

E TRADE FINANCIAL CORP
 Form 4
 January 31, 2007

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 *
SIMMONS ROBERT J

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)
01/29/2007

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

C/O E*TRADE FINANCIAL CORPORATION, 135 E. 57TH STREET

(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

NEW YORK, NY 10022

(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)
				(A) or (D)	Price		
Common Stock	01/29/2007	01/29/2007	M ⁽¹⁾	25,000	A \$ 3.8	190,504	D
Common Stock	01/29/2007	01/29/2007	S ⁽¹⁾	2,000	D \$ 23.82	188,504	D
Common Stock	01/29/2007	01/29/2007	S ⁽¹⁾	1,337	D \$ 23.84	187,167	D
Common Stock	01/29/2007	01/29/2007	S ⁽¹⁾	5,000	D \$ 23.85	182,167	D
	01/29/2007	01/29/2007	S ⁽¹⁾	1,000	D	181,167	D

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Common Stock						\$ 23.86		
Common Stock	01/29/2007	01/29/2007	S ⁽¹⁾	2,000	D	\$ 23.87	179,167	D
Common Stock	01/29/2007	01/29/2007	S ⁽¹⁾	2,663	D	\$ 23.88	176,504	D
Common Stock	01/29/2007	01/29/2007	S ⁽¹⁾	3,000	D	\$ 23.89	173,504	D
Common Stock	01/29/2007	01/29/2007	S ⁽¹⁾	3,070	D	\$ 23.9	170,434	D
Common Stock	01/29/2007	01/29/2007	S ⁽¹⁾	1,000	D	\$ 23.92	169,434	D
Common Stock	01/29/2007	01/29/2007	S ⁽¹⁾	2,000	D	\$ 23.93	167,434	D
Common Stock	01/29/2007	01/29/2007	S ⁽¹⁾	1,930	D	\$ 23.94	165,504	D

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 Security (Instr. 3 and 4)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Am or Nur of S
Non-Statutory Stock Option (right to buy)	\$ 3.8	01/29/2007	01/29/2007	M	25,000	03/14/2004	03/14/2013	Common Stock	25

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

SIMMONS ROBERT J
C/O E*TRADE FINANCIAL CORPORATION
135 E. 57TH STREET
NEW YORK, NY 10022

Chief Financial Officer

Signatures

/s/ Russell S.
Elmer

01/31/2007

**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) The transactions reported in this Form 4 were effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on May 8, 2006. This plan was implemented as part of Mr. Simmons' personal long-term investment strategy for asset diversification and liquidity. Pursuant to the plan, a total of 241,730 shares may be sold on a periodic basis between May 2006 and April 2007, at which time the plan will terminate.

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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