

OCWEN FINANCIAL CORP  
Form 424B7  
March 16, 2006

Filed Pursuant to Rule 424(b)(7)

File No. 333-119698

**PROSPECTUS SUPPLEMENT NO. 2**

(To Prospectus dated September 20, 2005)

**\$175,000,000**

**Ocwen Financial Corporation**

**3.25% Contingent Convertible Senior Unsecured Notes due 2024 and Shares**

**of Common Stock Issuable upon Conversion Thereof**

This prospectus supplement supplements our prospectus dated September 20, 2005, as supplemented on February 8, 2006, relating to the offer and sale from time to time by certain of our securityholders of up to \$175,000,000 aggregate principal amount of our 3.25% Contingent Convertible Senior Unsecured Notes Due 2024 and the Shares of Common Stock issuable upon conversion of the notes (the "Shares"). We are not selling any notes or Shares and therefore will not receive any proceeds from this offering.

This prospectus supplement should be read in conjunction with, and may not be delivered or utilized without, the prospectus and previous prospectus supplements. This prospectus supplement is qualified by reference to the prospectus and previous prospectus supplements, except to the extent that the information in this prospectus supplement supersedes the information contained in the prospectus or the previous prospectus supplements.

The following table sets forth information, as of the date of this prospectus supplement, relating to the beneficial ownership of the notes and Shares by each selling securityholder. The selling securityholders may have sold, transferred or otherwise disposed of all or any portion of their notes or Shares or acquired additional notes since the date on which they provided this information to us.

The table below amends and restates the table of selling securityholders contained under the heading "Selling Securityholders" in the prospectus and previous prospectus supplements.

**Name**

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|                                                         | <b>Principal Amount<br/>of Notes That<br/>May Be Offered (1)</b> | <b>Percentage<br/>of Notes<br/>Outstanding</b> | <b>Common<br/>Stock<br/>Owned Prior<br/>to the<br/>Offering</b> | <b>Common<br/>Stock That<br/>May Be<br/>Offered</b> | <b>Percentage<br/>of Common<br/>Stock<br/>Outstanding</b> |
|---------------------------------------------------------|------------------------------------------------------------------|------------------------------------------------|-----------------------------------------------------------------|-----------------------------------------------------|-----------------------------------------------------------|
| Acuity Master Fund Ltd.                                 | \$ 2,140,000                                                     | 1.22%                                          | 175,842                                                         | 175,842                                             | *                                                         |
| ADAR Investment Fund Ltd.                               | \$ 6,500,000                                                     | 3.71%                                          | 534,100                                                         | 534,100                                             | *                                                         |
| Akela Capital Master Fund, Ltd.                         | \$ 5,500,000                                                     | 3.14%                                          | 451,931                                                         | 451,931                                             | *                                                         |
| Alexandra Global Master Fund Ltd                        | \$ 7,500,000                                                     | 4.29%                                          | 616,269                                                         | 616,269                                             | *                                                         |
| Auspis Ltd                                              | \$ 230,000                                                       | *                                              | 18,898                                                          | 18,898                                              | *                                                         |
| Bancroft Convertible Fund, Inc.                         | \$ 1,500,000                                                     | *                                              | 123,253                                                         | 123,253                                             | *                                                         |
| Bernische Lehrerversicher-ungskasse                     | \$ 1,000,000                                                     | *                                              | 82,169                                                          | 82,169                                              | *                                                         |
| BNP Paribas Equity Strategies, SNC                      | \$ 6,328,000                                                     | 3.61%                                          | 519,967                                                         | 519,967                                             | *                                                         |
| BTOP Multi Strategy Master Portfolio Ltd                | \$ 2,000,000                                                     | *                                              | 164,338                                                         | 164,338                                             | *                                                         |
| Calamos Market Neutral Fund Calamos<br>Investment Trust | \$ 1,500,000                                                     | *                                              | 123,253                                                         | 123,253                                             | *                                                         |

