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



03023524

**FORM 11-K**



(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2002

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number 0-28536

**PROCESSED**

JUN 19 2003

THOMSON  
FINANCIAL

**New Century Equity Holdings Corp.  
401(k) Savings & Investment Plan**

**NEW CENTURY EQUITY HOLDINGS CORP.**  
10101 Reunion Place, Suite 450  
San Antonio, Texas 78216

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**NEW CENTURY EQUITY HOLDINGS CORP. 401(k) SAVINGS & INVESTMENT PLAN  
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**NEW CENTURY EQUITY HOLDINGS CORP. 401(k) SAVINGS & INVESTMENT PLAN  
UNAUDITED STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS**

ASSETS	December 31,	
	2002	2001
Investments, at fair value:		
AIM Aggressive Growth Fund.....	\$ -	\$ 39,114
AIM Blue Chip Fund .....	-	44,343
AIM Constellation Fund.....	-	52,865
AIM Value Fund .....	-	79,891
Alger MidCap Growth Fund .....	31,083	-
American Century Equity Growth Fund .....	56,874	41,755
Fidelity Money Market Fund .....	-	14,526
Forward Hoover Small Cap Equity Fund.....	-	58,476
Goldman Sachs Financial Money Market Fund.....	1,055	-
INVESCO Balanced Fund .....	-	31,268
INVESCO International Blue Chip Value Fund .....	-	2,489
Janus Advisor Growth Fund.....	66,802	56,331
Janus Advisor Worldwide Growth Fund.....	-	11,890
MFS Research Fund.....	34,047	-
MFS Total Return Fund .....	19,408	-
New Century Equity Holdings Corp. Common Stock .....	-	-
PIMCO Total Return Fund.....	-	2,789
Putnam Capital Opportunities Fund.....	54,820	-
Putnam International New Opportunities Fund.....	902	-
Putnam New Opportunities Fund.....	-	76,698
Putnam Voyager Fund.....	<u>20,129</u>	<u>-</u>
Total investments, at fair value .....	285,120	512,435
Cash.....	<u>-</u>	<u>49</u>
Total assets .....	285,120	512,484
<b>LIABILITIES</b>		
Excess contributions payable .....	<u>(2,000)</u>	<u>(2,000)</u>
Net assets available for benefits .....	<u>\$ 283,120</u>	<u>\$ 510,484</u>

The accompanying notes are an integral part of these financial statements.

**NEW CENTURY EQUITY HOLDINGS CORP. 401(k) SAVINGS & INVESTMENT PLAN  
UNAUDITED STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS**

	<b>Year Ended December 31,</b>	
	<b>2002</b>	<b>2001</b>
Additions to net assets available for benefits:		
Contributions:		
Employee .....	\$ 41,676	\$ 107,933
Employer .....	29,822	29,181
Total contributions.....	71,498	137,114
Asset transfers from other plans.....	-	517,876
Total additions to net assets available for benefits .....	71,498	654,990
Deductions from net assets for benefits:		
Net depreciation in fair value of investments.....	(112,513)	(80,417)
Benefits paid to participants .....	(186,349)	(95,158)
Total deductions from net assets available for benefits....	(298,862)	(175,575)
Net (deductions) additions in net assets available for benefits...	(227,364)	479,415
Net assets available for benefits:		
Beginning of year .....	510,484	31,069
End of year .....	\$ 283,120	\$ 510,484

The accompanying notes are an integral part of the financial statements.

**NEW CENTURY EQUITY HOLDINGS CORP. 401(k) SAVINGS & INVESTMENT PLAN  
NOTES TO UNAUDITED FINANCIAL STATEMENTS**

**Note 1. Plan Description**

The following description of the New Century Equity Holdings Corp. (the "Company") 401(k) Savings & Investment Plan (the "Plan"), established on November 1, 2000, provides only general information. Participants should refer to the Plan agreement for a more comprehensive description of the Plan's provisions.

*General*

The Plan is a defined contribution plan covering all eligible employees of the Company and its subsidiaries. Frost National Bank is the Plan administrator and two officers of the Company are the Plan's trustees. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA").

*Eligibility*

An employee is eligible to join the Plan upon completion of six months of employment and attaining the age of 21. Eligible employees may enter the Plan on the earliest of January 1, April 1, July 1 or October 1, after fulfillment of the eligibility requirements.

*Contributions*

Each year, participants may elect to contribute up to 15% of their total eligible compensation, as defined in the Plan. Participants may contribute amounts representing distributions from other qualified plans, provided that the trust from which such funds are transferred permits such transfers and the transfer does not jeopardize the tax-exempt status of the Plan. Participants direct the investment of their contributions into various investment options offered by the Plan. The Plan currently offers sixteen mutual funds and New Century Equity Holdings Corp. Common Stock as investment options for participants. The Company contributes 100% of the first 5% of compensation, as defined in the Plan, that a participant contributes to the Plan. The matching Company contribution is invested in the same investment fund(s) and in the same proportion as the participant's current investment options. The Company may make discretionary contributions to the Plan, subject to certain limitations. During the years ended December 31, 2002 and 2001, the Company did not make additional discretionary contributions to the Plan.

