o to ratify the appointment of Burton McCumber & Cortez, L.L.P. as our independent registered public accounting firm for the fiscal year ending December 31, 2008; and

o to consider and vote upon a proposal to adjourn the Annual Meeting to a later date or dates.

See “Proposal No. 2 – Change of Name to ‘Wilhelmina International, Inc.’” beginning on page 122, “Proposal No. 3 – Increase in Number of Shares of Common Stock Authorized” beginning on page 123, “Proposal No. 4 – Authority to Effect Reverse Stock Split” beginning on page 125, “Proposal No. 5 – Provide For the Annual Election of Directors” beginning on page 131, “Proposal No. 6 – Election of Director Nominees” beginning on page 132, “Proposal No. 7 – Ratification of Appointment of Independent Registered Public Accounting Firm” beginning on page 142 and “Proposal No. 8 – Adjournment of the Annual Meeting if Necessary” beginning on page 144.

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QUESTIONS AND ANSWERS ABOUT THE PROPOSALS

Q: Why did I receive this proxy statement?

A: You are being asked to consider and vote upon the Acquisition Proposal, which, among other things, will result in Wilhelmina Acquisition merging with and into Wilhelmina International in a stock-for-stock transaction resulting in Wilhelmina International becoming a wholly owned subsidiary of the Company, and the Company purchasing the outstanding equity interests of the remaining Wilhelmina Companies for cash and possible earnout amounts. You are also being asked to consider and vote upon the Name Change Proposal, the Capitalization Proposal, the Reverse Stock Split Proposal, the Declassification Proposal, the Director Proposal, the Auditor Proposal and the Adjournment Proposal.

A copy of the Acquisition Agreement is attached hereto as Annex A. Copies of the Registration Rights Agreement, the Equity Financing Agreement, the Mutual Support Agreement and the Escrow Agreement are attached hereto as Annexes B, C, D and E, respectively. The forms of Certificates of Amendment to the Certificate of Incorporation relating to the Name Change Proposal, Capitalization Proposal, Reverse Stock Split Proposal and Declassification Proposal are attached hereto as Annex F. The form of Amendment to the Bylaws relating to the Declassification Proposal is attached hereto as Annex G.

Approval of the Capitalization Proposal, the Name Change Proposal and the Reverse Stock Split Proposal are conditioned upon the approval of the Acquisition Proposal.

The Board is soliciting your proxy to vote at the Annual Meeting because you were a stockholder at the close of business on December 19, 2008, the Record Date, and are entitled to vote at the Annual Meeting.

This proxy statement, along with either a proxy card or a voting instruction card, is being mailed to the Company's stockholders beginning on or around December 29, 2008. This proxy statement summarizes the information you need to know to vote at the Annual Meeting. You do not need to attend the Annual Meeting to vote your shares.

Q: Why is the Company proposing the Acquisition Proposal?

A: New Century is a company in transition. The Company has been seeking to redeploy its assets to enhance stockholder value and has been seeking, analyzing and evaluating potential acquisition and merger candidates. Based upon its evaluation, the Board, at a special meeting held on August 20, 2008 at which all of the directors were present, resolved by a vote of 3 directors in favor and 1 against to approve the Acquisition Agreement and the transactions contemplated thereby and to recommend to our stockholders that they vote in favor of the Acquisition.

In the course of reaching its recommendation, the Board consulted with management and outside legal counsel and considered a wide variety of factors it deemed relevant in connection with its evaluation of the Acquisition. In reaching its determination that approving the Acquisition is in the best interests of the Company's stockholders, a majority of the Board considered, among other things, the nature of the business of the Wilhelmina Companies, their operating results, the extent of due diligence conducted by the Company's management team, the various risks discussed in "Risk Factors" beginning on page 28 and the following factors (although not weighted or in any order of significance):

- the Wilhelmina Companies' financial results, including their consistent historical revenue, margin and cash flow characteristics;
- the Wilhelmina Companies' leading competitive position in the modeling business;

- the Wilhelmina Companies' forty year history and strong reputation;

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- the Wilhelmina Companies' extensive, diverse and quality roster of talent and clients, including their lack of reliance on particular "supermodels" or significant large clients;
- the Wilhelmina Companies' growth prospects, including in talent management and brand licensing;
- acquisition opportunities within the modeling and talent management industries worldwide;
- the relative size and consideration mix of the Acquisition, including the ability of the Company and its management team to execute the Acquisition without significant additional financing;
- the opportunity for the Company – which has been searching extensively for an appropriate acquisition candidate since June 2004 – to execute and complete a transaction of a high quality business at a price that the management team considered attractive;
- the willingness and desire of the principal owners of the Wilhelmina Companies to receive a meaningful portion of the sale consideration in Company equity and structured earnouts, whose value in each case would be dependent on the future operating success of the Company and the Wilhelmina Companies;
- the experience, ability and relationships of the Wilhelmina Companies' executives and their principal owners in the modeling and talent management businesses;
- the experience and ability of the Company's management in analyzing, investing in, acquiring and building businesses in the U.S. and abroad;
- the relative simplicity and attractiveness of the Wilhelmina Companies' existing business model;
- the limited capital requirements associated with the Wilhelmina Companies' business;
- the possible excitement and interest generated for a small public company through the ownership of a "high profile" modeling business;
- strong indemnification and set-off provisions in the Acquisition Agreement to cover any pre-existing problems and certain future operating losses, including security in the form of shares of Company stock; and
- strong noncompetition covenants applying to the Control Sellers.

The Board members who voted in favor of the Acquisition concluded that the potentially negative factors associated with the Acquisition were substantially outweighed by the positive factors identified above and the opportunity and potential to enhance stockholder value through the Acquisition.

Q: When does the Company expect the Acquisition to be completed?

A: The Closing of the Acquisition Agreement is expected to occur in the first quarter of 2009.

Q: What is required to complete the Acquisition?

A: To complete the Acquisition, the stockholders of the Company must approve the Acquisition Proposal and the Capitalization Proposal. In addition to obtaining stockholder approval for the abovementioned proposals, the Company and the Control Sellers (on behalf of the Wilhelmina Companies and the Sellers) must satisfy or waive all other closing conditions set forth in the Acquisition Agreement. For a more complete discussion of the conditions to the closing, see "Proposal No. 1 – Approval of the Acquisition – Acquisition Agreement — Closing Conditions" beginning on page 97.

Q: What do I need to do now?

A. The Company urges you to read carefully and consider the information contained in this proxy statement, including the annexes hereto, and to consider how the Acquisition will affect you as a stockholder of the Company. You should then vote as soon as possible in accordance with the instructions provided in this proxy statement and on the enclosed proxy card or a voting instruction card.

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Q: Are there any risks that I should be aware of before I vote?

A. Yes. Before you vote, you should be aware that the occurrence of certain events described in "Risk Factors" beginning on page 28, and elsewhere in this proxy statement could have a material adverse effect on the results of operations and business of the Company and the Wilhelmina Companies.

Q: Upon completion of the Acquisition, will current holders of Common Stock be subject to a dilution of their equity interest in and voting power with respect to the Company?

A. Current holders of Common Stock will experience some dilution of their equity and voting power. Immediately after completion of the Acquisition, the Control Sellers are expected to own approximately 47% of the Common Stock outstanding, on a fully diluted basis.

Q: Do I have appraisal rights if I object to the Acquisition Proposal?

A: No. Stockholders do not have appraisal rights in connection with the Acquisition Proposal under the Delaware General Corporation Law (the "DGCL").

Q: What am I voting on?

A: You are voting on the following matters:

- the Acquisition Proposal – a proposal to approve our acquisition of Wilhelmina International and its affiliated entities;
- the Name Change Proposal – a proposal to approve and adopt an amendment to our Certificate of Incorporation to change our name from "New Century Equity Holdings Corp." to "Wilhelmina International, Inc.";
- the Capitalization Proposal – a proposal to approve and adopt an amendment to our Certificate of Incorporation to increase the number of authorized shares of our Common Stock from 75,000,000 to 250,000,000;
- the Reverse Stock Split Proposal – a proposal to grant authority to our Board of Directors to effect at any time prior to December 31, 2009 a reverse stock split of our Common Stock at a ratio within the range from one-for-ten to one-for-thirty, with the exact ratio to be set at a whole number within this range to be determined by our Board in its discretion;
- the Declassification Proposal – a proposal to approve and adopt an amendment to our Certificate of Incorporation and Bylaws to provide for the annual election of directors;
- the Director Proposal – to elect the following number of directors to our Board of Directors:
  - seven directors in the event that both the Acquisition Proposal and the Declassification Proposal are approved;
  - three directors in the event that the Acquisition Proposal is not approved and the Declassification Proposal is approved;
  - five directors in the event that the Acquisition Proposal is approved and the Declassification Proposal is not approved; or
  - one director in the event that neither the Acquisition Proposal nor the Declassification Proposal is approved;

- the Auditor Proposal – a proposal to ratify the appointment of Burton McCumber & Cortez, L.L.P. as our independent registered public accounting firm for the fiscal year ending December 31, 2008; and

- the Adjournment Proposal – a proposal to adjourn the Annual Meeting to a later date or dates, if necessary, to permit the further solicitation and voting of proxies if, based upon the tabulated vote at the time of the Annual Meeting, any of the foregoing proposals have not been approved.

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A majority of our Board recommends that you vote or give instruction to vote "FOR" the approval of each of the Acquisition Proposal, the Name Change Proposal, the Capitalization Proposal, the Reverse Stock Split Proposal, the Declassification Proposal, the Auditor Proposal and the Adjournment Proposal and "FOR" the election of each of the director nominees as set forth in the Director Proposal.

Q: What are the voting requirements to approve each of the proposals?

A: Both the Acquisition Proposal and the Declassification Proposal must be approved by the holders of not less than 66-2/3% of the outstanding shares of our Common Stock entitled to vote thereon.

Newcastle, which currently owns 19,380,768 shares or approximately 36% of our outstanding Common Stock, has, pursuant to the Mutual Support Agreement more fully described beginning on page 105, agreed to vote in favor of the Acquisition Proposal, the Name Change Proposal, the Capitalization Proposal and the Declassification Proposal.

Each of the Name Change Proposal, the Capitalization Proposal and the Reverse Stock Split Proposal must be approved by the holders of a majority of the outstanding shares of our Common Stock entitled to vote thereon. The Auditor Proposal and the Adjournment Proposal must be approved by a majority of the votes cast thereon and represented at the Annual Meeting. With respect to the Director Proposals, those director nominees who receive a plurality of votes cast will be elected.

Approval of the Capitalization Proposal, the Name Change Proposal and the Reverse Stock Split Proposal are conditioned upon the approval of the Acquisition Proposal.

Your broker, bank or nominee cannot vote your shares on any proposal unless you provide instructions on how to vote in accordance with the information and procedures provided to you by your broker, bank or nominee. If you hold shares beneficially in street name and do not provide your broker with voting instructions, your shares may constitute "broker non-votes". Abstentions and broker non-votes, though considered present for the purposes of establishing a quorum, will have the same effect as a vote "AGAINST" each of the Acquisition Proposal, the Name Change Proposal, the Capitalization Proposal, the Reverse Stock Split Proposal and the Declassification Proposal. Abstentions (and withhold votes in the case of the Director Proposal) and broker non-votes will have no effect on the Director Proposal, the Auditor Proposal and the Adjournment Proposal.

Q: How many votes do I have?

A: You are entitled to one vote for each share of Common Stock that you hold. As of the Record Date, there were 53,883,872 shares of Common Stock issued and outstanding.

Q: How do I vote?

A: You may vote using any of the following methods:

- Proxy card or voting instruction card. Be sure to complete, sign and date the card and return it in the prepaid envelope. If you are a stockholder of record and you return your signed proxy card but do not indicate your voting preferences, the persons named in the proxy card will vote "FOR" the approval of each of the Acquisition Proposal, the Name Change Proposal, the Capitalization Proposal, the Reverse Stock Split Proposal, the Declassification Proposal, the Auditor Proposal and the Adjournment Proposal, "FOR" the election of each of the director nominees as set forth in the Director Proposal and in the discretion of the proxy holders on any additional matters properly presented for a vote at the Annual Meeting.

- In person at the Annual Meeting. All stockholders may vote in person at the Annual Meeting. You may also be represented by another person at the Annual Meeting by executing a proper proxy designating that person. If you are a beneficial owner of shares, you must obtain a legal proxy from your broker, bank or nominee and present it to the inspectors of election with your ballot when you vote at the Annual Meeting.

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Q: What can I do if I change my mind after I vote my shares?

A: If you are a stockholder of record, you may revoke your proxy at any time before it is voted at the Annual Meeting by:

- sending written notice of revocation to the Company's Secretary;
- submitting a new, proper proxy after the date of the revoked proxy; or
- attending the Annual Meeting and voting in person.

If you are a beneficial owner of shares, you may submit new voting instructions by contacting your broker, bank or nominee. You may also vote in person at the Annual Meeting if you obtain a legal proxy as described in the answer to the previous question. Attendance at the Annual Meeting will not, by itself, revoke a proxy.

Q: What happens if additional matters are presented at the Annual Meeting?

A: Other than the eight items of business described in this proxy statement, the Company is not aware of any other business to be acted upon at the Annual Meeting. If you grant a proxy, the persons named as proxy holders, Mark E. Schwarz and John P. Murray, will have the discretion to vote your shares on any additional matters properly presented for a vote at the Annual Meeting.

Q: How many shares must be present or represented to conduct business at the Annual Meeting?

A: A quorum will be present if at least a majority of the outstanding shares of our Common Stock entitled to vote is represented at the Annual Meeting, either in person or by proxy.

Both abstentions and broker non-votes (described in more detail above) are counted for the purpose of determining the presence of a quorum.

Q: What is the difference between holding shares as a stockholder of record and as a beneficial owner?

A: If your shares are registered directly in your name with our transfer agent, Securities Transfer Corporation, you are considered, with respect to those shares, the "stockholder of record." In that event, this proxy statement and proxy card have been sent directly to you by the Company.

If your shares are held in a stock brokerage account or by a bank or other nominee, you are considered the "beneficial owner" of shares held in street name. In that event, this proxy statement has been forwarded to you by your broker, bank or nominee who is considered, with respect to those shares, the stockholder of record. As the beneficial owner, you have the right to direct your broker, bank or nominee how to vote your shares by using the voting instruction card included in the mailing or by following their instructions for voting by telephone or the Internet, if they offer that alternative. Since a beneficial owner is not the stockholder of record, you may not vote these shares in person at the Annual Meeting unless you obtain a legal proxy from the broker, trustee or nominee that holds your shares, giving you the right to vote the shares at the Annual Meeting.

Q: How can I attend and vote my shares in person at the Annual Meeting?

A: You are entitled to attend the Annual Meeting only if you were a Company stockholder or joint holder as of the close of business on December 19, 2008, the Record Date, or you hold a valid proxy for the Annual Meeting. You

should be prepared to present photo identification for admittance. In addition, if you are a stockholder of record, your name will be verified against the list of stockholders of record on the record date prior to your being admitted to the Annual Meeting. If you are not a stockholder of record but hold shares through a broker, trustee or nominee (i.e., in street name), and you plan to attend the Annual Meeting, please send written notification to New Century Equity Holdings Corp., 200 Crescent Court, Suite 1400, Dallas, Texas 75201, Attn: Corporate Secretary, and enclose evidence of your ownership (such as your most recent account statement prior to the Record Date, a copy of the voting instruction card provided by your broker, trustee or nominee, or other similar evidence of ownership). If you do not provide photo identification or comply with the other procedures outlined above, you will not be admitted to the Annual Meeting.

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The Annual Meeting will begin promptly on February 5, 2009, at 11:00 a.m. local time. You should allow adequate time for the check-in procedures.

Shares held in your name as the stockholder of record may be voted in person at the Annual Meeting. Shares held beneficially in street name may be voted in person at the Annual Meeting only if you obtain a legal proxy from the broker, trustee or nominee that holds your shares giving you the right to vote the shares. Even if you plan to attend the Annual Meeting, we recommend that you also submit your proxy card or voting instruction card as described herein so that your vote will be counted if you later decide not to attend the Annual Meeting.

Q: What is the deadline for voting my shares?

A: If you hold shares as the stockholder of record, your vote by proxy must be received before the polls close at the Annual Meeting.

If you hold shares beneficially in street name with a broker, trustee or nominee, please follow the voting instructions provided by your broker, trustee or nominee. You may vote your shares in person at the Annual Meeting only if at the Annual Meeting you provide a legal proxy obtained from your broker, trustee or nominee.

Q: How are votes counted?

A: For all items of business other than the election of directors, you may vote “FOR,” “AGAINST” or “ABSTAIN.” Abstentions will have the same effect as a vote “AGAINST” each of the Acquisition Proposal, the Name Change Proposal, the Capitalization Proposal, the Reverse Stock Split Proposal and the Declassification Proposal, but will have no effect on the Auditor Proposal and the Adjournment Proposal. For the election of directors, you may vote “FOR” or “WITHHOLD.”

If you provide specific instructions with regard to certain items, your shares will be voted as you instruct on such items. If you sign your proxy card or voting instruction card without giving specific instructions, your shares will be voted in accordance with the recommendations of the Board “FOR” the approval of each of the Acquisition Proposal, the Name Change Proposal, the Capitalization Proposal, the Reverse Stock Split Proposal, the Declassification Proposal, the Auditor Proposal and the Adjournment Proposal, “FOR” the election of each of the director nominees as set forth in the Director Proposal and in the discretion of the proxy holders, Mark E. Schwarz and John P. Murray, on any other matters that properly come before the Annual Meeting.

Q: Where can I find the voting results of the Annual Meeting?

A: We intend to announce preliminary voting results at the Annual Meeting. The final voting results will be published as soon as practicable thereafter.

Q: What should I do if I receive more than one set of voting materials?

A: You may receive more than one set of voting materials, including multiple copies of this proxy statement and multiple proxy cards or voting instruction cards. For example, if you hold your shares in more than one brokerage account, you may receive a separate voting instruction card for each brokerage account in which you hold shares. If you are a stockholder of record and your shares are registered in more than one name, you will receive more than one proxy card. Please complete, sign, date and return each proxy card and voting instruction card that you receive.

Q:

How may I obtain an additional set of proxy materials, the Company's 2007 Annual Report on Form 10-K or other financial information?

A: A copy of the Company's 2007 Annual Report on Form 10-K, as amended, is being sent to stockholders along with this proxy statement. Stockholders may request an additional free copy of all of the proxy materials, the Company's 2007 Annual Report on Form 10-K, as amended, and other financial information from:

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New Century Equity Holdings Corp.
200 Crescent Court, Suite 1400
Dallas, Texas 75201
Attention: Corporate Secretary

We will also furnish copies of any exhibit to the Company's 2007 Annual Report on Form 10-K, as amended, if specifically requested. Our SEC filings are also available free of charge at the SEC's web site at http://www.sec.gov.

Q: Who can help answer my questions?