| Name                                                                         | Principal Amount<br>of Notes That<br>May Be Offered (1) | Percentage<br>of Notes<br>Outstanding | Common<br>Stock<br>Owned Prior<br>to the<br>Offering | Common<br>Stock That<br>May Be<br>Offered | Percentage<br>of Common<br>Stock<br>Outstanding |
|------------------------------------------------------------------------------|---------------------------------------------------------|---------------------------------------|------------------------------------------------------|-------------------------------------------|-------------------------------------------------|
| Citigroup Global Markets Inc.                                                | \$ 9,190,000                                            | 5.25%                                 | 755,135                                              | 755,135                                   | 1.20%                                           |
| CNH CA Master Account, L.P.                                                  | \$ 2,000,000                                            | 1.14%                                 | 164,338                                              | 164,338                                   | *                                               |
| Coastal Convertibles Ltd.                                                    | \$ 1,950,000                                            | 1.11%                                 | 160,230                                              | 160,230                                   | *                                               |
| Context Convertible Arbitrage Fund, LP                                       | \$ 575,000                                              | *                                     | 47,247                                               | 47,247                                    | *                                               |
| Context Convertible Arbitrage Offshore, LTD                                  | \$ 1,825,000                                            | *                                     | 149,958                                              | 149,958                                   | *                                               |
| CooperNeff Convertible Strategies (Cayman) Master Fund, LP                   | \$ 5,250,000                                            | 3.00%                                 | 431,388                                              | 431,388                                   | *                                               |
| CQS Convertible and Quantitative Strategies Master Fund Limited              | \$ 1,000,000                                            | *                                     | 82,169                                               | 82,169                                    | *                                               |
| D.E. Shaw Investment Group, L.L.C.                                           | \$ 800,000                                              | *                                     | 65,735                                               | 65,735                                    | *                                               |
| D.E. Shaw Valence Portfolios, L.L.C.                                         | \$ 4,200,000                                            | 2.4%                                  | 345,111                                              | 345,111                                   | *                                               |
| Deam Convertible ARB                                                         | \$ 250,000                                              | *                                     | 20,542                                               | 20,542                                    | *                                               |
| Deutsche Bank Securities Inc.                                                | \$ 7,500,000                                            | 4.29%                                 | 616,269                                              | 616,269                                   | *                                               |
| Diaco Investments LP                                                         | \$ 560,000                                              | *                                     | 46,014                                               | 46,014                                    | *                                               |
| The Drake Offshore Master Fund, Ltd.                                         | \$ 13,000,000                                           | 7.43%                                 | 1,069,200                                            | 1,069,200                                 | 1.70%                                           |
| Ellsworth Convertible Growth and Income Fund, Inc.                           | \$ 1,500,000                                            | *                                     | 123,253                                              | 123,253                                   | *                                               |
| FrontPoint Convertible Arbitrage Fund, L.P.                                  | \$ 1,000,000                                            | *                                     | 82,169                                               | 82,169                                    | *                                               |
| Global Bermuda Limited Partnership                                           | \$ 600,000                                              | *                                     | 49,301                                               | 49,301                                    | *                                               |
| Grace Convertible Arbitrage Fund, Ltd.                                       | \$ 5,000,000                                            | 2.86%                                 | 410,846                                              | 410,846                                   | *                                               |
| Highbridge International LLC                                                 | \$ 1,500,000                                            | *                                     | 123,253                                              | 123,253                                   | *                                               |
| ING Convertible Fund                                                         | \$ 3,870,000                                            | 2.21%                                 | 317,995                                              | 317,995                                   | *                                               |
| ING VP Convertible Fund                                                      | \$ 130,000                                              | *                                     | 10,682                                               | 10,682                                    | *                                               |
| International Benchmarks Master Fund, Ltd.                                   | \$ 1,400,000                                            | *                                     | 115,037                                              | 115,037                                   | *                                               |
| Institutional Benchmarks Master Fund Ltd. c/o SSI Investment Management Inc. | \$ 222,000                                              | *                                     | 18,241                                               | 18,241                                    | *                                               |
| Jefferies & Company, Inc. (2)                                                | \$ 2,000,000                                            | 1.14%                                 | 164,338                                              | 164,338                                   | *                                               |
| Jefferies Umbrella Fund Global Convertible Bonds (2)                         | \$ 2,050,000                                            | 1.17%                                 | 168,447                                              | 168,447                                   | *                                               |
| JMG Capital Partners, LP                                                     | \$ 850,000                                              | *                                     | 69,843                                               | 69,843                                    | *                                               |
| JMG Triton Offshore Fund, Ltd.                                               | \$ 1,650,000                                            | *                                     | 135,579                                              | 135,579                                   | *                                               |
| JP Morgan Securities Inc.                                                    | \$ 5,000,000                                            | 2.86%                                 | 410,846                                              | 410,846                                   | *                                               |
| Kamuntins Street Master Fund, Ltd.                                           | \$ 7,000,000                                            | 4.00%                                 | 575,185                                              | 575,185                                   | *                                               |
| KBC Financial Products USA Inc.                                              | \$ 6,250,000                                            | 3.57%                                 | 513,558                                              | 513,558                                   | *                                               |
| Lakeshore International, Ltd.                                                | \$ 2,400,000                                            | 1.37%                                 | 197,206                                              | 197,206                                   | *                                               |
| LDG Limited                                                                  | \$ 123,000                                              | *                                     | 10,106                                               | 10,106                                    | *                                               |
| Linden Capital LP                                                            | \$ 1,000,000                                            | *                                     | 82,169                                               | 82,169                                    | *                                               |
| Lyxor/Context Fund LTD                                                       | \$ 325,000                                              | *                                     | 26,705                                               | 26,705                                    | *                                               |
| Lyxor/Convertible Arbitrage Fund Limited                                     | \$ 924,000                                              | *                                     | 75,924                                               | 75,924                                    | *                                               |
| Man Convertible Bond Master Fund, Ltd.                                       | \$ 5,150,000                                            | 2.94%                                 | 423,171                                              | 423,171                                   | *                                               |

