

CAPITAL Z PARTNERS LTD
 Form 4
 September 21, 2012

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
 Expires: January 31, 2015
 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 *
 Capital Z Partners III GP, Ltd.

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 142 WEST 57TH STREET,
 (Street)

3. Date of Earliest Transaction
 (Month/Day/Year)
 09/19/2012

____ Director
 ____ Officer (give title below) Other (specify below)
 See Remarks Section

NEW YORK, NY 10019

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

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

(City) (State) (Zip)

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

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
				(A) or (D) Code V Amount (D) Price			
Common Stock, \$0.01 par value					4,000,000	I ⁽¹⁾	See Footnote ⁽¹⁾
Common Stock, \$0.01 par value	09/19/2012		J ⁽³⁾	6,643 A \$ 0	5,536,386	I ⁽²⁾ ⁽³⁾	See Footnotes ⁽²⁾ ⁽³⁾

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

SEC 1474 (9-02)

required to respond unless the form displays a currently valid OMB control number.

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. Number of Derivative Securities Owned Following Transaction (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Capital Z Partners III GP, Ltd. 142 WEST 57TH STREET NEW YORK, NY 10019				See Remarks Section
Capital Z Partners III, L.P. 230 PARK AVENUE SOUTH 11TH FLOOR NEW YORK, NY 10003				See Remarks Section
Capital Z Partners III GP, L.P. 230 PARK AVENUE SOUTH 11TH FLOOR NEW YORK, NY 10003				See Remarks Section
CAPITAL Z FINANCIAL SERVICES FUND II LP 230 PARK AVENUE SOUTH, 11TH FLOOR NEW YORK, NY 10003		X		
CAPITAL Z FINANCIAL SERVICES PRIVATE FUND II, L.P. 230 PARK AVENUE SOUTH, 11TH FLOOR NEW YORK, NY 10003		X		
CAPITAL Z PARTNERS LP 230 PARK AVENUE SOUTH, 11TH FLOOR NEW YORK, NY 10003		X		

CAPITAL Z PARTNERS LTD
230 PARK AVENUE SOUTH, 11TH FLOOR
NEW YORK, NY 10003

X

Capital Z Partners Management, LLC
230 PARK AVENUE
11TH FLOOR
NEW YORK, NY 10003

X

Capital Z Management, LLC
230 PARK AVENUE SOUTH, 11TH FLOOR
NEW YORK, NY 10003

See Footnote (1)

Signatures

/s/ Craig Fisher, Authorized Signatory for Capital Z Partners III GP,
Ltd.

09/21/2012

__Signature of Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
 - ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Due to the limitation on the amount of characters used, please see Item 1 of Exhibit 99.2 Explanation of Response.
 - (2) Due to the limitation on the amount of characters used, please see Item 2 of Exhibit 99.2 Explanation of Response.
 - (3) Due to the limitation on the amount of characters used, please see Item 3 of Exhibit 99.2 Explanation of Response.

Remarks:

See Exhibit 99.1 Joint Filer Information and 99.2 Explanation of Response

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.