A: If you have any questions about the abovementioned proposals, the Annual Meeting or how to vote or revoke your proxy, you should contact us at:

New Century Equity Holdings Corp.
200 Crescent Court, Suite 1400
Dallas, Texas 75201
Attention: Corporate Secretary

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SELECTED COMBINED HISTORICAL FINANCIAL INFORMATION OF THE WILHELMINA COMPANIES

New Century is providing the following financial information to assist you in the analysis of the financial aspects of the Acquisition. The selected combined historical financial information of the Wilhelmina Companies includes all divisions of the Wilhelmina Companies including the core modeling business ("Core") which is being acquired under the Acquisition Agreement and includes all divisions of the business except for the Wilhelmina Miami division and the WAM division. The Wilhelmina Miami division is being acquired through the Miami Earnout (defined below) and the WAM business is being acquired through the WAM Earnout (defined below).

We derived the Wilhelmina Companies historical financial information from the audited combined financial statements of the Wilhelmina Companies as of and for each of the years ended December 31, 2007 and December 31, 2006 and from unaudited financial statements as of and for the nine months ended September 30, 2008 and September 30, 2007. The unaudited combined financial information included in this proxy statement includes, in the opinion of management, all adjustments necessary to present fairly the results of operations and financial condition of the Wilhelmina Companies at the dates and periods presented. The information is only a summary and should be read in conjunction with the historical combined financial statements and related notes contained elsewhere herein. The historical results included below and elsewhere in this document are not indicative of the future performance of the Wilhelmina Companies.

SELECTED COMBINED HISTORICAL FINANCIAL INFORMATION OF THE COMBINED WILHELMINA COMPANIES

	For the Nine Months Ended September 30, 2008			
	Core	WAM (4)	Miami (5)	Total
(in thousands)				
Statement of Operations Data:	Unaudited	Unaudited	Unaudited	Unaudited
Revenues	$ 8,155	$ 899	$ 835	$ 9,889
Salaries and service costs	4,218	999	463	5,680
Office and general expenses	1,677	285	203	2,165
Owner's compensation and fees	731	-	-	731
Income (loss) from operations	1,529	(385)	169	1,313
Interest expense-net (3)	774	-	(10)	764
Equity in income (loss) of affiliate	13	-	-	13
Income (loss) before income tax	768	(385)	179	562
Income tax (benefit) expense	188	-	-	188
Net income (loss)	$ 580	$ (385)	$ 179	$ 374
Selected Balance Sheet Data:				
(at period end):				
Total Assets	$ 11,147	$ 1,664	$ 1,268	$ 14,079
Long term obligations and capital leases	$ 174	$ -	$ -	$ 174
Selected Operating Data:				
Gross billings (unaudited) (2)	$ 27,359	$ 3,988	$ 2,627	$ 33,974
Less: Client cost and expenses (6)	19,855	3,125	1,797	24,777
Revenues from commissions, residuals and service charges	$ 7,504	$ 863	$ 830	$ 9,197

Net income (loss)	$ 580	$ (385)	$ 179	$ 374
Interest expense-net (3)	774	-	(10)	764
Depreciation and amortization	54		13	67
Income tax (benefit) expense	188	-	-	188
EBITDA (1)	$ 1,596	$ (385)	$ 182	$ 1,393

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SELECTED COMBINED HISTORICAL FINANCIAL INFORMATION OF THE COMBINED WILHELMINA COMPANIES

	For the Nine Months Ended September 30, 2007			
(in thousands)	Core	WAM (4)	Miami (5)	Total
Statement of Operations Data:	Unaudited	Unaudited	Unaudited	Unaudited
Revenues	$ 6,910	$ 163	$ 616	$ 7,689
Salaries and service costs	3,973	482	523	4,978
Office and general expenses	1,518	206	461	2,185
Owner's compensation and fees	731	-	-	731
Income (loss) from operations	688	(525)	(368)	(205)
Interest expense-net(3)	690	-	56	746
Equity in income (loss) of affiliate	12	-	-	12
Income (loss) before income tax	10	(525)	(424)	(939)
Income tax (benefit) expense	(329)	-	-	(329)
Net income (loss)	$ 339	$ (525)	$ (424)	$ (610)
Selected Balance Sheet Data:				
(at period end):				
Total Assets	$ 11,053	$ 480	$ 338	$ 11,871
Long term obligations and capital leases	$ 6,482	$ -	$ -	$ 6,482
Selected Operating Data:				
Gross billings (unaudited)(2)	$ 23,995	$ 1,812	$ 1,442	$ 27,249
Less: Client Cost and expenses (6)	17,455	1,657	819	19,931
Revenues from commissions, residuals and service charges	$ 6,540	$ 155	$ 623	$ 7,318
Net income (loss)	$ 339	$ (525)	$ (424)	$ (610)
Interest expense-net(3)	690	-	56	746
Depreciation and amortization	48	-	3	51
Income tax (benefit) expense	(329)	-	-	(329)
EBITDA(1)	$ 748	$ (525)	$ (365)	$ (142)

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SELECTED COMBINED HISTORICAL FINANCIAL INFORMATION OF THE COMBINED WILHELMINA COMPANIES

	For the Year Ended December 31, 2007			
(in thousands)	Core	WAM (4)	Miami (5)	Total
Statement of Operations Data:				
Revenues	$ 9,978	$ 483	$ 1,029	$ 11,490
Salaries and service costs	5,351	692	701	6,744
Office and general expenses	2,139	314	546	2,999
Owner's compensation and fees	975	-	-	975
Income (loss) from operations	1,513	(523)	(218)	772
Interest expense-net (3)	924	-	55	979
Equity in income (loss) of affiliate	18	-	-	18
Income (loss) before income tax	607	(523)	(273)	(189)
Income tax (benefit) expense	(23)			(23)
Net income (loss)	$ 630	$ (523)	$ (273)	$ (166)
Selected Balance Sheet Data:				
(at period end):				
Total Assets	$ 11,839	$ 749	$ 1,490	$ 14,078
Long term obligations and Capital leases	$ 6,437	$ -	$ -	$ 6,437
Selected Operating Data:				
Gross billings (unaudited) (2)	$ 33,224	$ 1,999	$ 2,341	$ 37,564
Less: Client Cost and expenses (6)	24,126	1,806	1,391	27,323
Revenues from commissions, residuals and service charges	$ 9,098	$ 193	$ 950	$ 10,241
Net income (loss)	$ 630	$ (523)	$ (273)	$ (166)
Interest expense-net (3)	924	-	55	979
Depreciation and amortization	69	-	2	71
Income tax (benefit) expense	(23)	-	-	(23)
EBITDA (1)	$ 1,600	$ (523)	$ (216)	$ 861

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SELECTED COMBINED HISTORICAL FINANCIAL INFORMATION OF THE COMBINED WILHELMINA COMPANIES

	For the Year Ended December 31, 2006			
(in thousands)	Core	WAM (4)	Miami (5)	Total
Statement of Operations Data:				
Revenues	$ 9,194	$ 679	$ 866	$ 10,739
Salaries and service costs	4,653	474	640	5,766
Office and general expenses	1,754	210	664	2,629
Owner's compensation and fees	975	-	-	975
Income (loss) from operations	1,812	(5)	(438)	1,369
Interest expense-net (3)	946	-	(86)	860
Equity in income (loss) of affiliate	(22)	-	-	(22)
Income (loss) before income tax	844	(5)	(352)	487
Income tax (benefit) expense	21	-	-	21
Net income (loss)	$ 823	$ (5)	$ (352)	$ 466
Selected Balance Sheet Data:				
(at period end):				
Total Assets	$ 9,418	$ 931	$ 1,065	$ 11,414
Long term obligations and Capital leases	$ 6,608	$ -	$ -	$ 6,608
Selected Operating Data:				
Gross billings (unaudited) (2)	$ 29,003	$ 1,055	$ 1,929	$ 31,987
Less: Client Cost and expenses (6)	20,883	779	1,069	22,731
Revenues from commissions, residuals and service charges	$ 8,120	$ 276	$ 860	$ 9,256
Net income (loss)	$ 823	$ (5)	$ (352)	$ 466
Interest expense-net (3)	946	-	(86)	860
Depreciation and amortization	72	-	6	78
Income tax (benefit) expense	21	-	-	21
EBITDA (1)	$ 1,862	$ (5)	$ (432)	$ 1,425

(1) Represents net income (loss) before deductions for interest, income taxes, depreciation and amortization. We believe that EBITDA is useful to stockholders as a measure of comparative operating performance, as it is less susceptible to variances in actual performance resulting from depreciation and amortization and more reflective of changes in pricing decisions, cost controls and other factors that affect operating performance. EBITDA is not intended as a measure of the Wilhelmina Companies' operating performance, as an alternative to net income (loss) or as an alternative to any other performance measure in conformity with U.S. generally accepted accounting principles.

(2) Gross billings are an unaudited non-GAAP financial measure estimated by management that includes the gross amount billed by the agent (the Wilhelmina Companies) to customers on behalf of its clients (models, artists and talent) for services performed. Gross billings are not reflected in the financial statements of the Wilhelmina Companies included in this proxy statement. The Wilhelmina Companies use gross billings information internally

in connection with planning and budgeting analyses. The Wilhelmina Companies believe gross billings information is useful in assessing different divisions of the business and facilitates an understanding of financial performance as the Wilhelmina Companies retain a percentage of the gross billings to its customers for services performed by their models, artists and talent on behalf of the Wilhelmina Companies' customers.

(3) Interest expense includes $750,000 paid to a stockholder of the Wilhelmina Companies for the year ended December 31, 2007 and 2006 and $563,000 for the nine months ended September 30, 2008 and 2007. The note payable to a Control Seller is for $6,000,000 with a stated interest rate of 12.5% per annum.

(4) The WAM Earnout: Not later than thirty (30) days following the third anniversary of the Closing Date, the Company will inform the Control Sellers of its calculation of the WAM Earnout. In the event that the Company receives an objection notice relating to such calculations from the Control Sellers in accordance with the Acquisition Agreement, such dispute as to the calculation will be resolved pursuant to the Acquisition Agreement. Subject to the paragraph entitled “Payment Reduction” discussed on page 92 (the “Payment Reduction”), and the resolution of any objection appropriately raised, the Company will pay to the Control Sellers, pro rata in accordance with their pre-closing ownership of WAM, an amount (if positive) in cash in immediately available funds equal to (a) five (5) multiplied by (b) the three (3) year average of audited WAM EBITDA for the twelve (12) month periods beginning on the Closing Date, the first anniversary of the Closing Date and the second anniversary of the Closing Date, respectively; provided that aggregate payments (determined prior to any adjustment pursuant to the Payment Reduction) described in this paragraph will not exceed $10,000,000; and provided further that revenue associated with any cash included in the calculation of the Closing Net Asset Adjustment described above will be excluded from WAM EBITDA for purposes of the foregoing calculation. The Earn-Out Payment described in this paragraph, subject to the Payment Reduction, is referred to as the “WAM Earnout.” Any positive WAM Earnout payment owed by the Company will be paid by the Company within the later of (a) thirty (30) calendar days following the Company’s delivery of the calculation of the WAM Earnout or (b) ten (10) days following the resolution, in accordance with the Acquisition Agreement, or any related objections properly raised.

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(5) The Miami Earnout: Not later than thirty (30) days following the third anniversary of the Closing Date, the Company will inform the Control Sellers of its calculation of the Miami Earnout. In the event that the Company receives an objection notice relating to such calculations from the Control Sellers in accordance with the Acquisition Agreement, such dispute as to the calculation will be resolved pursuant to the Acquisition Agreement. Subject to the Payment Reduction, and the resolution of any objection validly raised, the Company will pay to the Control Sellers, pro rata in accordance with their pre-closing ownership of Wilhelmina Miami, an amount (if positive) in cash in immediately available funds equal to (a) 7.5 multiplied by (b) the three (3) year average of audited Wilhelmina Miami EBITDA for the twelve (12) month periods beginning on the Closing Date, the first anniversary of the Closing Date and the second anniversary of the Closing Date, respectively; provided that revenue associated with any cash included in the calculation of the Closing Net Asset Adjustment described above will be excluded from Wilhelmina Miami EBITDA for purposes of the foregoing calculation. The Earn-Out Payment described in this paragraph, subject to the Payment Reduction is referred to as the “Miami Earnout.” Any positive Miami Earnout payment owed by the Company will be paid by the Company within the later of (a) thirty (30) calendar days following the Company’s delivery of the calculation of the Miami Earnout or (b) ten (10) days following the resolution, in accordance with the Acquisition Agreement, of any related objections properly raised.

(6) Client cost and expenses include all amounts paid by the Wilhelmina Companies to their models, artists and talent for services performed on behalf of the Wilhelmina Companies' customers.

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UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At the Closing of the Acquisition Agreement, New Century will pay an aggregate purchase price (before estimated transaction fees of $1,200,000 and $450,000 in shares of Common Stock that are anticipated to be issued to Sean Patterson, the President of Wilhelmina International) of $30,000,000 in connection with the Acquisition, of which $24,000,000 will be paid for the outstanding equity interests of the Wilhelmina Companies and $6,000,000 in cash will repay the outstanding balance of a note held by a Control Seller. The purchase price includes $15,000,000 of Common Stock of New Century, valued at book value as of July 31, 2008 (which the parties agreed is $0.247 per share of Common Stock, subject to adjustment) to be issued in connection with the merger of Wilhelmina Acquisition with and into Wilhelmina International. The remaining $9,000,000 of cash will be paid to acquire the equity interests of the remaining Wilhelmina Companies. The purchase price is subject to certain post-closing adjustments, which will be effected against a total of $4,600,000 of Common Stock that will be held in escrow pursuant to the Acquisition Agreement. The $30,000,000 to be paid at Closing, less $4,500,000 of Common Stock to be held in escrow in respect of the "core business" purchase price adjustment, provides for a floor purchase price of $25,500,000 (which amount may be further reduced in connection with certain indemnification matters). The shares of Common Stock held in escrow may be repurchased by New Century for a nominal amount, subject to certain earnouts and offsets.

Equity Financing Agreement

Concurrently with the execution of the Acquisition Agreement, New Century entered into the Equity Financing Agreement with Newcastle, which currently owns 19,380,768 shares or approximately 36% of the outstanding Common Stock, for the purpose of obtaining financing to complete the transactions contemplated by the Acquisition Agreement. Pursuant to the Equity Financing Agreement, subject to and conditioned upon the Closing of the Acquisition Agreement, New Century will sell to Newcastle $3,000,000 of shares of Common Stock at $0.247 per share, or approximately (but slightly higher than) the per share price applicable to the Common Stock issuable under the Acquisition Agreement. In addition, under the Equity Financing Agreement, Newcastle committed to purchase, at New Century's election at any time or times prior to six months following the Closing, up to an additional $2,000,000 of Common Stock on the same terms. The Equity Financing Agreement is subject to certain other conditions, including the parties' entry into a registration rights agreement upon the Closing, pursuant to which Newcastle will be granted certain demand and piggyback registration rights with respect to the Common Stock it holds, including the Common Stock issuable under the Equity Financing Agreement.

The unaudited pro forma condensed consolidated financial statements combine (i) the historical balance sheets of New Century and the Wilhelmina Companies as of September 30, 2008, giving pro forma effect to the Acquisition as if it had occurred on September 30, 2008, (ii) the historical statements of operations of New Century and the Wilhelmina Companies for the year ended December 31, 2007, giving pro forma effect to the Acquisition as if it had occurred on January 1, 2007, and (iii) the historical statements of operations of New Century and the Wilhelmina Companies for the nine month period ended September 30, 2008, giving pro forma effect to the Acquisition as if it had occurred on January 1, 2008.

New Century is providing this information to aid you in your analysis of the financial aspects of the Acquisition. The unaudited pro forma condensed consolidated financial statements are based on the estimates and assumptions set forth in the notes to such statements, which are preliminary and have been made solely for purposes of developing such pro forma information. The unaudited pro forma condensed financial statements described above should be read in conjunction with the historical financial statements of the Wilhelmina Companies and New Century and the related notes thereto. The unaudited pro forma information is not necessarily indicative of the financial position or results of operations that may have actually occurred had the Acquisition taken place on the dates noted, or the future financial position or operating results of the consolidated company.

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Under the purchase method of accounting, the total preliminary purchase price has been allocated to the net tangible and intangible assets acquired and liabilities assumed, based on various preliminary estimates, which assume that historical cost approximates fair value of the assets and liabilities of the Wilhelmina Companies. The intangible assets acquired will include intangible assets with indefinite lives, such as the Wilhelmina brand/trademarks and customer relationships and intangible assets with finite lives, such as model contracts, talent contracts, property leases, noncompetition agreements and license agreements, and the remainder of any intangible assets not meeting the above criteria will be allocated to goodwill. Some of these assets, such as goodwill and the Wilhelmina brand/trademarks will be non-amortizable. Other assets, such as model contracts, talent contracts, property leases, noncompetition agreements and license agreements will be amortized on a straight line basis over their estimated useful lives which range from 3-10 years. New Century is in the process of completing its assessment of the estimated fair value of the Wilhelmina Companies net assets acquired (which will include an assessment of the noncompetition agreements) and plans to engage a third-party valuation firm to assist in this process after the closing of the Acquisition. At this time, all excess purchase price over the historical net book value of the Wilhelmina Companies net assets acquired has been allocated to trademarks and intangible assets with indefinite lives, other intangible assets with finite lives and other goodwill until such analysis is complete. These estimates are subject to change upon the finalization of the valuation of certain assets and liabilities and may be adjusted in accordance with Statement of Financial Accounting Standard ("SFAS") No. 141, Business Combinations.

Management currently estimates the fair value of the stock to be issued to the Wilhelmina Companies stockholders and members at Closing will approximate New Century's book value (which the parties agreed is $0.247 per share of Common Stock, subject to adjustment) at Closing. If the fair value of New Century's Common Stock (which is the closing price of New Century's Common Stock on the Closing date) is higher or lower than the agreed book value per share then the corresponding estimated purchase price will be higher or lower resulting in a different purchase price allocation than management has estimated in the unaudited pro forma consolidated financial information. For example, if the closing price of New Century's Common Stock on the Closing date is $0.17 (which was the closing price of New Century's Common Stock on August 25, 2008, the day before the Acquisition Agreement was announced) the stock portion of the total estimated purchase price would be $10,633,603. This amount is significantly lower than the amount of $15,450,000 that New Century has estimated in the table below as the value of the stock to be issued to the Wilhelmina Companies stockholders and members at Closing. In addition, if the closing price of New Century's Common Stock on the Closing date is $0.37 (which was the highest price at which New Century's Common Stock traded on August 26, 2008, the day the Acquisition Agreement was announced) the stock portion of the total estimated purchase price would be $23,143,724. This amount is significantly higher than the amount of $15,450,000 that New Century has estimated in the table below as the value of the stock to be issued to the Wilhelmina Companies stockholders and members at Closing. The fair value of New Century's Common Stock at Closing will not affect the number of shares issued to the Wilhelmina Companies stockholders and members and the number of shares issued to Newcastle under the Equity Financing Agreement.