| Name                                                                  | Principal Amount<br>of Notes That<br>May Be Offered (1) | Percentage<br>of Notes<br>Outstanding | Common<br>Stock<br>Owned Prior<br>to the<br>Offering | Common<br>Stock That<br>May Be<br>Offered | Percentage<br>of Common<br>Stock<br>Outstanding |
|-----------------------------------------------------------------------|---------------------------------------------------------|---------------------------------------|------------------------------------------------------|-------------------------------------------|-------------------------------------------------|
| Mohican VCA Master Fund, Ltd.                                         | \$ 1,160,000                                            | *                                     | 95,316                                               | 95,316                                    | *                                               |
| MSS Convertible Arbitrage 1<br>c/o TQA Investors, LLC                 | \$ 6,000                                                | *                                     | 493                                                  | 493                                       | *                                               |
| National Bank of Canada                                               | \$ 275,000                                              | *                                     | 22,596                                               | 22,596                                    | *                                               |
| National Bank of Canada c/o Putnam Lovell NBF<br>Securities Inc.      | \$ 2,500,000                                            | 1.43%                                 | 205,423                                              | 205,423                                   | *                                               |
| Nisswa Master Fund Ltd.                                               | \$ 1,500,000                                            | *                                     | 123,253                                              | 123,253                                   | *                                               |
| Pensionkasse Der Antalis AG                                           | \$ 50,000                                               | *                                     | 4,108                                                | 4,108                                     | *                                               |
| Pensionkasse Der EMS-Chemie AG                                        | \$ 60,000                                               | *                                     | 4,930                                                | 4,930                                     | *                                               |
| Pensionkasse Der EMS-Dottikon AG                                      | \$ 100,000                                              | *                                     | 8,216                                                | 8,216                                     | *                                               |
| Pensionkasse Der Rockwell<br>Automation AG                            | \$ 60,000                                               | *                                     | 4,930                                                | 4,930                                     | *                                               |
| Pensionkasse Pluess-Staufer AG                                        | \$ 50,000                                               | *                                     | 4,108                                                | 4,108                                     | *                                               |
| Pensionkasse Vantico                                                  | \$ 100,000                                              | *                                     | 8,216                                                | 8,216                                     | *                                               |
| Personal Vorsorge Der PV Promea                                       | \$ 170,000                                              | *                                     | 13,968                                               | 13,968                                    | *                                               |
| Personalfuersorgestiftung Der Gebaudever-sicherung<br>Des Katons Bern | \$ 180,000                                              | *                                     | 14,790                                               | 14,790                                    | *                                               |
| Polaris Vega Fund L.P.                                                | \$ 6,600,000                                            | 3.77%                                 | 542,317                                              | 542,317                                   | *                                               |
| Privilege Portfolio SICAV                                             | \$ 5,000,000                                            | 2.86%                                 | 410,846                                              | 410,846                                   | *                                               |
| Putnam Convertible Income-Growth Trust                                | \$ 3,600,000                                            | 2.06%                                 | 295,809                                              | 295,809                                   | *                                               |
| Pyramid Equity Strategies Fund                                        | \$ 250,000                                              | *                                     | 20,542                                               | 20,542                                    | *                                               |
| Ritchie Convertible Arbitrage Trading                                 | \$ 840,000                                              | *                                     | 69,022                                               | 69,022                                    | *                                               |
| S.A.C. Arbitrage Fund, LLC                                            | \$ 2,500,000                                            | 1.43%                                 | 363,988                                              | 205,423                                   | *                                               |
| San Diego County Employees Retirement Association                     | \$ 1,300,000                                            | *                                     | 106,820                                              | 106,820                                   | *                                               |
| Singlehedge US Convertible Arbitrage Fund                             | \$ 1,400,000                                            | *                                     | 115,037                                              | 115,037                                   | *                                               |
| Sphinx Convertible Arb Fund SPC<br>c/o SSI Investment Management Inc. | \$ 155,000                                              | *                                     | 12,736                                               | 12,736                                    | *                                               |
| Sphinx Fund<br>c/o TQA Investors, LLC                                 | \$ 134,000                                              | *                                     | 11,010                                               | 11,010                                    | *                                               |
| SSI Hedged Convertible Market<br>Neutral L.P.                         | \$ 123,000                                              | *                                     | 10,106                                               | 10,106                                    | *                                               |
| St. Thomas Trading, Ltd.                                              | \$ 2,850,000                                            | 1.63%                                 | 234,182                                              | 234,182                                   | *                                               |
| Sturgeon Limited                                                      | \$ 1,098,000                                            | *                                     | 90,022                                               | 90,022                                    | *                                               |
| Sunrise Partners Limited Partnership                                  | \$ 25,050,000                                           | 14.31%                                | 2,058,340                                            | 2,058,340                                 | 3.27%                                           |
| Tenor Opportunity Master Fund, Ltd                                    | \$ 1,500,000                                            | *                                     | 123,253                                              | 123,253                                   | *                                               |
| Tribeca Global Convertible                                            | \$ 4,500,000                                            | 2.57%                                 | 369,761                                              | 369,761                                   | *                                               |
| TQA Master Fund Ltd.                                                  | \$ 1,030,000                                            | *                                     | 84,634                                               | 84,634                                    | *                                               |
| TQA Master Plus Fund Ltd.                                             | \$ 1,757,000                                            | 1.00%                                 | 144,371                                              | 144,371                                   | *                                               |
| Xavex Convertible Arbitrage 7 Fund<br>c/o TQA Investors, LLC          | \$ 253,000                                              | *                                     | 20,788                                               | 20,788                                    | *                                               |
| Universal Investment Gesellschaft MBH, REF Aventis                    | \$ 2,000,000                                            | 1.14%                                 | 164,338                                              | 164,338                                   | *                                               |
| Zazove Convertible Arbitrage Fund, L.P.                               | \$ 4,050,000                                            | 2.31%                                 | 332,785                                              | 332,785                                   | *                                               |