*Participant Accounts*

Each participant's account is credited with the participant's contributions, the matching Company contribution and an allocation of the Plan's earnings or losses. The allocation of earnings or losses is based on the participant account balances, as defined in the Plan.

*Vesting*

Participants are immediately vested in their participant accounts, including their contributions, the matching Company contribution and earnings and losses thereon.

*Loans*

Participants may borrow from their participant account a minimum of \$1,000 up to a maximum equal to \$50,000 or 50% of their participant account, whichever is less. The loans are secured by the balance in the participant account and bear interest at rates commensurate with local prevailing interest rates. Principal and interest are paid ratably through regular payroll deductions. There were no loans outstanding as of December 31, 2002 and 2001.

#### *Payment of Benefits*

Terminated participants may elect to receive a lump-sum distribution equal to the participant's vested account balance or defer the distribution of their benefits until a future date; however, that future date cannot be later than April 1 of the calendar year following the calendar year in which the participant reaches the age of 70½. If the participant's vested account balance is less than \$5,000, the participant may not defer the distribution.

#### *Plan Amendments*

The Company has the right to amend the Plan at any time. However, no amendment, change or modification may deprive a participant of any vested benefits under the Plan.

#### *Plan Termination*

Although it has not expressed any intent to do so, the Company has the right to discontinue its contributions to the Plan at any time and to terminate the Plan subject to the provisions of ERISA, as amended. In the event of Plan termination, participants become 100% vested in their accounts.

### **Note 2. Summary of Significant Accounting Policies**

#### *Basis of Presentation*

The financial statements of the Plan are prepared under the accrual basis of accounting. Benefits paid to participants are recorded when paid.

#### *Use of Estimates*

The preparation of financial statements in conformity with generally accepted accounting principles in the United States requires management to make estimates and assumptions that affect the reported amounts in the financial statements and disclosures. Actual results could differ from those estimates.

#### *Investments*

Investments are valued at quoted market prices as of year-end. Investment transactions are recognized on the trade date (the date the order to buy or sell is executed). The cost of investments sold is based on the average purchase price. Net appreciation (depreciation) in the fair value of investments includes both realized and unrealized gains and losses incurred during the year.

#### *Risks and Uncertainties*

The Plan provides for investments in mutual funds and common stock. Investment securities, in general, are exposed to various risks, such as interest rate, credit and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term.

#### *Plan Administration*

The Company pays for expenses incident to the administration of the Plan. During the years ended December 31, 2002 and 2001, the Company incurred approximately \$4,600 and \$4,800, respectively, in expenses related to the administration of the Plan.

### **Note 3. Federal Income Taxes**

The Internal Revenue Service has determined and informed the Plan administrator that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code of 1986, as amended (IRC). The Plan administrator believes the Plan is currently being operated in compliance with the applicable requirements of the IRC; therefore, the Plan administrator believes that the Plan was qualified and the related trust was tax exempt as of the financial statement date.

**Note 4. Party-In-Interest Transactions**

Certain Plan investments are shares of common stock of the Company and qualify as party-in-interest transactions.

**Note 5. Reconciliation of Financial Statements to Form 5500**

The following is a reconciliation of net assets available for benefits per the financial statements at December 31, 2002 and 2001 to Form 5500:

Net assets available for benefits per financial statements .....	\$ 283,120	\$ 510,484
Excess contributions payable .....	<u>2,000</u>	<u>2,000</u>
Net assets available for benefits per Form 5500.....	<u>\$ 285,120</u>	<u>\$ 512,484</u>

For the years ended December 31, 2002 and 2001, benefits paid to participants per the financial statements agree to the Form 5500.

## Schedule I

**NEW CENTURY EQUITY HOLDINGS CORP. 401(k) SAVINGS & INVESTMENT PLAN**  
**SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES**  
**DECEMBER 31, 2002**

<u>Identity of Issuer, Borrower, Lessor or Similar Party</u>	<u>Description of Investment</u>	<u>Cost</u>	<u>Current Value</u>
Alger Group	Alger MidCap Growth Fund	*	\$ 31,083
American Century Investments	American Century Equity Growth Fund	*	56,874
Goldman Sachs Asset Management Group	Goldman Sachs Financial Money Market Fund	*	1,055
Janus	Janus Advisor Growth Fund	*	66,802
MFS Family of Funds	MFS Research Fund	*	34,047
MFS Family of Funds	MFS Total Return Fund	*	19,408
Putnam Funds	Putnam Capital Opportunities Fund	*	54,820
Putnam Funds	Putnam International New Opportunities Fund	*	902
Putnam Funds	Putnam Voyager Fund	*	<u>20,129</u>
Total Assets Held for Investment Purposes			<u>\$ 285,120</u>

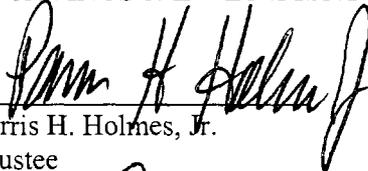
\*Cost omitted for participant-directed investments

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the trustees have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

NEW CENTURY EQUITY HOLDINGS CORP.  
401(k) SAVINGS & INVESTMENT PLAN

Date: June 6, 2003

By   
Parris H. Holmes, Jr.  
Trustee

By   
David P. Gusa  
Trustee