The estimated total purchase price (assuming the closing price of New Century's Common Stock at the Closing date is $0.247) is summarized as follows:	
Cash paid to the Wilhelmina Companies stockholders and members:	$ 9,000,000
Stock issued to the Wilhelmina Companies stockholders and members:(1)	15,450,000
Transaction expenses:	1,200,000
Total estimated purchase price: (2)	$ 25,650,000

The estimated shares of Common Stock outstanding post-Closing:	
Common Stock of New Century outstanding pre-Closing:	53,883,872
$3,000,000 of Common Stock issued to Newcastle at Closing:	12,145,748
$15,450,000 of Common Stock issued to the Wilhelmina Companies stockholders and members:(1)	62,550,607

Total Common Stock outstanding post-Closing:	128,580,227

(1) Includes $450,000 in shares of Common Stock that are anticipated to be issued to Sean Patterson, the President of Wilhelmina International, in connection with Mr. Patterson's current employment agreement. This amount represents a portion of bonus consideration payable in connection with the Acquisition under Mr. Patterson's existing employment agreement, which portion New Century has agreed to bear in the form of stock payable to Mr. Patterson at Closing.

(2) Does not include the $6,000,000 in cash which will repay the outstanding balance of a note held by a Control Seller at Closing.

The Acquisition Agreement is subject to the approval of New Century's stockholders, as well as certain other closing conditions set forth in the Acquisition Agreement. In addition to the Acquisition Agreement itself, New Century will also submit for the approval of its stockholders certain amendments to its Certificate of Incorporation and Bylaws designed to, among other things, facilitate the Closing and consummation of the transactions contemplated under the Acquisition Agreement, including but not limited to (i) an increase in the number of shares of Common Stock authorized, (ii) the declassification of New Century's Board of Directors and (iii) a change in the corporate name of New Century (new name expected to be "Wilhelmina International, Inc.").

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Unaudited Pro Forma Condensed Consolidated Balance Sheet as of September 30, 2008

Assets	New Century	Wilhelmina Companies	Pro Forma Adjustments		Pro Forma Adjusted
		(in thousands)			
Cash and cash equivalents	$ 12,088	$ 680	$ (12,277)	(a)	$ 491
Other current assets	815	12,395	(1,053)	(b)	12,157
Total current assets	12,903	13,075	(13,330)		12,648
Property and equipment, net	-	373	-		373
Goodwill & other intangible assets	803	162	30,580	(c)	31,545
Other long-term assets	-	469	-		469
Total assets	$ 13,706	$ 14,079	$ 17,250		$ 45,035
					-
Liabilities and stockholders equity (deficit)					-
Current liabilities	$ 366	$ 12,835	$ (131)	(i)	$ 13,070
Current portion note payable to stockholder	-	6,000	(6,000)	(d)	-
Other long-term liabilities	-	174	-		174
Total liabilities	366	19,009	(6,131)		13,244
Commitments and contingencies					
Equity (deficit)					
Common stock	539	35	712	(e)	1,286
Additional paid-in capital	75,357	1,499	16,205	(f)	93,061
Members' deficit	-	(1,612)	1,612	(g)	-
Accumulated equity (deficit)	(62,556)	(4,852)	4,852	(h)	(62,556)
Total equity (deficit)	13,340	(4,930)	23,381		31,791
					-
Total liabilities and stockholders equity (deficit)	$ 13,706	$ 14,079	$ 17,250		$ 45,035

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Unaudited Pro Forma Condensed Consolidated Statement of Operations
for Nine Months Ended September 30, 2008

	New Century	Wilhelmina Companies	Pro Forma Adjustments		Pro Forma Adjusted
		(in thousands, except per share data)			
Revenues					
Commissions and residuals	$ -	$ 4,367	$ -		$ 4,367
Service charges	-	4,831	-		4,831
Management fees, license fees and other income	-	691	-		691
Total revenues	-	9,889	-		9,889
Operating expenses					
Salaries and service costs	-	5,680	150	(p)	5,830
Office and general expenses	271	2,165	2,348	(t)	4,784
Stockholder's compensation and consulting fees	-	731	(731)	(o)	-
Total operating expenses	271	8,576	1,767		10,614
Operating income	(271)	1,313	(1,767)		(725)
Other income (expense):					
Interest income	223	20	(223)	(l)	20
Interest expense	-	(784)	563	(m)	(221)
Equity in income (loss) of affiliate	-	13	-		13
Total other expense	223	(751)	340		(188)
(Loss) income before provision for income taxes	(48)	562	(1,427)		(913)
Provision for (benefit from) income taxes					
Current	-	175	(175)	(n)	-
Deferred	-	13	(13)	(n)	-
	-	188	(188)		-
Net (loss) income	$ (48)	$ 374	$ (1,239)		$ (913)

Weighted average shares outstanding:		
Basic		128,580,227
Diluted		128,820,227
Earnings per share		
Basic	$	(0.01)
Diluted	$	(0.01)

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Unaudited Pro Forma Condensed Consolidated Statement of Operations
for Year Ended December 31, 2007

	New Century	Wilhelmina Companies	Pro Forma Adjustments		Pro Forma Adjusted
		(in thousands, except per share data)			
Revenues					
Commissions and residuals	$ -	$ 4,914	$ -		$ 4,194
Service charges	-	5,327	-		5,327
Consulting income	-	226	-		226
Management fees, license fees and other income	-	1,023	-		1,023
Total revenues	-	11,490	-		11,490
Operating expenses					
Salaries and service costs	-	6,744	200	(q)	6,944
Office and general expenses	552	2,999	3,131	(s)	6,682
Stockholder's compensation and consulting fees	-	975	(975)	(r)	-
Total operating expenses	552	10,718	2,356		13,626
Operating income	(552)	772	(2,356)		(2,136)
Other income (expense):					
Interest income	607	12	(607)	(j)	12
Interest expense	-	(992)	750	(k)	(242)
Equity in income (loss) of affiliate	-	18	-		18
Total other expense	607	(962)	143		(212)
(Loss) income before provision for income taxes	55	(190)	(2,213)		(2,348)
Provision for (benefit from) income taxes					
Current	-	212	(212)	(n)	-
Deferred	-	(235)	235	(n)	-
	-	(23)	23		-
Net (loss) income	$ 55	$ (167)	$ (2,236)		$ (2,348)

Weighted average shares outstanding:		
Basic		128,580,227
Diluted		128,820,227
Earnings per share		
Basic	$	(0.02)
Diluted	$	(0.02)

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Notes to Unaudited Pro Forma Condensed Consolidated Financial Statements

Description of Transaction and Basis for Presentation

In connection with the Closing of the Acquisition Agreement, New Century will pay an aggregate purchase price of $30,000,000 in connection with the Acquisition, of which $24,000,000 will be paid for the outstanding equity interests of the Wilhelmina Companies and $6,000,000 in cash will repay the outstanding balance of a note held by a Control Seller. The purchase price includes $15,000,000 of Common Stock of New Century, valued at book value as of July 31, 2008 (which the parties agreed is $0.247 per share of Common Stock, subject to adjustment) is to be issued in connection with the merger of Wilhelmina Acquisition with and into Wilhelmina International. The remaining $9,000,000 of cash will be paid to acquire the equity interests of the remaining Wilhelmina Companies.

Preliminary Purchase Price and Allocation

The preliminary allocation of the purchase price used in the unaudited pro forma condensed consolidated financial statements is based upon management's preliminary estimates of the fair value of the tangible and intangible assets of the Wilhelmina Companies as of the assumed date of completion of the Acquisition. The excess of the purchase price over the net tangible and identifiable intangible assets after considering the impact of deferred taxes is recorded as goodwill. The final determination of the allocation of the purchase price will be based on the fair value of such assets as of the actual date of completion of the Acquisition, and such values may be significantly different than those used in these pro forma financial statements.

New Century is in the process of obtaining third-party valuations of certain intangible assets; thus, the allocation of the purchase price is subject to refinement. FASB 109, "Accounting for Income Taxes" requires the recognition of deferred tax assets and liabilities for the tax effects of differences between the assigned values in the purchase price allocation and the tax basis of assets acquired and liabilities assumed in a purchase business combination. As New Century has not completed its assessment of the estimated fair value of the Wilhelmina Companies' net assets acquired, no adjustment has been or will be made to deferred income taxes until such analysis is complete.

The following table summarizes the estimated fair values of the assets acquired and liabilities assumed at the date of completion of the Acquisition. Included in the purchase price is an estimate of Acquisition related transaction costs of $1,200,000, legal and accounting fees of approximately $1,000,000 and other external costs directly related to the Acquisition of approximately $200,000. The table below assumes the $6,000,000 note payable to a Control Seller will be paid at Closing:

(in thousands)	
Current assets	$ 13,075
Property, plant and equipment	373
Intangible assets	162
Trademarks and intangibles with indefinite lives	10,300
Other intangible assets with finite lives	18,600
Goodwill	1,680
Other assets	469
Total assets acquired	44,659
Current liabilities	(12,835)
Note payable to Control Seller	(6,000)
Long-term debt	(174)
Total liabilities assumed	(19,009)

Net assets acquired	$	25,650

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Pro Forma adjustments included in the unaudited pro forma condensed consolidated financial statements are as follows (in thousands):

a.	Adjustments to cash and cash equivalents:		
	To record proceeds from the private placement transaction	$	3,000
	To record payment to Wilhelmina stockholders		(8,809)
	To record payment of note payable to a Control Seller		(6,000)
	To record payment of remaining transaction expenses		(660)
	To record payment to LLC member for interest in Wilhelmina Film & TV, LLC		(93)
	To record proceeds from repayment of advances to officers		285
		$	(12,277)
b.	Adjustments to other current assets:		
	To record repayment of due from officer	$	(285)
	To reclass New Century prepaid transaction fees to capitalized cost of the Acquisition		(768)
		$	(1,053)
c.	Adjustment to goodwill & other intangible assets:		
	To record goodwill adjustment for purchase accounting	$	30,580
d.	Adjustment to note payable to a Control Seller:		
	To record payment of note payment of a Control Seller	$	6,000
e.	Adjustments to Common Stock:		
	To record Common Stock related to private placement transaction	$	121
	To record issuance of shares to Wilhelmina selling stockholders		608
	To record issuance of shares to Sean Patterson		18
	To record elimination of Wilhelmina International Group		(35)
		$	712
f.	Adjustments to paid in capital:		
	To record proceeds from private placement transaction	$	2,879
	To record issuance of shares to Wilhelmina selling shareholders		14,392
	To record issuance of shares to Sean Patterson		433
	To record elimination entry of subsidiary shares in Wilhelmina		(1,499)
		$	16,205
g.	Adjustments to accumulated members' deficit:		
	To record elimination entry of subsidiary shares in Wilhelmina	$	1,612
h.	Adjustments to accumulated deficit:		
	To record elimination entry of Wilhelmina Companies accumulated deficit	$	4,852
i.	Adjustment to accrued expenses:		
	To record Designated Matter Cash Deduction, as defined in the Acquisition Agreement	$	95
	To record payment of accrued transaction expenses on New Century balance sheet as of 09/30/08		(226)
		$	(131)
j.	Adjustment to interest income:		
	To record elimination of interest income earned by New Century on cash balances	$	(607)

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k. Adjustment to interest expense:		
To record elimination of interest expenses on note payable to a Control Seller	$	(750)
l. Adjustment to interest income:		
To record elimination of interest income earned by New Century on cash balances	$	(223)
m. Adjustment to interest expense:		
To record elimination of interest expense on note payable to a Control Seller	$	(563)

n. As of December 31, 2007, New Century had a federal income tax loss carryforward of approximately $13,400,000, which begins expiring in 2019. In addition, New Century had a federal capital loss carryforward of approximately $70,300,000 which expires in 2009. Realization of New Century's carryforwards is dependent on future taxable income and capital gains. At this time, New Century cannot assess whether or not the carryforward will be realized; therefore, a valuation allowance in the amount of $29,319,000 has been recorded for the entire value of the deferred tax asset related to these carryforwards.

Ownership changes, as defined in Section 382 of the Internal Revenue Code of 1986, as amended (the "Code"), may have limited the amount of net operating loss carryforwards that can be utilized annually to offset future taxable income.

New Century's ability to utilize its U.S. federal tax net operating loss carryforwards will become subject to annual limitations if it undergoes an ownership change as defined under Section 382 of the Code, which may jeopardize New Century's ability to use some or all of its U.S. federal tax net operating loss carryforwards following the Closing of the Acquisition. New Century does not believe that the current structure of the Acquisition Agreement will cause an ownership change as defined in Section 382 of the Code. Therefore, an adjustment has been recorded to eliminate federal income taxes recorded by Wilhelmina during the pro forma periods presented as the Company believes its NOLs would have been available to offset Wilhelmina taxable income during those periods.

o. Adjustment to stockholders compensation and consulting fees:		
To eliminate stockholders compensation and consulting fees paid to certain owners as post acquisition the Wilhelmina Companies will have no contractual obligation to continue these payments	$	(731)
p. Adjustment to salaries and service costs:		
To increase salaries for new members of executive management which will be responsible for certain roles previously performed by the Control Sellers and new roles required as a public company	$	150
q. Adjustment to salaries and service costs:		
To increase salaries for new members of executive management which will be responsible for certain roles previously performed by the Control Sellers and new roles required as a public company	$	200

r. Adjustment to stockholders compensation and consulting fees:

To eliminate stockholders compensation and consulting fees paid to certain owners as post acquisition the Wilhelmina Companies will have no contractual obligation to continue these payments	$	(975)
s. Adjustment to office and general expenses: To record amortization expense associated with finite lived intangible assets acquired in the Acquisition	$	3,131
t. Adjustment to office and general expenses: To record amortization expense associated with finite lived intangible assets acquired in the Acquisition	$	2,348

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RISK FACTORS

You should carefully consider the following risk factors, together with all of the other information included in this proxy statement, before you decide whether to vote or instruct your vote to be cast to approve the Acquisition Proposal and the other proposals to be presented for consideration at the Annual Meeting. As New Century's operations will include those of the Wilhelmina Companies if the Acquisition is consummated, a number of the following risk factors relate to the business and operations of the Wilhelmina Companies. If any of these factors actually occur, the business, financial condition or results of operations of New Century could be materially and adversely affected, the value of the Common Stock could decline and stockholders could lose all or part of their investment.

Risks Related to the Acquisition

A substantial number of shares of our Common Stock will be issued in connection with the Acquisition and the transactions contemplated thereby, which will result in substantial dilution of the ownership interest of current stockholders.

A substantial number of shares of our Common Stock will be issued in connection with the Acquisition and the transactions contemplated thereby, which will result in substantial dilution of the ownership interest of current stockholders. Based upon the book value of the Common Stock on July 31, 2008, approximately 74,696,354 shares of Common Stock are expected to be issued upon the Closing of the Acquisition Agreement (in connection with the Acquisition Agreement and the Equity Financing Agreement). As a result, immediately after the Acquisition, the Control Sellers are expected to own approximately 47.2% of the outstanding Common Stock, Newcastle Partners, our largest stockholder, is expected to own approximately 24.5% of the outstanding Common Stock, and our remaining stockholders are expected to own approximately 28.3% of the outstanding Common Stock.

The pro forma financial statements are not an indicator of New Century's financial condition or results of operations following the Acquisition.

The pro forma financial statements contained in this proxy statement are not an indicator of New Century's financial condition or results of operations following the Acquisition. The pro forma financial statements have been derived from the historical financial statements of the Wilhelmina Companies and New Century and many adjustments and assumptions have been made regarding the Wilhelmina Companies after giving effect to the Acquisition. The information upon which these adjustments and assumptions have been made is preliminary, and these kinds of adjustments and assumptions are difficult to make with complete accuracy. As a result, the actual financial condition and results of operations of New Century following the Acquisition may not be consistent with, or evident from, these pro forma financial statements.

New Century currently does not have substantial operations and the Wilhelmina Companies have never operated in a public company regulatory environment. Fulfilling New Century's obligations as a public company after the Acquisition will be expensive and time consuming.

The Wilhelmina Companies have not been required to prepare or file periodic and other reports with the SEC under applicable federal securities laws or to comply with the requirements of the federal securities laws applicable to public companies, including the documentation and assessment of the effectiveness of their internal control procedures in order to satisfy the requirements of Section 404 of the Sarbanes-Oxley Act of 2002. Although New Century has maintained disclosure controls and procedures and internal control over financial reporting as required under the federal securities laws with respect to its activities, New Century has not had substantial operations. Under the Sarbanes-Oxley Act of 2002 and the related rules and regulations of the SEC, New Century will be required to

implement additional corporate governance practices and adhere to a variety of reporting requirements and accounting rules. Compliance with these obligations will require significant time and resources from New Century's management and finance and accounting staff and will significantly increase New Century's legal, insurance and financial compliance costs. As a result of the increased costs associated with being a public company after the Acquisition, New Century's operating income as a percentage of revenue will likely be lower.

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New Century and the Wilhelmina Companies expect to incur significant costs associated with the Acquisition, whether or not the Acquisition is completed, which will reduce the amount of cash otherwise available for other corporate purposes.

New Century and the Wilhelmina Companies expect to incur significant costs associated with the Acquisition, whether or not the Acquisition is completed. These costs will reduce the amount of cash otherwise available for other corporate purposes. We estimate that the aggregate costs associated with the Acquisition will be approximately $1,200,000. There is no assurance that the actual costs may not exceed New Century's estimates. New Century and/or the Wilhelmina Companies may incur additional material charges reflecting additional costs associated with the Acquisition in fiscal quarters subsequent to the quarter in which the Acquisition is consummated. There is no assurance that the significant costs associated with the Acquisition will prove to be justified in light of the benefit ultimately realized.

Failure to consummate the Acquisition could negatively impact the market price of our Common Stock and may make it more difficult for us to attract another acquisition candidate, potentially causing investors to experience a loss on their investment.

If the Acquisition is not completed for any reason, New Century may be subject to a number of material risks, including:

- the market price of the Common Stock may decline to the extent that the current market price of the Common Stock reflects a market assumption that the Acquisition will be consummated;

- costs related to the Acquisition, such as legal and accounting fees, must be paid even if the Acquisition is not completed; and

- charges will be made against earnings for transaction-related expenses, which could be higher than expected.

Such decreased market price and added costs and charges of the failed Acquisition, together with the challenges in identifying suitable acquisition candidates, may make it more difficult for New Century to attract another target business, potentially causing investors to experience a loss on their investment.

Newcastle might not be able to meet its commitments under the Financing Transaction, which could significantly impact our ability to consummate the Acquisition and operate our business thereafter.

In order to consummate the transactions contemplated by the Acquisition Agreement, Newcastle intends to provide equity financing to us under the Equity Financing Agreement by (i) purchasing $3,000,000 of Common Stock at approximately the same per share price at which the Common Stock will be issued in connection with the Acquisition and (ii) committing to purchase, at our election at any time or times prior to six months following the Closing of the Acquisition Agreement, up to an additional $2,000,000 of Common Stock at approximately the same per share price applicable to the Common Stock issuable in the Acquisition. The sale of additional equity securities in connection with the Financing Transaction may cause the market price of our common stock to decline. In addition, there is no guarantee that Newcastle will be able to meet these obligations, which could significantly impact our ability to consummate the Acquisition or operate our business thereafter.

