

GRIFFIN KENNETH C

Form 4

May 13, 2009

FORM 4

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

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

OMB APPROVAL

OMB Number:	3235-0287
Expires:	January 31, 2005
Estimated average burden hours per response...	0.5

(Print or Type Responses)

1. Name and Address of Reporting Person *
CITADEL L P

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 INVESTMENT
GROUP, L.L.C., 131 S.
DEARBORN STREET, 32ND FL

3. Date of Earliest Transaction
(Month/Day/Year)
05/11/2009

_____ Director X 10% Owner
 _____ Officer (give title _____ Other (specify
 below) 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
X 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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D) Price			
Common Stock							47,848	D <u>(1)</u>	
Common Stock	05/11/2009		X		2,100	A \$ 7.5	289,145	D <u>(2)</u>	
Common Stock							88,812,336	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)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
PUT OPTION: EUSMU(4) [OBLIGATION TO BUY] ⁽⁴⁾	\$ 7.5	05/11/2009		X	21	<u>(5)</u>	01/16/2010	Common Stock	2,100

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
CITADEL L P C/O CITADEL INVESTMENT GROUP, L.L.C. 131 S. DEARBORN STREET, 32ND FL CHICAGO, IL 60603		X		
CITADEL INVESTMENT GROUP LLC 131 S. DEARBORN STREET, 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		
GRIFFIN KENNETH C C/O CITADEL INVESTMENT GROUP, L.L.C. 131 S. DEARBORN STREET, 32ND FLOOR CHICAGO, IL 60603		X		
CITADEL ADVISORS LLC C/O CITADEL INVESTMENT GROUP II, L.L.C.		X		

131 S. DEARBORN STREET, 32ND FLOOR
CHICAGO, IL 60603

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

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

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

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

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

Signatures

/s/ John C. Nagel, Authorized Signatory 05/13/2009

__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 Derivatives Group LLC.

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

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

(5) 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.

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.

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.