

GRIFFIN KENNETH C  
 Form 4  
 June 21, 2010

**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 \*  
 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)  
 C/O CITADEL LLC, 131 S.  
 DEARBORN STREET, 32ND  
 FLOOR

3. Date of Earliest Transaction  
 (Month/Day/Year)  
 06/17/2010

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

(Street)  
 CHICAGO, IL 60603

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					4,784	D <u>(1)</u>	
Common Stock					24,754	D <u>(2)</u>	
Common Stock					21,732,462	D <u>(3)</u>	

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. Amount or Number of Shares
CALL OPTION [long]	\$ 13.2	06/18/2009		J/K	1	06/18/2009 06/17/2010	Common Stock	4,545,454
PUT OPTION [short]	\$ 10.45	06/18/2009		J/K	1	06/18/2009 06/17/2010	Common Stock	4,545,454

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
CITADEL ADVISORS LLC C/O CITADEL LLC 131 S. DEARBORN STREET, 32ND FLOOR CHICAGO, IL 60603	X			
CITADEL HOLDINGS I LP C/O CITADEL LLC 131 S. DEARBORN STREET, 32ND FLOOR CHICAGO, IL 60603	X			
CITADEL HOLDINGS II LP C/O CITADEL LLC 131 S. DEARBORN STREET, 32ND FLOOR CHICAGO, IL 60603	X			
CITADEL SECURITIES LLC C/O CITADEL LLC 131 S. DEARBORN STREET, 32ND FLOOR CHICAGO, IL 60603	X			

CITADEL DERIVATIVES TRADING LTD  
 C/O CITADEL LLC  
 131 S. DEARBORN STREET, 32ND FLOOR X  
 CHICAGO, IL 60603

CITADEL INVESTMENT GROUP II, L.L.C.  
 C/O CITADEL LLC  
 131 S. DEARBORN STREET, 32ND FLOOR X  
 CHICAGO, IL 60603

CITADEL EQUITY FUND LTD  
 C/O CITADEL LLC  
 131 S. DEARBORN STREET, 32ND FLOOR X  
 CHICAGO, IL 60603

GRIFFIN KENNETH C  
 C/O CITADEL LLC  
 131 S. DEARBORN STREET, 32ND FLOOR X  
 CHICAGO, IL 60603

## Signatures

/s/ John C. Nagel, Authorized  
 Signatory 06/21/2010

\_\_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 Citadel Equity Fund Ltd. ("CEF").

(4) On June 18, 2009, CEF entered a cash settled collar with Wingate Capital Ltd. ("Wingate") with a floor price of \$10.45, a ceiling price of \$13.20 and referencing 4,545,454 shares. The collar expired in accordance with its terms on June 17, 2010. These terms require Wingate to pay CEF \$2,227,272 (the product of the number of reference shares multiplied by the difference between the \$13.69 closing price for the Issuer's common stock on June 17, 2010 and the \$13.20 ceiling price).

### 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 the Reporting Persons' deputized director on the Issuer's board of directors.

On June 2, 2010, the Issuer completed a 1:10 reverse stock split of its common stock. The numbers reported herein all have been adjusted to reflect the reverse stock split. For the 20 trading day period following the effectiveness of the reverse stock split, the Issuer's common stock is trading temporarily under the symbol "ETFCD".

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.