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The price of the Common Stock after the Acquisition may be volatile and less than what you originally paid for your shares of Common Stock prior to the Acquisition.

The price of our Common Stock after the Acquisition may be volatile, and may fluctuate due to factors such as:

- the actual operating results of the Wilhelmina Companies as a result of the Acquisition;
- earnings estimates and actual or anticipated fluctuations in quarterly and annual results;
- mergers, consolidations and strategic alliances in our industry;
- market conditions in our industry; and
- the general state of the stock markets.

Our Common Stock after the Acquisition may trade at prices lower than what you originally paid for your shares of Common Stock prior to the Acquisition.

If the Adjournment Proposal is not approved, and an insufficient number of votes have been obtained to authorize the consummation of the Acquisition and the increase of our authorized capital stock, the Board will not have the ability to adjourn the Annual Meeting to a later date in order to solicit further votes, and, therefore, the Acquisition will not be approved.

The Board is seeking approval to adjourn the Annual Meeting to a later date or dates if, at the Annual Meeting, based upon the tabulated votes, there are insufficient votes to approve the consummation of the Acquisition and the increase of our authorized capital stock. If the Adjournment Proposal is not approved, the Board may not have the ability to adjourn the Annual Meeting to a later date and, therefore, will not have more time to solicit votes to approve the Acquisition Proposal and the Capitalization Proposal. In such event, the Acquisition would not be completed.

Risks Related to the Business of the Wilhelmina Companies

Competition in the fashion model industry could result in the Wilhelmina Companies losing market share and charging lower prices for services, which could reduce their revenue.

The Wilhelmina Companies compete in the fashion model management industry with numerous competitors. Approximately half of the industry is relatively concentrated while the other half is fragmented: the top five companies represent approximately 50% of the billings in the industry, while hundreds of companies represent the balance. The concentrated half of the industry is comprised of the Wilhelmina Companies and their principal competitors, which are: DNA Model Management, Elite Model Management, Ford Models, Inc., IMG Models, Marilyn Model Agency, NEXT Model Management and Women Model Management.

The Wilhelmina Companies also compete in the general talent management industry, “talent” meaning any model, entertainer, artist, athlete or other talent or celebrity (“Talent”), and, through WAM, endeavor to secure product endorsement contracts from branded consumer products companies for their Talent.

In each of the Wilhelmina Companies’ markets, their competitors may possess greater resources, greater name recognition and longer operating histories than the Wilhelmina Companies, which may give them an advantage in obtaining future clients and attracting qualified models and other Talent in such markets. Increased competition may lead to pricing pressures that could negatively impact the Wilhelmina Companies’ business.

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If the Wilhelmina Companies fail to attract and retain qualified and experienced agents, their revenue could decline and their business could be harmed.

The Wilhelmina Companies compete with other fashion model management businesses for qualified agents or "bookers". Attracting and retaining qualified bookers in the fashion model industry is particularly important because, generally, a small number of bookers have primary responsibility for a Talent relationship. Because Talent responsibility is so concentrated, the loss of key bookers may lead to the loss of Talent relationships. Any decrease in the quality of the Wilhelmina Companies' reputation, reduction in their bookers' compensation levels or restructuring of their compensation program, whether as a result of insufficient revenue or for any other reason, could impair their ability to retain existing bookers or attract additional qualified bookers with the requisite experience, skills and established Talent relationships. The Wilhelmina Companies' failure to retain their most productive bookers or maintain the quality of service to which their clients are accustomed could result in a loss of clients, which could in turn cause their revenue to decline and their business to be harmed.

If the Wilhelmina Companies are unable to retain their President and other key management personnel, they may not be able to successfully manage their business in the future.

The President and other key management personnel of the Wilhelmina Companies and their skills and relationships with clients are among the Wilhelmina Companies' most important assets. An important aspect of the Wilhelmina Companies' competitiveness is their ability to attract and retain their President and other key management personnel. The Wilhelmina Companies' future success depends upon the continued service or involvement of their President and other key management personnel. If the Wilhelmina Companies lose the services of their President or one or more of their other key management personnel, or if one or more of them decides to join a competitor or otherwise compete directly or indirectly with the Wilhelmina Companies, the Wilhelmina Companies may not be able to successfully manage their business or achieve their business objectives.

If the Wilhelmina Companies are unable to maintain their professional reputation and brand name, the Wilhelmina Companies' business will be harmed.

The Wilhelmina Companies depend on their overall reputation and brand name recognition to secure new engagements and to sign qualified Talent. The Wilhelmina Companies' success also depends on the individual reputations of the Talent they represent. In addition, any adverse effect on the Wilhelmina Companies' reputation might negatively impact the Wilhelmina Companies' licensing business, which is driven largely by the value of the Wilhelmina brand. If any client is dissatisfied with the Wilhelmina Companies' services, this may adversely affect the Wilhelmina Companies' ability to secure new engagements.

If any factor, including poor performance, hurts the Wilhelmina Companies' reputation, the Wilhelmina Companies may experience difficulties in competing successfully for both new client engagements and qualified Talent. Failing to maintain the Wilhelmina Companies' professional reputation and the goodwill associated with their brand name could seriously harm the Wilhelmina Companies' business.

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The Wilhelmina Companies' operations are headquartered in and largely concentrated on New York City, which is generally recognized as the center of the global fashion industry. This lack of geographic diversification increases their risk profile.

The Wilhelmina Companies' operations are headquartered in New York City, which is generally recognized as the global center of the fashion industry. As a result of this geographic concentration, the Wilhelmina Companies' business, results of operations or financial condition depend largely upon the state of the New York City-based fashion industry and advertising market. Deterioration in economic and business conditions in these sectors and the economic and business conditions in New York City could have a material adverse impact on the demand for the Wilhelmina Companies' and their advertising sector clients' services, which in turn may have a material adverse effect on the Wilhelmina Companies' results of operations and overall profitability.

A major disaster in New York City could result in material loss to the Wilhelmina Companies. New York City, as a major urban area, is at risk from terrorist attack. Many of the Wilhelmina Companies' clients could experience interruption of their business or financial distress, file for bankruptcy protection or go out of business after a major disaster, including a terrorist attack. Most of the Wilhelmina Companies' talent resides in New York City and may also be severely affected in the event of such a disaster. If there are terrorist attacks in New York City or within close proximity, the Wilhelmina Companies may experience a decrease in the demand for their talent management services, which may have a material adverse effect on their results of operations and overall profitability.

The Wilhelmina Companies' revenue and net income may be affected by adverse economic conditions.

Recessions may impact gross billings for modeling services. An important segment of the modeling industry is advertising, with advertising assignments typically generating amongst the highest daily fees in the business. Because advertising expenditures are viewed by companies as discretionary and are curtailed during economic downturns, agency gross billings may also decline over recessionary periods. There can be no assurance that economic conditions will improve or even remain stable. Although we believe that larger agencies, such as the Wilhelmina Companies, are less affected by negative economic fluctuations than local agencies (as advertisers frequently cut spending with smaller modeling agencies first) the Wilhelmina Companies' business, financial condition and results of operations could suffer if economic conditions weaken.

If some of the Wilhelmina Companies' clients experience financial distress, their weakened financial position could negatively affect the Wilhelmina Companies' financial position and results.

The Wilhelmina Companies have a large and diverse client base, and at any given time, one or more of their clients may experience financial distress, file for bankruptcy protection or go out of business. If any client with whom the Wilhelmina Companies have a substantial amount of business experiences financial difficulty, it could delay or jeopardize the collection of accounts receivable, may result in significant reductions in services provided by the Wilhelmina Companies and may have a material adverse effect on the Wilhelmina Companies' financial position, results of operations and liquidity.

Terms of the settlement of a class action lawsuit may adversely impact the Wilhelmina Companies' ability to sign models on favorable terms.

In 2002, a class action lawsuit was filed on behalf of some 10,000 current and former models against 13 of the leading modeling agencies, including Wilhelmina International, alleging price collusion beginning 30 years ago. The lawsuit was settled in June 2004 pursuant to a settlement agreement by which the Wilhelmina Companies and other modeling agencies are bound. The terms of the settlement agreement include, among others, that the Wilhelmina Companies will:

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- refrain from entering into any agreement or understanding with any other agency regarding models' commissions or communicate pricing with any other agency (except under limited circumstances);

- disclose to the settling defendant models all compensation received by the Wilhelmina Companies on all bookings for that model; and

- enter into contracts that (i) provide in clear language the contract's term and duration, (ii) include full disclosure of all relevant compensation terms and practices; (iii) include a description of the management services that are available to the model pursuant to the contract and (iv) do not automatically renew for the full contract term.

The restrictions imposed upon the Wilhelmina Companies pursuant to the settlement agreement may have an adverse effect on the Wilhelmina Companies' ability to remain competitive in the industry. Furthermore, no assurance can be given that the Wilhelmina Companies will not in the future be subject to similar or other class action lawsuits that could have a material adverse effect on their business practices.

The Wilhelmina Companies' prospects and financial results may be adversely affected if they fail to identify, sign and retain quality Talent.

The Wilhelmina Companies are dependent on identifying, signing and retaining models and other Talent who are well received by clients and are likely to generate repeat business. The Wilhelmina Companies' competitive position is dependent on their continuing ability to attract and develop Talent whose work can achieve a high degree of client acceptance. The Wilhelmina Companies' financial results may be adversely affected if they are unable to identify, sign and retain such Talent under terms that are economically attractive to the Wilhelmina Companies. The Wilhelmina Companies' financial results may also be affected by the ability to sign and retain "supermodels" who are well known in the industry and by the public. The Wilhelmina Companies' business would be adversely affected by any of the following:

- inability to recruit new models;

- the loss of popularity of models among clients;

- increased competition to maintain existing relationships with models;

- non-renewals of current agreements with models; and

- poor performance or negative publicity of models.

Most of the Wilhelmina Companies' current model contracts have a term of two years. Upon expiration, models may not renew these contracts on reasonable terms, if at all. If models decide to re-locate to another agency when their agreements terminate, the Wilhelmina Companies may be unable to recoup their costs expended to develop and promote such models, or to find a quality replacement that is satisfactory to the Wilhelmina Companies' clients.

The Wilhelmina Companies have relied upon their ability to enforce contracts entered into by models and other Talent they represent. If the Wilhelmina Companies are unable to protect and enforce their contractual rights, the Wilhelmina Companies may suffer a loss of revenue.

The Wilhelmina Companies' success depends, to a large degree, on their current Talent under management and, in the future, scouting new Talent and entering into new contracts. To protect their contractual rights, the Wilhelmina Companies have traditionally vigorously defended their contractual rights vis-à-vis models and other Talent, as well

as other agencies and companies, for both financial reasons and to encourage ongoing strict adherence to contracts by all models and other Talent. Such strict enforcement through litigation and other legal means could result in substantial costs and diversion of resources and the potential loss of contractual rights, which could impair the Wilhelmina Companies' financial and business condition.

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The Wilhelmina Companies may undertake acquisitions to expand their business, which may pose risks to their business and dilute the ownership of existing stockholders.

As the Wilhelmina Companies pursue their business plans, they may pursue acquisitions of businesses, both domestic and international. Integrating newly acquired businesses or services is likely to be expensive and time consuming. To finance any acquisitions, it may be necessary for the Wilhelmina Companies to raise additional funds through public or private financings. Additional funds may not be available on favorable terms and, in the case of equity financings, would result in additional dilution to existing stockholders of New Century. If the Wilhelmina Companies do acquire any businesses and are unable to integrate any newly acquired entities effectively, their business and results of operations may suffer. The time and expense associated with finding suitable and compatible businesses or services could also disrupt the Wilhelmina Companies' ongoing business and divert management's attention. Future acquisitions by the Wilhelmina Companies could result in large and immediate write-offs or assumptions of debt and contingent liabilities, any of which could substantially harm their business and results of operations.

The Wilhelmina Companies might not be successful in positioning the "Wilhelmina" brand for future consumer product initiatives.

The Wilhelmina Companies have taken steps to position the "Wilhelmina" brand for several future consumer product initiatives, including fashion apparel (such as lingerie and sportswear), cosmetics and beauty, and health and lifestyle products. If consumer response to the "Wilhelmina" brand is not as favorable as management anticipates, or if the Wilhelmina Companies' reputation is adversely affected, these consumer product initiatives might not be successful and the Wilhelmina Companies would incur substantial expense that could have a material adverse effect on the Wilhelmina Companies' results of operations.

The Wilhelmina Companies may need additional debt or equity to sustain their growth, but they do not have commitments for such funds beyond financing commitments related to the Acquisition Proposal.

The Wilhelmina Companies finance their growth through a combination of borrowings, cash flow from operations, and equity financing. The Wilhelmina Companies' ability to continue growing at the pace they have historically grown will depend in part on their ability to obtain either additional debt or equity financing. The terms on which debt and equity financing is available to the Wilhelmina Companies varies from time to time and is influenced by their performance and by external factors, such as the economy generally and developments in the market, that are beyond their control. If the Wilhelmina Companies are unable to obtain additional debt or equity financing beyond financing commitments related to the Acquisition Proposal on acceptable terms, they may have to curtail their growth by delaying new initiatives.

If the Wilhelmina Companies are unable to adequately protect the "Wilhelmina" brand name, their business could suffer significant harm.

The Wilhelmina Companies have invested significant resources in the "Wilhelmina" brands in order to obtain the public recognition that these brands currently have. The Wilhelmina brand is essential to their success and competitive position. If the Wilhelmina Companies fail to protect their intellectual property rights adequately, they may lose an important advantage in the markets in which they compete. Third parties have in the past and may continue to misappropriate or infringe on their brand. If third parties misappropriate or infringe the Wilhelmina Companies' intellectual property, their image, brand and the goodwill associated therewith may be harmed, their brand may fail to achieve and maintain market recognition, and their competitive position may be harmed, any of which could have a material adverse effect on their business.

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The protection of the "Wilhelmina" brand name requires substantial resources.

The Wilhelmina Companies rely upon trademark laws, license agreements and nondisclosure agreements to protect the "Wilhelmina" brand name used in their business. The steps the Wilhelmina Companies have taken to protect and enforce their proprietary rights to their brand name may not be adequate. For instance, the Wilhelmina Companies may not be able to secure trademark or service mark registrations for marks in the U.S. or in foreign countries. Third parties may infringe upon or misappropriate their trademarks, service marks and similar proprietary rights, which could have an adverse effect on their business, financial condition and results of operations. If the Wilhelmina Companies believe a third-party has misappropriated their intellectual property, litigation may be necessary to enforce and protect those rights, which would divert management resources, would be expensive and may not effectively protect their intellectual property.

Third parties may claim that the Wilhelmina Companies are infringing their intellectual property, and the Wilhelmina Companies could suffer significant litigation or licensing expenses or be prevented from selling products or services as a result.

The Wilhelmina Companies are not aware of any claims of infringement or challenges to their right to use any of their trademarks in the U.S. Nevertheless, the Wilhelmina Companies could be subject to claims that they are misappropriating or infringing intellectual property or other proprietary rights of others. These claims, even if not meritorious, could be expensive to defend and divert management's attention from their operations. If the Wilhelmina Companies become liable to third parties for infringing these rights, they could be required to pay a substantial damage award and cease selling the products or services that use or contain the infringing intellectual property. The Wilhelmina Companies may be unable to develop non-infringing products or services or obtain a license on commercially reasonable terms. The Wilhelmina Companies may also be required to indemnify their licensees and customers if they become subject to third-party claims relating to intellectual property that they license or otherwise provide to them, which could be costly.

Risks Relating to the Business and Securities of New Century

Our results of operations could be harmed as a result of certain issues relating to the settlement of the Davis litigation.

On August 11, 2004, Craig Davis, allegedly a stockholder of New Century, filed a lawsuit in the Chancery Court of New Castle County, Delaware. The lawsuit asserted direct claims, and also derivative claims on the Company's behalf, against five former and three current directors of the Company. On April 13, 2006, we announced that we reached an agreement with all of the parties to the lawsuit to settle all claims relating thereto. On July 25, 2006, the settlement became final and non-appealable.

The settlement provides that, if the Company has not acquired a business that generates revenues by March 1, 2007, the plaintiff maintains the right to pursue a claim to liquidate the Company. If the Company's previous investments (particularly its investment in ACP Investments L.P. (d/b/a Ascendant Capital Partners) ("Ascendant")) are not held to meet the foregoing requirement to acquire a business, and the Acquisition is not consummated, the Company may be vulnerable to claims under the settlement. See "Proposal No. 1 – Approval of the Acquisition – Description of New Century – Derivative Lawsuit" beginning on page 58.

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The SEC or a court may take the position that the Company was previously in violation of the Investment Company Act of 1940.

Among the claims filed by Mr. Davis was a claim that the Company operated as an illegal investment company in violation of the Investment Company Act of 1940 (the "Investment Company Act"). Although we do not believe that we have violated the Investment Company Act in the past, or at present, there can be no assurance that we have not, or are not, in violation of, the Investment Company Act. In the event the SEC or a court were to take the position that we were an investment company, our failure to register as an investment company would not only raise the possibility of an enforcement or other legal action by the SEC and potential fines and penalties, but also could threaten the validity of corporate actions and contracts entered into by us during the period we were deemed to be an unregistered investment company, among other remedies. See "Proposal No. 1 – Approval of the Acquisition – Description of New Century – Legal Proceedings" beginning on page 60.

We may be unable to redeploy our assets successfully.

As part of our strategy to limit operating losses and enable us to redeploy our assets and use our cash and short-term investment assets to enhance stockholder value, we have been pursuing a strategy of identifying suitable acquisition candidates, merger partners or otherwise developing new business operations. Should the proposed acquisition of the Wilhelmina Companies fail, we may not be successful in acquiring such a business or in operating any business that we acquire, merge with or develop. Failure to redeploy our assets successfully will prevent us from becoming profitable. Future cash expenditures are expected to consist of funding corporate expenses, the cost associated with maintaining a public company and expenses incurred in pursuing and operating new business activities, during which time operating losses are likely to be generated.

Any acquisitions that we attempt or complete could prove difficult to integrate or require a substantial commitment of management time and other resources.

Our strategy of acquiring other businesses involves a number of unique risks including: (i) completing due diligence successfully, (ii) exposure to unforeseen liabilities of acquired companies and (iii) increased risk of costly and time-consuming litigation, including stockholder lawsuits. We may be unable to address these problems successfully. Moreover, our future operating results will depend to a significant degree on our ability to integrate acquisitions (if any) successfully and manage operations while also controlling our expenses. We may be unable to select, manage or absorb or integrate any future acquisitions successfully, particularly acquisitions of large companies. Any acquisition, even if effectively integrated, may not benefit our stockholders.

We may be unable to realize the benefits of our net operating losses ("NOLs") and capital loss carryforwards.

