

GRIFFIN KENNETH C

Form 4

January 20, 2010

**FORM 4**

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

OMB APPROVAL

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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 \*  
CITADEL ADVISORS LLC

2. Issuer Name and Ticker or Trading Symbol  
E TRADE FINANCIAL CORP  
[ETFC]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction  
(Month/Day/Year)  
01/15/2010

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

C/O CITADEL INVESTMENT GROUP, L.L.C., 131 S. DEARBORN ST., 32ND FLOOR

(Street)

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

CHICAGO, IL 60603

(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)
Common Stock					47,848	D <sup>(1)</sup>	
Common Stock	01/15/2010		X	7,900 A	\$ 7.5 299,545	D <sup>(2)</sup>	
Common Stock	01/15/2010		X	12,700 A	\$ 2.5 312,245	D <sup>(2)</sup>	
Common Stock	01/15/2010		X	51,400 D	\$ 5 260,845	D <sup>(2)</sup>	
	01/15/2010		X	13,300 D	\$ 10 247,545	D <sup>(2)</sup>	

Common  
Stock

Common  
Stock 45,454,545 D <sup>(3)</sup>

Common  
Stock 120,370,080 D <sup>(4)</sup>

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

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(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)	Amount or Number of Shares
				Code V (A) (D)		Date Exercisable Expiration Date	Title	
PUT OPTION: EUSMU [OBLIGATION TO BUY] <sup>(5)</sup>	\$ 7.5	01/15/2010		X	79	<sup>(6)</sup> 01/16/2010	Common Stock	7,900
PUT OPTION: EUSMZ [OBLIGATION TO BUY]	\$ 2.5	01/15/2010		X	127	<sup>(6)</sup> 01/16/2010	Common Stock	12,700
PUT OPTION: EUSMA [RIGHT TO SELL]	\$ 5	01/15/2010		X	514	<sup>(6)</sup> 01/16/2010	Common Stock	51,400
PUT OPTION: EUSMJ [RIGHT TO SELL]	\$ 10	01/15/2010		X	133	<sup>(6)</sup> 01/16/2010	Common Stock	13,300

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
CITADEL ADVISORS LLC C/O CITADEL INVESTMENT GROUP, L.L.C. 131 S. DEARBORN ST., 32ND FLOOR CHICAGO, IL 60603	X			
CITADEL HOLDINGS I LP C/O CITADEL INVESTMENT GROUP, L.L.C. 131 S. DEARBORN ST., 32ND FLOOR CHICAGO, IL 60603	X			
CITADEL HOLDINGS II LP C/O CITADEL INVESTMENT GROUP, L.L.C. 131 S. DEARBORN ST., 32ND FLOOR CHICAGO, IL 60603	X			
Citadel Securities LLC C/O CITADEL INVESTMENT GROUP, L.L.C. 131 S. DEARBORN ST., 32ND FLOOR CHICAGO, IL 60603	X			
CITADEL DERIVATIVES TRADING LTD C/O CITADEL INVESTMENT GROUP, L.L.C. 131 S. DEARBORN ST., 32ND FLOOR CHICAGO, IL 60603	X			
CITADEL INVESTMENT GROUP II, L.L.C. C/O CITADEL INVESTMENT GROUP, L.L.C. 131 S. DEARBORN ST., 32ND FLOOR CHICAGO, IL 60603	X			
CITADEL EQUITY FUND LTD C/O CITADEL INVESTMENT GROUP, L.L.C. 131 S. DEARBORN STREET, 32ND FLOOR CHICAGO, IL 60603	X			
WINGATE CAPITAL LTD C/O CITADEL INVESTMENT GROUP, L.L.C. 131 S. DEARBON STREET, 32ND FLOOR CHICAGO, IL 60603	X			
GRIFFIN KENNETH C C/O CITADEL INVESTMENT GROUP, L.L.C. 131 S. DEARBON STREET, 32ND FLOOR CHICAGO, IL 60603	X			

## Signatures

/s/ John C. Nagel, Authorized  
Signatory 01/20/2010

\_\_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) This security is owned by Citadel Derivatives Trading Ltd.

(2) This security is owned by Citadel Securities LLC.

(3) This security is owned by Wingate Capital Ltd.

(4) This security is owned by Citadel Equity Fund Ltd.

(5) The symbol for this security was formerly "YZKMU."

The securities listed are exchange-traded option contracts. Exchange-traded options are immediately exercisable and remain exercisable until expiration. The transactions shown resulted from the exercise of in-the-money option contracts by a third party or by Citadel Securities LLC.

### Remarks:

Each of the Reporting Persons expressly disclaims beneficial ownership of the securities described herein except to the extent of such person's pecuniary interest therein. Mr. Griffin serves as a director of the Issuer deputized by the Reporting Persons.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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