| Name                                                                                                                                                          | Principal Amount<br>of Notes That<br>May Be Offered (1) | Percentage<br>of Notes<br>Outstanding | Common<br>Stock<br>Owned Prior<br>to the<br>Offering | Common<br>Stock That<br>May Be<br>Offered | Percentage<br>of Common<br>Stock<br>Outstanding |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|---------------------------------------|------------------------------------------------------|-------------------------------------------|-------------------------------------------------|
| Zurich Institutional Benchmarks Master Fund Ltd.<br>c/o TQA Investors, LLC                                                                                    | \$ 197,000                                              | *                                     | 16,187                                               | 16,187                                    | *                                               |
| Certain other holders of notes or common stock or<br>future transferees, pledgees, donees of or from any<br>such holder, if identified as described below (3) | \$                                                      |                                       |                                                      |                                           |                                                 |
| <b>Total</b>                                                                                                                                                  | <b>\$ 175,000,000</b>                                   | <b>100%</b>                           |                                                      | <b>14,379,627</b>                         | <b>22.81%</b>                                   |

\* Less than one percent (1%).

- (1) The figures in this column are based upon information supplied to us as of March 15, 2006 by the selling securityholders named in the table. As of that date, these selling securityholders had supplied us with information indicating that, collectively, they owned more than \$175,000,000 aggregate principal amount of notes, reflecting, we believe, that one or more selling securityholders supplied us with information for inclusion in the table and then sold their notes in transactions exempt from the registration requirements of the Securities Act to persons who also supplied us with information with respect to the same notes. However, since none of this prospectus supplement, the prospectus, the previous prospectus supplements or the registration statement of which the prospectus forms a part will be applicable to any of the notes after they have been publicly sold using a prospectus supplement, the prospectus or the registration statement of which the prospectus forms a part, not more than \$175,000,000 aggregate principal amount of notes can be sold under this prospectus supplement, the prospectus, the previous prospectus supplements or the registration statement of which the prospectus forms a part and, accordingly, the \$175,000,000 total in this column represents the maximum principal amount of the notes that could be sold under the prospectus, as supplemented, or the registration statement of which the prospectus forms a part.
- (2) Jefferies & Company, Inc. was the initial purchaser of the notes. Additionally, Jefferies & Company, Inc. and its affiliates have performed in the past investment banking, general financing and advisory services for us and our affiliates for which they receive customary fees and expenses.
- (3) Other holders of notes or shares of our common stock issued upon conversion of the notes and common stock not identified in the table above or future transferees, pledgees or donees of or from the holders identified in the table above may be identified by us at a later date by filing a post-effective amendment to the registration statement of which the prospectus is a part or, if permitted under the Securities Act, a prospectus supplement. Such other holders shall not be permitted to sell pursuant to the registration statement unless and until they are specifically identified in a post-effective amendment to the registration statement or, if permitted under the Securities Act, a prospectus supplement.

**Investing in the notes and Shares involves risks. See Risk Factors beginning on page 6 of the prospectus dated September 20, 2005.**

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.**

**This prospectus supplement is dated March 16, 2006.**