NOLs and capital losses may be carried forward to offset federal and state taxable income and capital gains, respectively, in future years and eliminate income taxes otherwise payable on such taxable income and capital gains, subject to certain adjustments. Based on current federal corporate income tax rates, our NOLs and capital loss carryforwards, if fully utilized, could provide a benefit to us of future tax savings. However, our ability to use these tax benefits in future years will depend upon the amount of our otherwise taxable income and capital gains. If we do not have sufficient taxable income and capital gains in future years to use the tax benefits before they expire, we will lose the benefit of these NOLs and capital loss carryforwards, permanently. Consequently, our ability to use the tax benefits associated with our NOLs and capital loss carryforwards will depend largely on our success in identifying suitable merger partners and/or acquisition candidates, and once identified, consummating a merger with and/or acquisition of these candidates.

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Additionally, if we underwent an ownership change within the meaning of Sections 382 and 383 of the Code, the NOLs and capital loss carryforward limitations would impose an annual limit on the amount of the taxable income and capital gain that may be offset by our NOLs and capital loss generated prior to the ownership change. If an ownership change were to occur, we may be unable to use a significant portion of our NOLs and capital loss carryforwards to offset taxable income and capital gains. In general, an ownership change occurs when, as of any testing date, the aggregate of the increase in percentage points of the total amount of a corporation's stock owned by "5-percent shareholders" (within the meaning of Section 382 and 383 of the Code) whose percentage ownership of the stock has increased as of such date over the lowest percentage of the stock owned by each such "5-percent shareholder" at any time during the three-year period preceding such date, is more than 50 percentage points. In general, persons who own 5% or more of a corporation's stock are "5-percent shareholders," and all other persons who own less than 5% of a corporation's stock are treated, together as a single, public group "5-percent shareholder," regardless of whether they own an aggregate of 5% of a corporation's stock. We do not believe the current structure of the Acquisition Agreement will cause a change in ownership as defined above.

The amount of NOLs and capital loss carryforwards that we have claimed have not been audited or otherwise validated by the United States Internal Revenue Service (the "IRS"). The IRS could challenge our calculation of the amount of our NOLs and capital loss or our determinations as to when a prior change in ownership occurred and other provisions of the Internal Revenue Code may limit our ability to carry forward our NOLs and capital loss to offset taxable income and capital gains in future years. If the IRS were successful with respect to any such challenge, the potential tax benefit of the NOLs and capital loss carryforwards to us could be substantially reduced.

Any transfer restrictions implemented by us to preserve our NOLs may not be effective or may have some unintended negative effects.

The Board previously adopted an amendment to our former stockholder rights plan (the "Original Rights Plan") that reduced the triggering of the Original Rights Plan from 15% of the Common Stock to 5% of the Common Stock. On July 10, 2006, the Board replaced the Original Rights Plan with a new rights plan (the "Rights Plan") with the same lowered 5% threshold. This 5% threshold was adopted to help preserve our NOLs and capital loss carryforwards. The Rights Plan was subsequently amended on August 25, 2008 so that the Acquisition Agreement and any subsequent acquisition of shares of Common Stock pursuant to the Acquisition Agreement does not affect any rights under the Rights Plan. Nonetheless, there is no guarantee that the Rights Plan will prevent a stockholder from acquiring more than 5% of the Common Stock.

Any transfer restrictions will require any person attempting to acquire a significant interest in the Company to seek the approval of our Board. This may have an "anti-takeover" effect because our Board may be able to prevent any future takeover. Similarly, any limits on the amount of capital stock that a stockholder may own could have the effect of making it more difficult for stockholders to replace current management. Additionally, because transfer restrictions will have the effect of restricting a stockholder's ability to dispose of or acquire our Common Stock, the liquidity and market value of our Common Stock might suffer.

Our success is dependent on our key personnel whom we may not be able to retain, and we may not be able to hire enough additional qualified personnel to meet our growing needs.

Our performance is substantially dependent on the services and on the performance of our officers and directors. Our performance also depends on our ability to attract, hire, retain, and motivate our officers and key employees. The loss of the services of any of the executive officers or other key employees could have a material adverse effect on our business, prospects, financial condition, and results of operations. We have not entered into employment agreements with any of our key personnel and currently have no "Key Man" life insurance policies. Our future success may also depend on our ability to identify, attract, hire, train, retain, and motivate other highly skilled technical, managerial,

marketing and customer service personnel. Competition for such personnel is intense, and there can be no assurance that we will be able to successfully attract, assimilate or retain sufficiently qualified personnel. The failure to attract and retain the necessary technical, managerial, marketing and customer service personnel could have a material adverse effect on our business.

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The assets on our balance sheet include a revenue interest in Ascendant, and any impairment of the revenue interest could adversely affect our results of operations and financial position.

As of September 30, 2008, our total assets were approximately $13,706,000 of which approximately $803,000 were intangible assets relating to the revenue interest in Ascendant. We cannot be certain that we will ever realize the value of such intangible assets. If we were to record an impairment charge for the intangible asset, our results of operations could be adversely affected.

The application of the purchase method of accounting will result in additional goodwill on our balance sheet, which could become impaired and adversely affect our net worth and the market value of our Common Stock.

Under the purchase method of accounting, the Wilhelmina Companies' assets and liabilities will be recorded, as of completion of the Acquisition, at their respective fair values. The purchase price will be allocated to the Wilhelmina Companies' tangible assets and liabilities and identifiable intangible assets, if any are identified, based on their fair values as of the date of completion of the Acquisition. The excess of such price over those fair values will be recorded as goodwill. Goodwill and other acquired intangibles expected to contribute indefinitely to New Century's cash flows are not amortized, but must be evaluated by management at least annually for impairment. To the extent the value of goodwill or intangibles becomes impaired, New Century may be required to incur material charges relating to such impairment. Such a potential impairment charge could have a material impact on the combined company's operating results.

Our securities are quoted on the OTC Bulletin Board, which may limit the liquidity and price of our securities more than if our securities were quoted or listed on The NASDAQ Stock Market or a national exchange.

Our Common Stock is currently quoted on the OTC Bulletin Board ("OTCBB"), and has traded as low as $0.18 per share during 2007 and $0.02 per share during 2008. Since our Common Stock was delisted from a national exchange and is trading at a price below $5.00 per share, it is subject to certain other rules of the Securities Exchange Act of 1934, as amended. Such rules require additional disclosure by broker-dealers in connection with any trades involving a stock defined as a "penny stock". "Penny stock" is defined as any non-NASDAQ equity security that has a market price of less than $5.00 per share, subject to certain exceptions. Such rules require the delivery of a disclosure schedule explaining the penny stock market and the risks associated with that market before entering into any penny stock transaction. Disclosure is also required to be made about compensation payable to both the broker-dealer and the registered representative and current quotations for the securities. The rules also impose various sales practice requirements on broker-dealers who sell penny stocks to persons other than established customers and accredited investors. For these types of transactions, the broker-dealer must make a special suitability determination for the purchaser and must receive the purchaser's written consent to the transaction prior to the sale. Finally, monthly statements are required to be sent disclosing recent price information for the penny stocks. The additional burdens imposed upon broker-dealers by such requirements could discourage broker-dealers from effecting transactions in our Common Stock. This could severely limit the market liquidity of our Common Stock and the ability of a stockholder to sell the Common Stock.

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We do not foresee paying cash dividends in the foreseeable future and, as a result, our investors' sole source of gain, if any, will depend on capital appreciation, if any.

We do not plan to declare or pay any cash dividends on our shares of Common Stock in the foreseeable future and currently intend to retain any future earnings for funding growth. As a result, investors should not rely on an investment in our securities if they require the investment to produce dividend income. Capital appreciation, if any, of our Common Stock may be investors' sole source of gain for the foreseeable future. Moreover, investors may not be able to resell their shares of Common Stock at or above the price they paid for them.

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FORWARD-LOOKING STATEMENTS

We believe that some of the information in this proxy statement constitutes forward-looking statements within the definition of the Private Securities Litigation Reform Act of 1995. However, the safe-harbor provisions of that act do not apply to statements made in this proxy statement. You can identify these statements by forward-looking words such as “may,” “expect,” “anticipate,” “contemplate,” “believe,” “estimate,” “intends,” and “continue” or similar words. You s read statements that contain these words carefully because they:

- discuss future expectations;
- contain projections of future results of operations or financial condition; or
- state other “forward-looking” information.

We believe it is important to communicate our expectations to our stockholders. However, there may be events in the future that we are not able to predict accurately or over which we have no control. The risk factors and cautionary language used in this proxy statement provide examples of risks, uncertainties and events that may cause actual results to differ materially from the expectations described by us or the Wilhelmina Companies in their forward-looking statements.

You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this proxy statement.

All forward-looking statements included herein attributable to any of New Century, the Wilhelmina Companies or any person acting on either party’s behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Except to the extent required by applicable laws and regulations, New Century and the Wilhelmina Companies undertake no obligations to update these forward-looking statements to reflect events or circumstances after the date of this proxy statement or to reflect the occurrence of unanticipated events.

Before you grant your proxy or instruct how your vote should be cast or vote on the approval of the Acquisition Agreement or any of the other proposals, you should be aware that the occurrence of the events described in the “Risk Factors” section beginning on page 28 and elsewhere in this proxy statement could have a material adverse effect on New Century and/or the Wilhelmina Companies.

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ANNUAL MEETING OF NEW CENTURY STOCKHOLDERS

The Company is furnishing this proxy statement to you as part of the solicitation of proxies by the Board for use at the Annual Meeting, to be held on February 5, 2009, and at any adjournment or postponement thereof. This proxy statement is first being furnished to the Company's stockholders on or about December 29, 2008. This proxy statement provides you with information you need to know to be able to vote or instruct your vote to be cast at the Annual Meeting.

Date, Time and Place

The Annual Meeting will be held on February 5, 2009, at 11:00 a.m. local time, at the Company's offices located at 200 Crescent Court, Suite 1400, Dallas, Texas 75201, or at any adjournment or postponement thereof.

Purpose

At the Annual Meeting, stockholders will be asked to vote on the following matters:

- the Acquisition Proposal – a proposal to approve our acquisition of Wilhelmina International and its affiliated entities;

- the Name Change Proposal – a proposal to approve and adopt an amendment to our Certificate of Incorporation to change our name from "New Century Equity Holdings Corp." to "Wilhelmina International, Inc.";

- the Capitalization Proposal – a proposal to approve and adopt an amendment to our Certificate of Incorporation to increase the number of authorized shares of our Common Stock from 75,000,000 to 250,000,000;

- the Reverse Stock Split Proposal – a proposal to grant authority to our Board of Directors to effect at any time prior to December 31, 2009 a reverse stock split of our Common Stock at a ratio within the range from one-for-ten to one-for-thirty, with the exact ratio to be set at a whole number within this range to be determined by our Board in its discretion;

- the Declassification Proposal – a proposal to approve and adopt an amendment to our Certificate of Incorporation and Bylaws to provide for the annual election of directors;

- the Director Proposal – to elect the following number of directors to our Board of Directors:

o seven directors in the event that both the Acquisition Proposal and the Declassification Proposal are approved;

o three directors in the event that the Acquisition Proposal is not approved and the Declassification Proposal is approved;

o five directors in the event that the Acquisition Proposal is approved and the Declassification Proposal is not approved; or

o one director in the event that neither the Acquisition Proposal nor the Declassification Proposal is approved;

- the Auditor Proposal – a proposal to ratify the appointment of Burton McCumber & Cortez, L.L.P. as our independent registered public accounting firm for the fiscal year ending December 31, 2008; and

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- the Adjournment Proposal – a proposal to adjourn the Annual Meeting to a later date or dates, if necessary, to permit further solicitation and vote of proxies if, based upon the tabulated vote at the time of the Annual Meeting, any of the foregoing proposals have not been approved.

Recommendation of the Board

After careful consideration, a majority of the Board has determined that each of the Acquisition Proposal, the Name Change Proposal, the Capitalization Proposal, the Reverse Stock Split Proposal, the Declassification Proposal, the Director Proposal, the Auditor Proposal and the Adjournment Proposal is fair to and in the best interests of the Company and its stockholders. Steven J. Pully was the sole director to vote against all of the foregoing proposals.

A majority of our Board recommends that you vote or give instruction to vote as follows:

- "FOR" the approval of the Acquisition Proposal;
- "FOR" the approval of the Name Change Proposal;
- "FOR" the approval of the Capitalization Proposal;
- "FOR" the approval of the Reverse Stock Split Proposal;
- "FOR" the approval of the Declassification Proposal;
- "FOR" the election of each of the director nominees as set forth in the Director Proposal;
- "FOR" the approval of the Auditor Proposal; and
- "FOR" the approval of the Adjournment Proposal.

Record Date and Voting Securities

The Board has fixed the close of business on December 19, 2008 as the Record Date for the determination of stockholders entitled to notice of and to attend and vote at the Annual Meeting and any adjournment or postponement thereof. On the Record Date, there were 53,883,872 shares of Common Stock outstanding and entitled to vote at the Annual Meeting. Each share of Common Stock is entitled to one vote per share on each proposal on which such shares are entitled to vote at the Annual Meeting.

Quorum and Voting Requirements

A quorum will be present if at least a majority of the outstanding shares of our Common Stock entitled to vote is represented at the Annual Meeting, either in person or by proxy, totaling 26,941,937 shares. Your shares will be counted as present at the Annual Meeting if you are present and vote in person at the Annual Meeting or if you have properly submitted a proxy card. Both abstentions (and withhold votes in the case of the Director Proposal) and broker non-votes (described in more detail below) are counted for the purpose of determining the presence of a quorum.

Abstentions and Broker Non-Votes

For all items of business other than the election of directors, you may vote “FOR,” “AGAINST” or “ABSTAIN.” Abstentions will have the same effect as a vote “AGAINST” each of the Acquisition Proposal, the Name Change Proposal, the Capitalization Proposal, the Reverse Stock Split Proposal and the Declassification Proposal, but will have no effect on the Auditor Proposal and the Adjournment Proposal.

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Your broker, bank or nominee cannot vote your shares on any proposal unless you provide instructions on how to vote in accordance with the information and procedures provided to you by your broker, bank or nominee. If you hold shares beneficially in street name and do not provide your broker with voting instructions, your shares may constitute "broker non-votes." Broker non-votes will have the same effect as a vote "AGAINST" each of the Acquisition Proposal, the Name Change Proposal, the Capitalization Proposal, the Reverse Stock Split Proposal and the Declassification Proposal. Broker non-votes will have no effect on the Director Proposal, the Auditor Proposal and the Adjournment Proposal.

Vote Required

Both the Acquisition Proposal and the Declassification Proposal must be approved by the holders of not less than 66-2/3% of the outstanding shares of our Common Stock entitled to vote thereon. Each of the Name Change Proposal, the Capitalization Proposal and the Reverse Stock Split Proposal must be approved by the holders of a majority of the outstanding shares of our Common Stock entitled to vote thereon. The Auditor Proposal and the Adjournment Proposal must be approved by a majority of the votes cast thereon and represented at the Annual Meeting. With respect to the Director Proposal, those director nominees who receive a plurality of votes cast, meaning that the individuals who receive the largest number of votes cast "FOR", will be elected as directors.

Newcastle, which currently owns 19,380,768 shares or approximately 36% of our outstanding Common Stock, has, pursuant to the Mutual Support Agreement more fully described beginning on page 104, agreed to vote in favor of the Acquisition Proposal, the Name Change Proposal, the Capitalization Proposal and the Declassification Proposal.

Approval of the Name Change Proposal, the Capitalization Proposal and the Reverse Stock Split Proposal are conditioned upon the approval of the Acquisition Proposal.

Voting Your Shares

Holders of Common Stock as of the Record Date will be entitled to one vote per share and may vote using any of the following methods:

Proxy card or voting instruction card. Be sure to complete, sign and date the card and return it in the prepaid envelope. If you are a stockholder of record and you return your signed proxy card but do not indicate your voting preferences, the persons named in the proxy card will vote "FOR" the approval of each of Acquisition Proposal, the Name Change Proposal, the Capitalization Proposal, the Reverse Stock Split Proposal, the Declassification Proposal, the Auditor Proposal and the Adjournment Proposal, "FOR" the election of each of the director nominees as set forth in the Director Proposal and in the discretion of the proxy holders on any additional matters properly presented for a vote at the Annual Meeting.

In person at the Annual Meeting. All stockholders may vote in person at the Annual Meeting. You may also be represented by another person at the Annual Meeting by executing a proper proxy designating that person. If you are a beneficial owner of shares, you must obtain a legal proxy from your broker, bank or nominee and present it to the inspectors of election with your ballot when you vote at the Annual Meeting.

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Revoking Your Proxy

If you are a stockholder of record, you may revoke your proxy at any time before it is voted at the Annual Meeting by:

- sending written notice of revocation to the Company's Secretary;
- submitting a new, properly executed proxy after the date of the revoked proxy; or
- attending the Annual Meeting and voting in person.

If you are a beneficial owner of shares, you may submit new voting instructions by contacting your broker, bank or nominee. You may also vote in person at the Annual Meeting if you obtain a legal proxy from your broker, bank or nominee and present it to the inspectors of election with your ballot when you vote at the Annual Meeting. Attendance at the Annual Meeting will not, by itself, revoke a proxy.

Attendance at the Annual Meeting

You are entitled to attend the Annual Meeting only if you were a Company stockholder or joint holder as of the close of business on the Record Date, or you hold a valid proxy for the Annual Meeting. You should be prepared to present photo identification for admittance. In addition, if you are a stockholder of record, your name will be verified against the list of stockholders of record on the Record Date prior to your being admitted to the Annual Meeting. If you are not a stockholder of record but hold shares through a broker, trustee or nominee (i.e., in street name), and you plan to attend the Annual Meeting, please send written notification to New Century Equity Holdings Corp., 200 Crescent Court, Suite 1400, Dallas, Texas 75201, Attn: Corporate Secretary, and enclose evidence of your ownership (such as your most recent account statement prior to the Record Date, a copy of the voting instruction card provided by your broker, trustee or nominee, or other similar evidence of ownership). If you do not provide photo identification or comply with the other procedures outlined above, you will not be admitted to the Annual Meeting.

The Annual Meeting will begin promptly on February 5, 2009, at 11:00 a.m. local time. You should allow adequate time for the check-in procedures.

Shares held in your name as the stockholder of record may be voted in person at the Annual Meeting. Shares held beneficially in street name may be voted in person at the Annual Meeting only if you obtain a legal proxy from the broker, trustee or nominee that holds your shares giving you the right to vote the shares. Even if you plan to attend the Annual Meeting, we recommend that you also submit your proxy card or voting instruction card as described herein so that your vote will be counted if you later decide not to attend the Annual Meeting.

Additional Information

If you would like to request an additional free copy of all of the proxy materials, the Company's 2007 Annual Report on Form 10-K, as amended, or other financial information, or if you have any questions about the abovementioned proposals, the Annual Meeting or how to vote or revoke your proxy, you should contact us at:

New Century Equity Holdings Corp.
200 Crescent Court, Suite 1400
Dallas, Texas 75201
Attention: Corporate Secretary

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Other Items of Business

As of the date of this proxy statement, management does not intend to present any other items of business and is not aware of any matters to be presented for action at the Annual Meeting other than those described above. However, if any other matters should come before the Annual Meeting, it is the intention of the persons named as proxies in the accompanying proxy card, Mark E. Schwarz and John P. Murray, to vote in accordance with their best judgment on such matters.

