

NewStar Financial, Inc.  
Form 4  
December 10, 2008

**FORM 4**

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

OMB APPROVAL

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

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
OZ MANAGEMENT LP

(Last) (First) (Middle)

9 WEST 57TH STREET, 39TH FLOOR

(Street)

NEW YORK, NY 10019

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
NewStar Financial, Inc. [NEWS]

3. Date of Earliest Transaction  
(Month/Day/Year)  
12/08/2008

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

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

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V Amount (A) or (D) Price			
Common Stock, par value \$0.01 per share	12/08/2008		S	16,199 D \$ 4.11	6,472,563	I	See Footnotes (1) (2) (3) (4) (5) (6) (7)
Common Stock, par value \$0.01 per share	12/08/2008		S	28,458 D \$ 4.2	6,444,105	I	See Footnotes (1) (2) (3) (4) (5) (6) (7)
Common Stock, par value \$0.01 per share	12/09/2008		S	19,659 D \$ 4.16	6,424,446	I	See Footnotes (1) (2) (3) (4) (5) (6) (7)

Common Stock, par value \$0.01 per share	12/09/2008	S	11,400	D	\$ 4.06	6,413,046	I	See Footnotes (1) (2) (3) (4) (5) (6) (7)
---	------------	---	--------	---	------------	-----------	---	--

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

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

SEC 1474  
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Own Follo Repo Trans (Instr
						Date Exercisable	Expiration Date	Title	Amount or Number of Shares
						Code	V	(A)	(D)

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
OZ MANAGEMENT LP 9 WEST 57TH STREET, 39TH FLOOR NEW YORK, NY 10019		X		

## Signatures

OZ MANAGEMENT LP, By Och-Ziff Holding Corporation, its General Partner; By Och-Ziff Capital Management Group, LLC its sole shareholder; By: /s/ Daniel S. Och Chief Executive Officer	12/10/2008
<i>**Signature of Reporting Person</i>	Date
OZ ADVISORS II, LP, By Och-Ziff Holding LLC, its General Partner; By Och-Ziff Capital Management Group, LLC its sole Shareholder; By: /s/ Daniel S. Och Chief Executive Officer	12/10/2008
<i>**Signature of Reporting Person</i>	Date
OCH-ZIFF HOLDING CORPORATION, By Och-Ziff Capital Management Group LLC, its sole shareholder; By: /s/ Daniel S. Och, Chief Executive Officer	12/10/2008