Appraisal Rights

The Company's stockholders will not have appraisal rights in connection with the Acquisition Proposal or any of the other proposals under the DGCL.

Proxies and Proxy Solicitation Costs

The Company is soliciting proxies on behalf of the Board. In addition to solicitation by mail, the Company's directors, officers and employees may solicit proxies by telephone or other means of communication. Arrangements will also be made with brokerage firms and other custodians, nominees and fiduciaries that hold the voting securities of record for the forwarding of solicitation materials to the beneficial owners thereof. The Company will reimburse such brokers, custodians, nominees and fiduciaries for reasonable out-of-pocket expenses incurred by them in connection therewith.

The Company has hired MacKenzie Partners, Inc. to assist in the proxy solicitation process. The Company will pay MacKenzie Partners, Inc. a fee not to exceed $25,000, together with reimbursement for its reasonable out-of-pocket expenses, for such service.

The Company will bear the entire cost of this proxy solicitation.

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SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth information regarding the number of shares of our Common Stock beneficially owned as of December 19, 2008 and anticipated to be beneficially owned after the consummation of the Acquisition by:

(i) each person who is known by us to beneficially own 5% or more of our Common Stock;

(ii) each person who is anticipated to own 5% or more of our Common Stock as a result of the Acquisition;

(iii) each of our directors and our director nominees;

(iv) each of our Named Executive Officers; and

(v) all of our directors and executive officers as a group.

As of December 19, 2008, 53,883,872 shares of the Common Stock were outstanding. Unless otherwise indicated, the Common Stock beneficially owned by a holder includes shares owned by a spouse, minor children and relatives sharing the same home, as well as entities owned or controlled by the named person, and also includes options to purchase shares of our Common Stock exercisable within 60 days of December 19, 2008. Except as otherwise set forth below, the address of each of the persons or entities listed in the table is c/o New Century Equity Holdings Corp., 200 Crescent Court, Suite 1400, Dallas, Texas 75201.

	Common Stock Beneficially Owned Before the Acquisition		Common Stock Beneficially Owned After the Acquisition	
Name of Beneficial Owner	Shares	Approximate Percentage of Outstanding(1)	Shares	Approximate Percentage of Outstanding(2)
5% or Greater Stockholders				
Newcastle Partners, L.P.	19,380,768(3)	36.0%	31,526,516	24.5%
Brad Krassner and Krassner Family Investments Limited Partnership 1521 Alton Road Suite 824 Miami Beach, FL 33139	0	0%	30,364,372(4)	23.6%

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Name of Beneficial Owner	Common Stock Beneficially Owned Before the Acquisition Shares	Approximate Percentage of Outstanding(1)	Common Stock Beneficially Owned After the Acquisition Shares	Approximate Percentage of Outstanding(2)
Dieter Esch and Lorex Investments AG Treuhand und Revisionsgesellschaft Mattig-Suter und Partner Bahnhofstrasse 28 Postfach 556 CH-6431 Schwyz Switzerland	0	0%	30,364,372(5)	23.6%
Directors, Director Nominees and Named Executive Officers				
Mark E. Schwarz	19,480,768(6)	36.1%	31,626,516	24.6%
John Murray	50,000(7)	*	50,000	*
James Risher	90,000(8)	*	90,000	*
Jonathan Bren	0	0%	0	0%
Steven J. Pully	0	0%	0	0%
Evan Stone(9)	0	0%	0	0%
Dr. Hans-Joachim Bohlk	50,000	*	50,000	*
Derek Fromm	0	0%	(10)	(10)
All directors and executive officers as a group (five persons)	19,620,768	36.3%	31,766,516	24.7%

* Less than 1%

(1) Based on 53,883,872 shares of Common Stock outstanding as of December 19, 2008. With the exception of shares that may be acquired by employees pursuant to the Company's 401(k) retirement plan, a person is deemed to be the beneficial owner of Common Stock that can be acquired within 60 days after December 19, 2008 upon exercise of options. Each beneficial owner's percentage ownership of Common Stock is determined by assuming that options that are held by such person, but not those held by any other person, and that are exercisable within 60 days of the Record Date have been exercised.

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(2) Solely for illustrative purposes, these columns are designed to set forth information regarding the beneficial ownership of the Common Stock of each person who is anticipated to own greater than 5% of the outstanding Common Stock and each person who will be an executive officer or director of the Company following the approval of the Acquisition Proposal and Closing of the Acquisition Agreement, based on the following assumptions:

- the current ownership of the entities and individuals identified above remains unchanged;
- the capital structure of the Company remains as prior to the Acquisition such that only the pre-Acquisition number of shares remains 53,883,872 shares of Common Stock; and
- immediately following the consummation of the Acquisition, there will be 128,580,227 shares of Common Stock outstanding.

The columns reflect the beneficial ownership after consummation of the Acquisition and the issuance of (i) 60,728,744 shares of Common Stock, including shares to be held in escrow, to the Control Sellers, (ii) 12,145,748 shares of Common Stock to Newcastle pursuant to the Equity Financing Agreement and (iii) 1,821,862 shares of Common Stock to Sean Patterson.

(3) Represents securities held by Newcastle, as disclosed in a Schedule 13D/A filed by Newcastle with the SEC on August 27, 2008, including 19,230,768 shares of Common Stock issued by the Company upon the conversion of 4,807,692 shares of Series A Convertible Preferred Stock on July 3, 2006. Newcastle Capital Management, L.P. ("NCM"), as the general partner of Newcastle, may be deemed to beneficially own the securities beneficially owned by Newcastle. Newcastle Capital Group, L.L.C. ("NCG"), as the general partner of NCM, which in turn is the general partner of Newcastle, may be deemed to beneficially own the securities beneficially owned by Newcastle. Mark E. Schwarz, as the managing member of NCG, the general partner of NCM, which in turn is the general partner of Newcastle, may also be deemed to beneficially own the securities beneficially owned by Newcastle. Each of NCM, NCG and Mr. Schwarz disclaims beneficial ownership of the securities beneficially owned by Newcastle except to the extent of their pecuniary interest therein.

(4) Shares of Common Stock to be issued to Krassner L.P. in connection with the Acquisition (including shares that are and/or may be transferable to Derek Fromm at or immediately after the Closing of the Acquisition Agreement, as discussed in footnote 10 to this table). Brad Krassner is the president of the general partner of Krassner L.P. By virtue of his position with Krassner L.P., Mr. Krassner will have the power to vote and dispose of the shares of the Common Stock to be owned by Krassner L.P.

(5) Shares of Common Stock to be issued to Lorex (including shares that may be transferable to Derek Fromm at or immediately after the Closing of the Acquisition Agreement, as discussed in footnote 10 to this table). Dieter Esch is the sole shareholder of Lorex. By virtue of his position with Lorex, Mr. Esch will have the power to vote and dispose of the shares of the Common Stock to be owned by Lorex.

(6) Consists of 100,000 shares of Common Stock issuable upon the exercise of options held by Mr. Schwarz individually and 19,380,768 shares of Common Stock beneficially owned by Newcastle and of which Mr. Schwarz may also be deemed to beneficially own by virtue of his power to vote and dispose of such shares. Mr. Schwarz disclaims beneficial ownership of the 19,380,768 shares of Common Stock beneficially owned by Newcastle except to the extent of his pecuniary interest therein.

(7) Consists of shares of Common Stock issuable upon the exercise of options. Mr. Murray is the Chief Financial Officer of NCM. Mr. Murray disclaims beneficial ownership of the 19,380,768 shares of Common Stock beneficially owned by Newcastle.

(8) Consists of shares of Common Stock issuable upon the exercise of options.

(9) Mr. Stone is the Vice President and General Counsel of NCM. Mr. Stone disclaims beneficial ownership of the 19,380,768 shares of Common Stock beneficially owned by Newcastle.

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(10) In connection with the transactions more fully discussed in "Proposal No. 6 – Election of Director Nominees – Transactions with Related Persons" beginning on page 137, Krassner L.P. will transfer to Mr. Fromm 404,858 shares of Common Stock and both Krassner L.P. and Lorex may transfer to Mr. Fromm up to an additional 1,776,316 shares of Common Stock at or immediately after the Closing of the Acquisition Agreement.

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DESCRIPTION OF SECURITIES

General

The Certificate of Incorporation provides that the Company is authorized to issue up to 85,000,000 shares of all classes of the Company's stock, including 75,000,000 shares of Common Stock, par value $0.01 per share, and 10,000,000 shares of preferred stock, par value $0.01 per share, of which 1,000,000 are designated shares of Series A Junior Participating Preferred Stock (the "Series A Stock"). As of the Record Date, 53,883,872 shares of Common Stock were issued and outstanding and no shares of Series A Stock were issued and outstanding.

The following description of our securities is intended as a summary only and is qualified in its entirety by reference to our Certificate of Incorporation, Certificate of Designation of our Series A Stock and the applicable provisions of the DGCL.

Common Stock

Holders of Common Stock are entitled to one vote for each share held of record on all matters to be voted on by stockholders.

Currently, our Board is divided into three classes, each of which will generally serve for a term of three years with only one class of directors being elected in each year. Our Certificate of Incorporation does not provide for cumulative voting.

Holders of Common Stock are entitled to receive ratably such dividends, if any, as may be declared by the Board out of legally available funds. However, the Company may not pay dividends on its Common Stock unless all declared and unpaid dividends of the Company's preferred stock have been paid, and the current policy of the Board is to retain earnings, if any, for the operation and expansion of the Company. Upon liquidation, dissolution or winding-up of the Company, holders of Common Stock are entitled to share ratably in all assets of the Company that are legally available for distribution, after payment of or provision for all liabilities and the liquidation preference of any outstanding preferred stock. Holders of Common Stock have no preemptive, subscription, redemption or conversion rights and there are no sinking fund provisions applicable to the Common Stock.

Preferred Stock

The Certificate of Incorporation provides that the Company is authorized to issue up to 10,000,000 shares of blank check preferred stock with such designations, rights and preferences as may be determined from time to time by the Board. Accordingly, the Board is empowered, without stockholder approval, to issue preferred stock with dividend, liquidation, conversion, voting or other rights that could adversely affect the voting power or other rights of the holders of Common Stock.

The Company may issue some or all of the preferred stock to effect a business combination. In addition, the preferred stock could be utilized as a method of discouraging, delaying or preventing a change in control of the Company. There are no shares of preferred stock outstanding and the Company does not currently intend to issue any preferred stock.

One thousand shares of the Company's preferred stock are designated shares of Series A Stock. Currently, there are no shares of Series A Stock issued and outstanding. Shares of Series A Stock may be issued in accordance with the Rights Plan.

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Rights to Purchase Series A Junior Participating Preferred Stock

On July 10, 2006, the Company entered into the Rights Plan that replaced the Original Rights Plan dated July 10, 1996 that expired according to its terms on July 10, 2006. The Rights Plan provides for a dividend distribution of one preferred share purchase right (each a "Right") for each outstanding share of Common Stock. The dividend was payable on July 10, 2006 to the Company's stockholders of record at the close of business on that date. The terms of the Rights and the Rights Plan are set forth in a Rights Agreement, dated as of July 10, 2006, by and between the Company and The Bank of New York Trust Company, N.A., now known as The Bank of New York Mellon Trust Company, N.A., as Rights Agent (the "Rights Agreement"), as amended. The Board adopted the Rights Plan to protect stockholder value by protecting the Company's ability to realize the benefits of its net operating loss carryforwards ("NOLs") and capital loss carryforwards.

In general terms, the Rights Plan imposes a significant penalty upon any person or group that acquires 5% or more of the outstanding Common Stock without the prior approval of the Board. Stockholders that own 5% or more of the outstanding Common Stock as of the close of business on July 10, 2006 may acquire up to an additional 1% of the outstanding Common Stock without penalty so long as they maintain their ownership above the 5% level (such increase subject to downward adjustment by the Board if it determines that such increase will endanger the availability of the Company's NOLs and/or its capital loss carryforwards). In addition, the Board has exempted Newcastle, the Company's largest stockholder, as well as others in connection with the Acquisition (as discussed below), and may exempt any person or group that owns 5% or more if the Board determines that the person or group's ownership will not endanger the availability of the Company's NOLs and/or its capital loss carryforwards. A person or group that acquires a percentage of the Common Stock in excess of the applicable threshold is called an "Acquiring Person." Any Rights held by an Acquiring Person are void and may not be exercised.

On August 25, 2008, in connection with the Acquisition, the Company entered into an amendment (the "Rights Agreement Amendment") to the Rights Agreement. The Rights Agreement Amendment, among other things, (i) provides that the execution of the Acquisition Agreement, the acquisition of shares of Common Stock pursuant to the Acquisition Agreement, the consummation of the other transactions contemplated by the Acquisition Agreement and the issuance of stock options to the Sellers or the exercise thereof, will not be deemed to be events that cause the Rights to become exercisable, (ii) amends the definition of Acquiring Person to provide that the Sellers and their existing or future Affiliates and Associates (each as defined in the Rights Agreement) will not be deemed to be an Acquiring Person solely by virtue of the execution of the Acquisition Agreement, the acquisition of Common Stock pursuant to the Acquisition Agreement, the consummation of the other transactions contemplated by the Acquisition Agreement or the issuance of stock options to the Sellers or the exercise thereof and (iii) amends the Rights Agreement to provide that a Distribution Date (as defined below) shall not be deemed to have occurred solely by virtue of the execution of the Acquisition Agreement, the acquisition of Common Stock pursuant to the Acquisition Agreement, the consummation of the other transactions contemplated by the Acquisition Agreement or the issuance of stock options to the Sellers or the exercise thereof. The Rights Agreement Amendment also provides for certain other conforming amendments to the terms and provisions of the Rights Agreement.

The Board authorized the issuance of one Right per share of Common Stock outstanding on July 10, 2006. If the Rights become exercisable, each Right would allow its holder to purchase from the Company one one-hundredth of a share of Series A Stock for a purchase price of $10.00. Each fractional share of Series A Stock would give the stockholder approximately the same dividend, voting and liquidation rights as does one share of Common Stock. Prior to exercise, however, a Right does not give its holder any dividend, voting or liquidation rights.

The Rights will not be exercisable until the earlier of: (i) 10 days after a public announcement by the Company that a person or group has become an Acquiring Person; and (ii) 10 business days (or a later date determined by the Board) after a person or group begins a tender or exchange offer that, if completed, would result in that person or group

becoming an Acquiring Person.

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The date that the Rights become exercisable is known as the "Distribution Date." Until the Distribution Date, the Common Stock certificates will also evidence the Rights and will contain a notation to that effect. Any transfer of shares of Common Stock prior to the Distribution Date will constitute a transfer of the associated Rights. After the Distribution Date, the Rights will separate from the Common Stock and be evidenced by Rights certificates, which the Company will mail to all holders of Rights that have not become void.

Flip-in Event. After the Distribution Date, all holders of Rights, except the Acquiring Person, may exercise their Rights upon payment of the purchase price to purchase shares of Common Stock (or other securities or assets as determined by the Board) with a market value of two times the purchase price (a "Flip-In Event").

Flip-over Event. After the Distribution Date, if a Flip-In Event has already occurred and the Company is acquired in a merger or similar transaction, all holders of Rights except the Acquiring Person may exercise their Rights upon payment of the purchase price, to purchase shares of the acquiring corporation with a market value of two times the purchase price of the Rights (a "Flip-Over Event").

The Rights will expire on July 10, 2016 unless earlier redeemed or exchanged.

The Board may redeem all (but not less than all) of the Rights for a redemption price of $0.01 per Right at any time before the later of the Distribution Date and the date of the first public announcement or disclosure by the Company that a person or group has become an Acquiring Person. Once the Rights are redeemed, the right to exercise Rights will terminate, and the only right of the holders of Rights will be to receive the redemption price. The redemption price will be adjusted if the Company declares a stock split or issues a stock dividend on its Common Stock.

After the later of the Distribution Date and the date of the first public announcement by the Company that a person or group has become an Acquiring Person, but before an Acquiring Person owns 50% or more of the Common Stock, the Board may exchange each Right (other than Rights that have become void) for one share of Common Stock or an equivalent security.

The Board may adjust the purchase price of the Series A Stock, the number of shares of Series A Stock issuable and the number of outstanding Rights to prevent dilution that may occur as a result of certain events, including among others, a stock dividend, a stock split or a reclassification of the Series A Stock or Common Stock. No adjustments to the purchase price of less than 1% will be made.

Before the time the Rights cease to be redeemable, the Board may amend or supplement the Rights Plan without the consent of the holders of the Rights, except that no amendment may decrease the redemption price below $0.01 per Right. At any time thereafter, the Board may amend or supplement the Rights Plan only to cure an ambiguity, to alter time period provisions, to correct inconsistent provisions or to make any additional changes to the Rights Plan, but only to the extent that those changes do not impair or adversely affect any Rights holder and do not result in the Rights again becoming redeemable.

Transfer Agent

The transfer agent for the Common Stock is Securities Transfer Corporation, 2591 Dallas Parkway, Suite 102, Frisco, Texas 75034, phone (469) 633-0101.

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Certain Anti-Takeover Provisions of the Certificate of Incorporation and Bylaws

The Certificate of Incorporation and Bylaws include a number of provisions that may have the effect of delaying, deferring or discouraging another party from acquiring control of the Company and encouraging persons considering unsolicited tender offers or other unilateral takeover proposals to negotiate with the Board rather than pursue non-negotiated takeover attempts. These provisions include the items described below.

- Classified Board. The Certificate of Incorporation and Bylaws provide that the Company's directors, other than those who may be elected by the holders of any class or series of stock having a preference over the Common Stock as to dividends or upon liquidation, are classified, with respect to the time for which they severally hold office, into three classes, as nearly equal in number as possible, serving staggered three-year terms. If the Declassification Proposal is approved by the stockholders at the Annual Meeting, the Certificate of Incorporation and Bylaws will be amended to provide for the annual election of all directors of the Company.

- Removal of Directors and Filling Vacancies. The Certificate of Incorporation and Bylaws provide that, subject to the rights of any class or series of stock having a preference over the Common Stock as to dividends or upon liquidation to elect directors under specified circumstances, directors may be removed from office by stockholders with or without cause, upon the affirmative vote of at least 66-2/3% of all then outstanding shares of the Company's voting stock, voting together as a single class. The Certificate of Incorporation and Bylaws also provide that any vacancy on the Board, however occurring, including a vacancy resulting from a removal for cause or from an increase in the size of the Board, shall be filled by a majority of our directors then in office, even if less than a quorum.

- Limitation on Stockholder Action by Written Consent. The Certificate of Incorporation and Bylaws provide that except with respect to changing the name of the Company, stockholders may only take actions at a duly called and held stockholder meeting.

- Approval of Certain Transactions. The Certificate of Incorporation provides that any proposal of the Company to reorganize, merge, or consolidate with any other corporation, or sell, lease, or exchange all of its assets or business requires the affirmative vote of at least 66-2/3% of all then outstanding shares entitled to vote.

- Heightened Vote Requirement for Amending or Repealing Certain Provisions of the Certificate of Incorporation and Bylaws. The Certificate of Incorporation and Bylaws provide that altering, amending, or adopting any provisions inconsistent with or repealing specified provisions, including those relating to (i) the structure of the Board, (ii) the threshold for stockholder approval of a reorganization, merger or consolidation of the Company, or the sale, lease or exchange of substantially all of its assets or business and (iii) the limitation on stockholder action outside of a duly called stockholder meeting, requires the affirmative vote of at least 66-2/3% of all then outstanding shares of the Company's voting stock, voting together as a single class.

- Undesignated Preferred Stock. The Certificate of Incorporation provides for 10,000,000 authorized shares of blank check preferred stock, 1,000,000 of which are designated as Series A Stock, and all of which are currently available for issuance. The existence of authorized but unissued shares of preferred stock, including certain unissued shares of blank check preferred stock, may enable the Board to render more difficult or to discourage an attempt to obtain control of the Company by means of a merger, tender offer, proxy contest or otherwise.

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- Advance Notice Requirements. The Bylaws establish advance notice procedures with regard to the submission by stockholders of director nominations and other business proposals to be brought before meetings of stockholders. These procedures provide that notice of stockholder nominations and other business proposals must be timely given in writing to the Company's Secretary prior to the meeting at which the action is to be taken. The notice must contain information specified in the Bylaws.

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PROPOSAL NO. 1

APPROVAL OF THE ACQUISITION

The discussion in this proxy statement of the Acquisition Proposal and the principal terms of the Acquisition Agreement and the associated ancillary agreements are subject to and qualified in their entirety by reference to the Acquisition Agreement, which is attached as Annex A to this proxy statement and is incorporated herein by reference.

General Description of the Acquisition

On August 20, 2008, a majority of the Board approved and deemed advisable that the Company enter into the Acquisition Agreement, pursuant to which Wilhelmina Acquisition will merge with and into Wilhelmina International in a stock-for-stock transaction, as a result of which Wilhelmina International will become a wholly owned subsidiary of the Company, and the Company will purchase the outstanding equity interests of the remaining Wilhelmina Companies for cash and possible earnout amounts.

Parties to the Acquisition Agreement

The parties to the Acquisition Agreement are New Century, Wilhelmina Acquisition (a wholly owned subsidiary of New Century); Esch, Lorex, Krassner, Krassner L.P. (collectively referred to herein as the "Control Sellers"); Wilhelmina International, Wilhelmina Miami, WAM, Wilhelmina Licensing, Wilhelmina TV (collectively referred to herein as the "Wilhelmina Companies"); Patterson, and the stockholders of Wilhelmina Miami (the stockholders of Wilhelmina Miami, together with the Control Sellers and Patterson, collectively referred to herein as the "Sellers"). The Control Sellers own all of the equity interests in Wilhelmina International, Wilhelmina Licensing and WAM, and a majority of the equity interests in Wilhelmina TV and Wilhelmina Miami. Patterson owns a minority equity interest in Wilhelmina TV.

The mailing address and telephone number of the principal executive offices of New Century and Wilhelmina Acquisition are 200 Crescent Court, Suite 1400, Dallas, Texas 75201 and (214) 661-7488. The mailing address and telephone number of the principal executive offices of the Wilhelmina Companies and the Sellers are 300 Park Avenue South, New York, New York 10010 and (212) 473-0700.

Acquisition Consideration

At the Closing of the Acquisition Agreement, the Company will issue $15,000,000 of Common Stock of New Century, valued at book value as of July 31, 2008 (which the parties agreed is $0.247 per share of Common Stock, subject to adjustment) in connection with the merger of Wilhelmina Acquisition with and into Wilhelmina International. The Company will pay an aggregate of $9,000,000 in cash to acquire the outstanding equity interests of the Wilhelmina Companies and will repay $6,000,000 in cash to repay the outstanding balance of a note of Wilhelmina International held by a Control Seller. The purchase price is subject to certain post-closing adjustments, which will be affected against a total of $4,600,000 of Common Stock that will be held in escrow pursuant to the Acquisition Agreement. The aggregate stock, cash and debt repayment of $30,000,000 to be paid at Closing, less $4,500,000 of Common Stock to be held in escrow in respect of the "core business" purchase price adjustment, provides for a floor purchase price of $25,500,000 (which amount may be further reduced in connection with certain indemnification matters). The shares of Common Stock held in escrow may be repurchased by the Company for a nominal amount, subject to certain earnouts and offsets. The issuance of the $15,000,000 of Common Stock in connection with the Acquisition will be made in reliance upon the exemption from registration provided by Section 4(2) of the Securities Act of 1933, as amended (the "Securities Act").

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The aggregate amount of stock and cash payable in the transaction, and the timing thereof, was determined through extensive negotiation between New Century and the principal owners of the Wilhelmina Companies. Through such negotiations, the parties determined that the principal purchase price payable in the transaction (in respect of equity in the Wilhelmina Companies and debt repayment to a Control Seller) would be the average of the Wilhelmina Companies' actual 2007 and 2008 "core business" EBITDA multiplied by a 7.5 EBITDA multiple, subject to an overall $25,500,000 "floor" price. New Century nevertheless agreed to issue at Closing cash and stock in an amount which, together with $6,000,000 in respect of debt to be repaid to a Control Seller, is approximately equivalent to the upper end of New Century management's good faith estimate of 2008 "core business" EBITDA, multiplied by a relevant multiple. The general "floor" purchase price of $25,500,000 is approximately equivalent to the lower end of New Century management's good faith estimate of 2008 "core business" EBITDA, multiplied by a relevant multiple. It was agreed by the parties that the difference between $30,000,000 and $25,500,000, or $4,500,000, would be held in escrow pending final determination of 2008 "core business" EBITDA and certain other adjustments.

The shares held in escrow support indemnification obligations of the Control Sellers and loss offsets for WAM and Wilhelmina Miami. The Sellers will be required to leave in escrow, through 2011, any stock "earned" following resolution of "core" adjustment, up to a total value of $1,000,000. Losses at WAM and Wilhelmina Miami, respectively, can be offset against any positive earnout with respect to the other Wilhelmina Company. Losses in excess of earnout amounts could also result in the repurchase of the remaining shares of Common Stock held in escrow for a nominal amount. Working capital deficiencies may also reduce positive earnout amounts. The earnouts are payable in 2011. Included in the purchase price is $100,000 in Common Stock to be held in escrow pending resolution of a designated due diligence matter and an amount (expected to be approximately $400,000) to be paid to Patterson, in the form of Common Stock and/or cash, in connection with the change of control of Wilhelmina International.

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DESCRIPTION OF NEW CENTURY

Introduction

New Century is a company in transition. The Company has been seeking to redeploy its assets to enhance stockholder value and has been seeking, analyzing and evaluating potential acquisition and merger candidates. On October 5, 2005, the Company made an investment in ACP Investments L.P. (d/b/a Ascendant Capital Partners) ("Ascendant"). Ascendant is a Berwyn, Pennsylvania based alternative asset management company whose funds have investments in long/short equity funds and which distributes its registered funds primarily through various financial intermediaries and related channels. The Company's interest in Ascendant currently represents the Company's sole operating business.

Historical Overview

The Company, which was formerly known as Billing Concepts Corp. ("BCC"), was incorporated in the state of Delaware in 1996. BCC was previously a wholly-owned subsidiary of U.S. Long Distance Corp. ("USLD") and principally provided third-party billing clearinghouse and information management services to the telecommunications industry (the "Transaction Processing and Software Business"). Upon its spin-off from USLD, BCC became an independent, publicly-held company. In October 2000, the Company completed the sale of several wholly-owned subsidiaries that comprised the Transaction Processing and Software Business to Platinum Holdings ("Platinum") for consideration of $49,700,000 (the "Platinum Transaction"). The Company also received payments totaling $7,500,000 for consulting services provided to Platinum over the twenty-four month period subsequent to the Platinum Transaction.

Beginning in 1998, the Company made multiple investments in Princeton eCom Corporation ("Princeton") totaling approximately $77,300,000 before selling all of its interest for $10,000,000 in June 2004. The Company's strategy, beginning with its investment in Princeton, of making investments in high-growth companies was also facilitated through several other investments.

In early 2004, the Company announced that it would seek stockholder approval to liquidate the Company. In June of 2004, the Board of the Company determined that it would be in the best interest of the Company to accept an investment from Newcastle, an investment fund with a long track record of investing in public and private companies. On June 18, 2004, the Company sold 4,807,692 newly issued shares of its Series A 4% Convertible Preferred Stock (the "Series A Convertible Preferred Stock") to Newcastle for $5,000,000 (the "Newcastle Transaction"). The Series A Convertible Preferred Stock was convertible into approximately thirty-five percent of the Company's Common Stock, at any time after the expiration of twelve months from the date of its issuance at a conversion price of $0.26 per share of Common Stock, subject to adjustment for dilution. The holders of the Series A Convertible Preferred Stock were entitled to a four percent annual cash dividend (the "Preferred Dividends"). Following the investment by Newcastle, the management team resigned and new executives and board members were appointed. On July 3, 2006, Newcastle converted its Series A Convertible Preferred Stock into 19,230,768 shares of Common Stock.

During May 2005, the Company sold its equity interest in Sharps Compliance Corp. ("Sharps") for approximately $334,000. Following the sale of its interest in Sharps, the Company no longer holds any investments made by former management and which reflected former management's strategy of investing in high-growth companies.

On August 25, 2008, the Company entered into the Acquisition Agreement, pursuant which Wilhelmina Acquisition will merge with and into Wilhelmina International in a stock-for-stock transaction, as a result of which Wilhelmina International will become a wholly owned subsidiary of the Company, and the Company will purchase the outstanding

equity interests of the remaining Wilhelmina Companies for cash. Upon the consummation of the Acquisition, Wilhelmina International will be the Company's primary operating business.

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Derivative Lawsuit

On August 11, 2004, Craig Davis, allegedly a stockholder of the Company, filed a lawsuit in the Chancery Court of New Castle County, Delaware (the "Lawsuit"). The Lawsuit asserted direct claims, and also derivative claims on the Company's behalf, against five former and three current directors of the Company. On April 13, 2006, the Company announced that it reached an agreement with all of the parties to the Lawsuit to settle all claims relating thereto (the "Settlement"). On June 23, 2006, the Chancery Court approved the Settlement, and on July 25, 2006, the Settlement became final and non-appealable. As part of the Settlement, the Company set up a fund (the "Settlement Fund"), which was distributed to stockholders of record as of July 28, 2006, with a payment date of August 11, 2006. The portion of the Settlement Fund distributed to stockholders pursuant to the Settlement was $2,270,017 or approximately $.04 per common share on a fully diluted basis, provided that any Common Stock held by defendants in the Lawsuit who were formerly directors of the Company would not be entitled to any distribution from the Settlement Fund. The total Settlement proceeds of $3,200,000 were funded by the Company's insurance carrier and by Parris H. Holmes, Jr., the Company's former Chief Executive Officer, who contributed $150,000. Also included in the total Settlement proceeds is $600,000 of reimbursement for legal and professional fees paid to the Company by its insurance carrier and subsequently contributed by the Company to the Settlement Fund. Therefore, the Company recognized a loss of $600,000 related to the Lawsuit for the year ended December 31, 2006. As part of the Settlement, the Company and the other defendants in the Lawsuit agreed not to oppose the request for fees and expenses by counsel to the plaintiff of $929,813. Under the Settlement, the plaintiff, the Company and the other defendants (including Mr. Holmes) also agreed to certain mutual releases.

The Settlement provided that, if the Company had not acquired a business that generated revenues by March 1, 2007, the plaintiff maintained the right to pursue a claim to liquidate the Company. This custodian claim was one of several claims asserted in the Lawsuit. Even if such a claim is elected to be pursued, there is no assurance that it will be successful. In addition, the Company believes that it has preserved its right to assert that the Ascendant investment meets the foregoing requirement to acquire a business.

In connection with the resolution of the Lawsuit, the Company has ceased funding of legal and professional fees of the current and former director defendants. The funding of legal and professional fees was made pursuant to indemnification arrangements that were in place during the respective terms of each of the defendants. The Company has met the $500,000 retention as stipulated in the Company's directors' and officers' liability insurance policy. The directors' and officers' liability insurance policy carries a maximum coverage limit of $5,000,000. During October 2007, the Company and the insurance carrier agreed to settle all claims for reimbursement of legal and professional fees associated with the Lawsuit for $240,000.

Alternative Asset Management Operations

On October 5, 2005, the Company entered into an agreement (the "Ascendant Agreement") with Ascendant to acquire an interest in the revenues generated by Ascendant. Pursuant to the Ascendant Agreement, the Company is entitled to a 50% interest, subject to certain adjustments, in the revenues of Ascendant, which interest declines if the assets under management of Ascendant reach certain levels. Revenues generated by Ascendant include revenues from assets under management or any other sources or investments, net of any agreed commissions. On November 5, 2007, John Murray, Chief Financial Officer of the Company, was appointed to the Investment Advisory Committee of Ascendant to serve in the place of the Company's former CEO. The total potential purchase price under the terms of the Ascendant Agreement is $1,550,000, payable in four equal installments of $387,500. The first installment was paid at the closing and the second installment was paid on January 5, 2006. Subject to the provisions of the Ascendant Agreement, including Ascendant's compliance with the terms thereof, the third installment was payable on April 5, 2006 and the fourth installment was payable on July 5, 2006. On April 5, 2006, the Company elected not to make the April installment payment and subsequently determined not to make the installment payment due July 5, 2006. The

Company believed that it was not required to make the payments because Ascendant did not satisfy all of the conditions in the Ascendant Agreement.

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Subject to the terms of the Ascendant Agreement, if the Company does not make an installment payment and Ascendant is not in breach of the Ascendant Agreement, Ascendant has the right (which is its only remedy in the event of a payment breach by the Company) to acquire the Company's revenue interest at a price which would yield a 10% annualized return to the Company. The Company has been notified by Ascendant that Ascendant is exercising this right as a result of the Company's election not to make its third and fourth installment payments. The Company believes that Ascendant has not satisfied the requisite conditions to repurchase the Company's revenue interest.

Ascendant had assets under management of approximately $40,800,000 and $37,500,000 as of September 30, 2008 and December 31, 2007, respectively. Under the Ascendant Agreement, revenues earned by the Company from the Ascendant revenue interest (as determined in accordance with the terms of the Ascendant Agreement) are payable in cash within 30 days after the end of each quarter. Under the terms of the Ascendant Agreement, Ascendant has 45 days following notice by the Company to cure any material breach by Ascendant of the Ascendant Agreement, including with respect to payment obligations. Ascendant failed to make the required revenue sharing payments for the calendar quarters including June 30, 2006 through June 30, 2008 in a timely manner and did not cure such failures within the required 45-day period. In addition, Ascendant has not made the payment for the quarter ended September 30, 2008. Under the terms of the Ascendant Agreement, upon notice of an uncured material breach, Ascendant is required to fully refund all amounts paid by New Century, and New Century's revenue interest remains outstanding. New Century has provided notice to Ascendant that Ascendant has materially breached the Ascendant Agreement, that such material breaches are not curable and, accordingly, that Ascendant is required to fully refund amounts paid by New Century. Ascendant and New Century disagree as to which party remains in breach of the Ascendant Agreement and have held discussions with respect to the matter and possible resolutions thereof. While the parties have not resolved the matter, New Century anticipates that discussions will continue to be held by the parties in an effort to resolve the matter. New Century does not believe the consummation of the Acquisition will have any effect on the Ascendant Agreement or the discussions between the parties on a resolution of this matter.

The Company has not recorded any revenue or received any revenue sharing payments for the period from July 1, 2006 through September 30, 2008. According to the Ascendant Agreement, if Ascendant acquires the revenue interest from the Company, Ascendant must pay the Company a return on the capital that it invested. Pursuant to the Ascendant Agreement, the required return on the Company's invested capital will not be impacted by any revenue sharing payments made or not made by Ascendant.

In connection with the Ascendant Agreement, the Company also entered into the Principals Agreement with Ascendant and certain limited partners and key employees of Ascendant (the "Principals Agreement") pursuant to which, among other things, the Company has the option to purchase limited partnership interests of Ascendant under certain circumstances. Effective March 14, 2006, in accordance with the terms of the Principals Agreement, the Company acquired a 7% limited partnership interest from a limited partner of Ascendant for nominal consideration. The Principals Agreement contains certain noncompete and nonsolicitation obligations of the partners of Ascendant that apply during their employment and the twelve month period following the termination thereof.

Since the Ascendant revenue interest meets the indefinite life criteria outlined in Statement of Financial Accounting Standards No. 142, "Goodwill and Other Intangible Assets," the Company does not amortize this intangible asset, but instead reviews this asset quarterly for impairment. Each reporting period, the Company assesses whether events or circumstances have occurred which indicate that the carrying amount of the intangible asset exceeds its fair value. If the carrying amount of the intangible asset exceeds its fair value, an impairment loss will be recognized in an amount equal to that excess. After an impairment loss is recognized, the adjusted carrying amount of the intangible asset shall be its new accounting basis. Subsequent reversal of a previously recognized impairment loss is prohibited.

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The Company assesses whether the entity in which the acquired revenue interest exists meets the indefinite life criteria based on a number of factors including: the historical and potential future operating performance; the historical and potential future rates of attrition among existing clients; the stability and longevity of existing client relationships; the recent, as well as long-term, investment performance; the characteristics of the entities' products and investment styles; the stability and depth of the management team and the history and perceived franchise or brand value.

Employees

As of December 22, 2008, the Company had one employee. The Company's employee is not represented by a union. The Company believes that its employee relations are good.

Properties

The Company's corporate headquarters are currently located at 200 Crescent Court, Suite 1400, Dallas, Texas 75201, which are also the offices of NCM. NCM is the general partner of Newcastle. The Company occupies a portion of NCM's office space on a month-to-month basis at $2,500 per month, pursuant to a services agreement entered into between the parties on October 1, 2006.

Legal Proceedings

On December 12, 2005, the Company received a letter from the SEC, based on a review of the Company's Form 10-K filed for the year ended December 31, 2004, requesting that the Company provide a written explanation as to whether the Company is an "investment company" (as such term is defined in the Investment Company Act of 1940). The Company provided a written response to the SEC, dated January 12, 2006, stating the reasons why it believes it is not an investment company. The Company has provided certain confirmatory information requested by the SEC. In the event the SEC or a court took the position that the Company is an investment company, the Company's failure to register as an investment company would not only raise the possibility of an enforcement or other legal action by the SEC and potential fines and penalties, but also could threaten the validity of corporate actions and contracts entered into by the Company during the period it was deemed to be an unregistered investment company, among other remedies.

In a letter to the Company dated October 16, 2007, a lawyer representing Steven J. Pully (a director who served as the Company's Chief Executive Officer from June 18, 2004 to October 15, 2007) alleged that the Company filed false and misleading disclosure with the SEC with respect to the elimination of Mr. Pully's compensation (see the Company's Forms 8-K filed on September 5, 2007 and October 17, 2007). No specifics were provided as to such allegations. The Company believes such allegations are unfounded and, if a claim is made, the Company intends to vigorously defend itself.

Market Price of and Dividends on New Century's Common Stock

The Common Stock is currently quoted on the OTC Bulletin Board under the symbol "NCEH.OB". The table below sets forth the high and low bid prices for the Common Stock for the periods indicated. These price quotations reflect inter-dealer prices, without retail mark-up, mark-down or commission, and may not necessarily represent actual transactions:

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	High	Low
Year Ending December 31, 2008:		
1st Quarter	$ 0.20	$ 0.13
2nd Quarter	$ 0.22	$ 0.05
3rd Quarter	$ 0.37	$ 0.16
4th Quarter (through December 18, 2008)	$ 0.18	$ 0.02
Year Ended December 31, 2007:		
1st Quarter	$ 0.31	$ 0.22
2nd Quarter	$ 0.29	$ 0.22
3rd Quarter	$ 0.26	$ 0.21
4th Quarter	$ 0.23	$ 0.18
Year Ended December 31, 2006:		
1st Quarter	$ 0.23	$ 0.15
2nd Quarter	$ 0.25	$ 0.19
3rd Quarter	$ 0.26	$ 0.18
4th Quarter	$ 0.23	$ 0.20

As of December 19, 2008, there were 53,883,872 shares of Common Stock outstanding, held by 499 holders of record as of the Record Date. The last reported sales price of the Common Stock on August 25, 2008, the date immediately prior to the public announcement of the Acquisition, was $0.17. The last reported sales price of the Common Stock on December 19, 2008 was $0.13.

The Company has never declared or paid any cash dividends on the Common Stock. Approximately $2,270,017 was distributed to certain stockholders pursuant to the Settlement in August 2006. On June 30, 2006, Newcastle elected to receive dividends on its Series A Convertible Preferred Stock in cash for the period from June 19, 2005 through June 30, 2006. On July 3, 2006, Newcastle elected to convert all of its Series A Convertible Preferred Stock into 19,230,768 shares of Common Stock. The Company may not pay dividends on its Common Stock unless all declared and unpaid dividends on preferred stock have been paid. In addition, whenever the Company shall declare or pay any dividend on its Common Stock, the holders of Series A Stock are entitled to receive such Common Stock dividends on a ratably as-converted basis.

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MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF NEW CENTURY

The following is a discussion of New Century's financial condition and results of operations comparing the calendar years ended December 31, 2007 and 2006, as well as the three and nine months ended September 30, 2008 and 2007. You should read this section in conjunction with New Century's Consolidated Financial Statements and the Notes thereto that are incorporated herein by reference and the other financial information included elsewhere in this proxy statement and the notes thereto.

New Century Overview

New Century is a company in transition. New Century has been seeking to redeploy its assets to enhance stockholder value and has been seeking, analyzing and evaluating potential acquisition and merger candidates. On August 25, 2008, New Century entered into the Acquisition Agreement pursuant to which it will acquire the Wilhelmina Companies as discussed in further detail in this proxy statement. Upon consummation of the Acquisition, the business of the Wilhelmina Companies will constitute New Century's primary business.

On October 5, 2005, New Century made an investment in Ascendant. Ascendant is a Berwyn, Pennsylvania based alternative asset management company whose funds have investments in long/short equity funds and which distributes its registered funds primarily through various financial intermediaries and related channels. New Century's interest in Ascendant currently represents New Century's sole operating business.

Ascendant and Operating Revenues

Pursuant to the Ascendant Agreement, New Century is entitled to a 50% interest, subject to certain adjustments, in the revenues of Ascendant, which interest declines if the assets under management of Ascendant reach certain levels. Revenues generated by Ascendant include revenues from assets under management or any other sources or investments, net of any agreed commissions. New Century also agreed to provide various marketing services to Ascendant. On November 5, 2007, John Murray, Chief Financial Officer of New Century, was appointed to the Investment Advisory Committee of Ascendant to replace New Century's former CEO. The total potential purchase price under the terms of the Ascendant Agreement was $1,550,000, payable in four equal installments of $387,500. The first installment was paid at the closing and the second installment was paid on January 5, 2006. Subject to the provisions of the Ascendant Agreement, including Ascendant's compliance with the terms thereof, the third installment was payable on April 5, 2006 and the fourth installment was payable on July 5, 2006. On April 5, 2006, New Century elected not to make the April installment payment and subsequently determined not to make the installment payment due July 5, 2006. New Century believed that it was not required to make the payments because Ascendant did not satisfy all of the conditions in the Ascendant Agreement.

Subject to the terms of the Ascendant Agreement, if New Century does not make an installment payment and Ascendant is not in breach of the Ascendant Agreement, Ascendant has the right to acquire New Century's revenue interest at a price which would yield a 10% annualized return to New Century. New Century has been notified by Ascendant that Ascendant is exercising this right as a result of New Century's election not to make its third and fourth installment payments. New Century believes that Ascendant has not satisfied the requisite conditions to repurchase New Century's revenue interest.

Ascendant had assets under management of approximately $40,800,000 and $37,500,000 as of September 30, 2008 and December 31, 2007, respectively. Under the Ascendant Agreement, revenues earned by New Century from the Ascendant revenue interest (as determined in accordance with the terms of the Ascendant Agreement) are payable in cash within 30 days after the end of each quarter. Under the terms of the Ascendant Agreement, Ascendant has 45

days following notice by New Century to cure any material breach by Ascendant of the Ascendant Agreement, including with respect to payment obligations. Ascendant failed to make the required revenue sharing payments for all calendar quarters including June 30, 2006 through June 30, 2008, in a timely manner and did not cure such failures within the required 45 day period. In addition, Ascendant has not made the payment for the quarter ended September 30, 2008. Under the terms of the Ascendant Agreement, upon notice of an uncured material breach, Ascendant is required to fully refund all amounts paid by New Century, and New Century's revenue interest remains outstanding.

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New Century has not recorded any revenue or received any revenue sharing payments for the period from July 1, 2006 through September 30, 2008. According to the Ascendant Agreement, if Ascendant acquires the revenue interest from New Century, Ascendant must pay New Century a return on the capital that it invested. Pursuant to the Ascendant Agreement, the required return on New Century's invested capital will not be impacted by any revenue sharing payments made or not made by Ascendant.

Results of Operations for the Three and Nine Months Ended September 30, 2008 compared to the Three and Nine Months Ended September 30, 2007

General and Administrative Expenses

General and administrative ("G&A") expenses are comprised of all costs incurred in direct support of the business operations of New Century. G&A expenses decreased by $40,000, or 33%, and $177,000, or 40%, to $81,000 and $271,000, respectively, during the three and nine months ended September 30, 2008, respectively, as compared to the corresponding periods of the prior fiscal year. This decrease is primarily attributable to the absence of legal and professional fees associated with the Lawsuit, officers' compensation and stock based compensation during the three and nine months ended September 30, 2008.

Interest Income

Interest income decreased by $95,000, or 61%, and $243,000, or 52%, to $60,000 and $223,000, respectively, during the three and nine months ended September 30, 2008, respectively, as compared to the corresponding periods of the prior fiscal year. This decrease is attributable to a decrease in yields on cash balances available for short term investment.

Results of Operations for the Year Ended December 31, 2007 compared to the Year Ended December 31, 2006

General and Administrative Expenses

During the year ended December 31, 2007, G&A expenses totaled $552,000 compared to $642,000 during the year ended December 31, 2006. The decrease in G&A for the year ended December 31, 2007, when compared to the year ended December 31, 2006, is primarily attributable to a decrease in legal and professional fees and officer compensation expense.

Depreciation and Amortization

Depreciation and amortization expense is incurred with respect to certain assets, including computer hardware, software, office equipment, furniture, goodwill and other intangibles. During each of the years ended December 31, 2007 and December 31, 2006, depreciation and amortization expense totaled $0. The decrease in depreciation and amortization from prior periods is principally the result of fixed asset sales. New Century made no fixed asset purchases during the year ended December 31, 2007.

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Interest Income

Interest income totaled $607,000 during the year ended December 31, 2007, compared to $582,000 during the year ended December 31, 2006. The increase in interest income for the year ended December 31, 2007, as compared to the year ended December 31, 2006, was attributable to higher average cash balances.

Derivative Settlement Costs

On April 13, 2006, New Century announced that it reached an agreement with all of the parties to the Lawsuit to settle all claims relating thereto. The total Settlement proceeds of $3,200,000 were funded by New Century's insurance carrier and by Parris H. Holmes, Jr., New Century's former Chief Executive Officer, who contributed $150,000. Also included in the total Settlement proceeds is $600,000 of reimbursement for legal and professional fees paid to New Century by its insurance carrier and subsequently contributed by New Century to the Settlement Fund. New Century has recognized a net loss of $600,000 related to the Lawsuit for the year ended December 31, 2006. See "Proposal No. 1 – Approval of the Acquisition – Description of New Century – Derivative Lawsuit" beginning on page 58.

Income Taxes

As a result of the operating losses incurred for the year ended December 31, 2006 and the utilization of prior year net operating losses to offset income for the year ended December 31, 2007, no provision or benefit for income taxes was recorded for the years ended December 31, 2007 and 2006.

Liquidity and Capital Resources

New Century's cash balance decreased to $12,088,000 at September 30, 2008, from $12,679,000 at December 31, 2007. The decrease resulted from cash funding of general and administrative expenses and expenses associated with the Acquisition offset by interest income of approximately $223,000 during the nine months ended September 30, 2008.

During the next 12 months, New Century's operating cash requirements are expected to consist principally of funding corporate expenses, the costs associated with maintaining a public company and expenses incurred in pursuing New Century's business plan. New Century expects to incur operating losses through fiscal 2008 which will continue to have a negative impact on liquidity and capital resources.

Assuming the Acquisition Agreement is approved by the stockholders of New Century, New Century will be obligated to fund $15,000,000 at closing of the Acquisition, subject to the conditions set forth in the Acquisition Agreement. New Century expects to fund the cash closing obligations with cash on hand and funds from the Equity Financing Agreement.

Lease Guarantees

In October 2000, New Century completed the Platinum Transaction. Under the terms of the Platinum Transaction, all leases and corresponding obligations associated with the Transaction Processing and Software Business were assumed by Platinum. Prior to the Platinum Transaction, New Century guaranteed two operating leases for office space of the divested companies. The first lease is related to office space located in San Antonio, Texas, and expired in 2006. The second lease is related to office space located in Austin, Texas, and expires in 2010. Under the original terms of the second lease, the remaining minimum undiscounted rent payments total approximately $1,773,000 at September 30, 2008. In conjunction with the Platinum Transaction, Platinum agreed to indemnify New Century should the underlying operating companies not perform under the terms of the office leases. New Century can provide no

assurance as to Platinum's ability, or willingness, to perform its obligations under the indemnification. New Century does not believe it is probable that it will be required to perform under the remaining lease guarantee and, therefore, no liability has been accrued in New Century's financial statements.

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Off-Balance-Sheet Arrangements

New Century guaranteed two operating leases for office space for certain of its wholly-owned subsidiaries prior to the Platinum Transaction (see Liquidity and Capital Resources – Lease Guarantees above). One such lease expired in 2006.

Seasonality

New Century's current operations are not significantly affected by seasonality.

Effect of Inflation

Inflation has not been a material factor affecting New Century's business. General operating expenses, such as salaries, employee benefits, insurance and occupancy costs, are subject to normal inflationary pressures.

New Accounting Standards

In September 2006, the FASB issued Statement of Financial Accounting Standards No. 157, "Fair Value Measurements" ("SFAS 157"), which establishes a framework for reporting fair value and expands disclosures about fair value measurements. SFAS 157 was effective for New Century on January 1, 2008, with the exception that the applicability of SFAS 157's fair value measurement requirements to nonfinancial assets and liabilities that are not required or permitted to be recognized or disclosed at fair value on a recurring basis has been delayed by the FASB for one year. New Century does not believe that the requirements of SFAS 157, which were effective for New Century on January 1, 2008, will have a material impact on New Century's consolidated financial statements. New Century is currently evaluating the impact of the SFAS 157 requirements, which will be effective for New Century on January 1, 2009, on New Century's financial position and results of operations.

Critical Accounting Policies

Impairment of Investments

New Century evaluates its investments in affiliates when events or changes in circumstances, such as a significant economic slowdown, indicate that the carrying value of the investments may not be recoverable. Reviews are performed to determine whether the carrying value is impaired and if the comparison indicates that impairment exists, the investment is written down to fair value. Significant management judgment based on estimates is required to determine whether and how much an investment is impaired.

DESCRIPTION OF THE WILHELMINA COMPANIES

Overview

The Wilhelmina Companies (also referred to in this description as Wilhelmina) provide traditional, full-service fashion model and talent management services, specializing in the representation and management of models, entertainers, artists, athletes and other talent to various customers and clients, including retailers, designers, advertising agencies and catalog companies.

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Wilhelmina's primary business is fashion model management, which activity is headquartered in New York City. Wilhelmina is one of the oldest and largest fashion model management companies in the world. Since it was founded in 1967 by Wilhelmina Cooper, a renowned fashion model, Wilhelmina has been a privately held company and has grown to include operations located in Los Angeles, as well as a growing network of licensees comprising leading modeling agencies in various local markets across the U.S as well as in Panama.

The Wilhelmina Companies also include New York City-based entities focused on business areas complimentary to Wilhelmina's fashion model and talent management business. Wilhelmina Artist Management LLC ("WAM"), a New York corporation founded in 1998, is a talent management company that seeks to secure endorsement and spokesperson work for various high-profile talent from the worlds of sports, music and entertainment. Wilhelmina Licensing LLC ("Wilhelmina Licensing"), a Delaware company founded in 1999, oversees the licensing of the "Wilhelmina" name, mainly to local modeling agencies across the U.S. Wilhelmina Film & TV Production, LLC ("Wilhelmina TV"), a Delaware company founded in 2004, holds certain rights to and managed aspects of the production of certain reality television shows such as "The Agency" (2007) and "She's Got the Looks" (2008) that seek to capitalize on the "Wilhelmina" brand.

Organizational Structure

Wilhelmina International, Ltd. ("Wilhelmina International") has three wholly-owned subsidiaries: Wilhelmina West, Inc. ("Wilhelmina West"), LW1, Inc. ("LW1") and Wilhelmina Models, Inc. ("Wilhelmina Models"). Wilhelmina West is a full-service fashion model agency based in Los Angeles. LW1, also based in Los Angeles, offers some models the opportunity to be showcased on TV and film through its membership in the Screen Actors Guild. Wilhelmina Models, based in New York City, holds certain contractual rights related to the business of Wilhelmina International. Wilhelmina International also owns a non-consolidated 50% interest in Wilhelmina Kids & Creative Management LLC, a New York City-based modeling agency that specializes in representing child models, from newborns to children 14 years of age. Wilhelmina-Miami, Inc. ("Wilhelmina Miami") is an independent fashion model agency affiliated with Wilhelmina International that is located in Miami and operates as a licensee of the "Wilhelmina" name. Collectively, these businesses represent the Wilhelmina Companies' model management business. Operating on the same entity level as Wilhelmina International are WAM, Wilhelmina TV and Wilhelmina Licensing, which represent the Wilhelmina Companies' other business ventures complimentary to Wilhelmina's fashion model management business.

Industry Overview

The fashion model management industry is highly fragmented, with smaller, local talent management firms frequently competing with a small group of internationally operating talent management firms for client assignments. New York City, Los Angeles and Miami, as well as Paris, Milan and London are considered the most important markets for the fashion talent management industry; most of the leading international firms are headquartered in New York City, which is considered to be the "capital" of the global fashion industry. Apart from Paris-based and publicly-listed Elite SA, all fashion talent management firms are privately-held.

The fashion model management industry can be divided into many subcategories, including advertising campaigns as well as catalog, runway and editorial work. Advertising work involves modeling for advertisements featuring consumer products such as cosmetics, clothing and other items, to be placed in magazines, in newspapers, on billboards and with other types of media. Catalog work involves modeling for promotional catalogs that are produced throughout the year. Runway work involves modeling at fashion shows, which primarily take place in Paris, Milan, London and New York City. Editorial work involves modeling for the cover and editorial section of magazines.

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Economic Environment

The business of talent management firms such as Wilhelmina is related to the state of the advertising industry, as demand for talent is driven by print and TV advertising campaigns for consumer goods and retail clients. Nevertheless, reductions in overall advertising expenditures typically impact talent management firms less due to the fact that photo shoots will be required irrespective of any reduction in size of traditional print media editions, or of the frequency with which ads containing pictures of fashion talent are shown.

With total advertising expenditures on major media (newspapers, magazines, television, cinema, outdoor and internet) amounting to approximately $179 billion in 2007, the U.S. is by far the world's largest advertising market. Recent forecasts by ZenithOptimedia(1), a recognized media services group, predict that year-on-year growth in the U.S. will amount to 3.4% (2008 versus 2007), 2.6% (2009 versus 2008) and 3.6% (2010 versus 2009), for total ad expenditures of $197 billion forecast for 2010. According to ZenithOptimedia(1), in 2007 global ad expenditures were split among the following media: Television (37.3%), Newspapers (27.2%), Magazines (12.1%), internet (8.6%), Radio (8%), Outdoor (6.2%), and Cinema (0.5%). For the fashion talent management industry, including Wilhelmina, advertising expenditures on magazines, television and outdoor are of particular relevance, with internet advertising becoming increasingly important.

Talent Management Business

The talent management industry is focused on providing fashion modeling and celebrity product-endorsement services to clients such as ad agencies, branded consumer goods companies, fashion designers, magazines, retailers and department stores, product catalogs and internet sites.

Clients pay talent for their appearance in photo shoots for magazine features, print advertising, direct mail marketing, product catalogs and internet sites, as well as for their appearance in runway shows to present new designer collections, fit modeling, and on-location presentations and event appearances. In addition, talent may also appear in film and TV commercials.

Talent management firms develop and diversify their talent portfolio through a combination of ongoing local, regional or international scouting and talent-search efforts to source new talent, and cooperate with other agencies that represent talent, but lack specific booking opportunities for such talent. Depending on the individual talent agency, talent may either be represented by the firm or a specialized "board" within the firm, or by individual talent managers or bookers. Depending on the breadth of their service, talent management firms may in effect manage the entire modeling career of the individual talent they represent. Talent management firms typically represent talent on an exclusive basis for periods of up to three years, subject to renewals. Similarly, employment agreements with individual booking agents typically include non-compete clauses.

When seeking to hire talent services, clients will typically directly contact individual talent managers at a select number of talent management firms (pre-selected on the basis of specific talent represented by the firms or the firms' reputation and depth of its talent portfolio), describe the client's specific requirements and invite the talent management firm to make a certain talent available for an "audition" for a photo shoot or appearance. The booking agent will negotiate pricing for the talent and will prepare the talent for the audition. If the talent succeeds at the audition and is selected for the project, the booker will handle and coordinate all scheduling and client requirements, and invoice the client on the basis of the agreed fees specified in the voucher the talent returns to the firm upon completion of the project.