

E TRADE FINANCIAL CORP  
Form SC 13D/A  
April 01, 2008

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

**SCHEDULE 13D  
(Rule 13d-101)**

**INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT  
TO RULE 13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO  
RULE 13d-2(a)**

**Under the Securities Exchange Act of 1934  
(Amendment No. 4)\***

E\*TRADE Financial Corporation  
(Name of Issuer)

Common Stock, \$0.01 par value  
(Title of Class of Securities)

269246104  
(CUSIP Number)

Matthew B. Hinerfeld  
Citadel Investment Group, L.L.C.  
131 S. Dearborn Street, 32nd Floor  
Chicago, Illinois 60603

(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)

March 27, 2008  
(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box.

**Note:** Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 13d-7 for other parties to whom copies are to be sent.

\*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page. The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

CUSIP No. 269246104

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- 1** NAME OF REPORTING PERSON  
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (ENTITIES ONLY)
- Citadel Limited Partnership
- 2** CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)x  
(b)£
- 3** SEC USE ONLY
- 4** SOURCE OF FUNDS  
AF
- 5** CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) £
- 6** CITIZENSHIP OR PLACE OF ORGANIZATION  
Delaware
- |              |           |                          |  |
|--------------|-----------|--------------------------|--|
| NUMBER OF    | <b>7</b>  | SOLE VOTING POWER        |  |
| SHARES       |           | 0                        |  |
| BENEFICIALLY | <b>8</b>  | SHARED VOTING POWER      |  |
| OWNED BY     |           | 89,957,842 shares        |  |
| EACH         | <b>9</b>  | SOLE DISPOSITIVE POWER   |  |
| REPORTING    |           | 0                        |  |
| PERSON       | <b>10</b> | SHARED DISPOSITIVE POWER |  |
| WITH         |           | See Row 8 above.         |  |
- 11** AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON £  
See Row 8 above.
- 12** CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES £
- 13** PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)  
17.7 percent<sup>1</sup>
- 14** TYPE OF REPORTING PERSON  
PN, HC

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<sup>1</sup> See Item 3 and Item 5 below.

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- 1** NAME OF REPORTING PERSON  
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (ENTITIES ONLY)
- Citadel Investment Group, L.L.C.
- 2** CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)x  
(b)£
- 3** SEC USE ONLY
- 4** SOURCE OF FUNDS  
AF
- 5** CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) £
- 6** CITIZENSHIP OR PLACE OF ORGANIZATION  
Delaware
- |              |           |                          |  |
|--------------|-----------|--------------------------|--|
| NUMBER OF    | <b>7</b>  | SOLE VOTING POWER        |  |
| SHARES       |           | 0                        |  |
| BENEFICIALLY | <b>8</b>  | SHARED VOTING POWER      |  |
| OWNED BY     |           | 89,957,842 shares        |  |
| EACH         | <b>9</b>  | SOLE DISPOSITIVE POWER   |  |
| REPORTING    |           | 0                        |  |
| PERSON       | <b>10</b> | SHARED DISPOSITIVE POWER |  |
| WITH         |           | See Row 8 above.         |  |
- 11** AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON £  
See Row 8 above.
- 12** CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES £
- 13** PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)  
17.7 percent<sup>2</sup>
- 14** TYPE OF REPORTING PERSON  
OO, HC

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<sup>2</sup> See Item 3 and Item 5 below.

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- 1** NAME OF REPORTING PERSON  
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (ENTITIES ONLY)
- Kenneth Griffin
- 2** CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)x  
(b)£
- 3** SEC USE ONLY
- 4** SOURCE OF FUNDS  
AF
- 5** CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) £
- 6** CITIZENSHIP OR PLACE OF ORGANIZATION  
United States
- |              |           |                          |  |
|--------------|-----------|--------------------------|--|
| NUMBER OF    | <b>7</b>  | SOLE VOTING POWER        |  |
| SHARES       |           | 0                        |  |
| BENEFICIALLY | <b>8</b>  | SHARED VOTING POWER      |  |
| OWNED BY     |           | 89,957,842 shares        |  |
| EACH         | <b>9</b>  | SOLE DISPOSITIVE POWER   |  |
| REPORTING    |           | 0                        |  |
| PERSON       | <b>10</b> | SHARED DISPOSITIVE POWER |  |
| WITH         |           | See Row 8 above.         |  |
- 11** AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON £  
See Row 8 above.
- 12** CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES £
- 13** PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)  
17.7 percent<sup>3</sup>
- 14** TYPE OF REPORTING PERSON  
IN, HC

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<sup>3</sup> See Item 3 and Item 5 below.

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- 1** NAME OF REPORTING PERSON  
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (ENTITIES ONLY)
- Citadel Equity Fund Ltd
- 2** CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)x  
(b)£
- 3** SEC USE ONLY
- 4** SOURCE OF FUNDS  
WC
- 5** CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) £
- 6** CITIZENSHIP OR PLACE OF ORGANIZATION  
Cayman Islands
- |              |           |                          |
|--------------|-----------|--------------------------|
| NUMBER OF    | <b>7</b>  | SOLE VOTING POWER        |
| SHARES       |           | 0                        |
| BENEFICIALLY | <b>8</b>  | SHARED VOTING POWER      |
| OWNED BY     |           | 89,957,842 shares        |
| EACH         | <b>9</b>  | SOLE DISPOSITIVE POWER   |
| REPORTING    |           | 0                        |
| PERSON       | <b>10</b> | SHARED DISPOSITIVE POWER |
| WITH         |           | See Row 8 above.         |
- 11** AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON £  
See Row 8 above.
- 12** CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES £
- 13** PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)  
17.7 percent<sup>4</sup>
- 14** TYPE OF REPORTING PERSON  
CO

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<sup>4</sup> See Item 3 and Item 5 below.

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- 1** NAME OF REPORTING PERSON  
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (ENTITIES ONLY)
- Citadel Derivatives Group LLC
- 2** CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)x  
(b)£
- 3** SEC USE ONLY
- 4** SOURCE OF FUNDS  
WC
- 5** CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) £
- 6** CITIZENSHIP OR PLACE OF ORGANIZATION  
Delaware
- |              |           |                          |  |
|--------------|-----------|--------------------------|--|
| NUMBER OF    | <b>7</b>  | SOLE VOTING POWER        |  |
| SHARES       |           | 0                        |  |
| BENEFICIALLY | <b>8</b>  | SHARED VOTING POWER      |  |
| OWNED BY     |           | 89,957,842 shares        |  |
| EACH         | <b>9</b>  | SOLE DISPOSITIVE POWER   |  |
| REPORTING    |           | 0                        |  |
| PERSON       | <b>10</b> | SHARED DISPOSITIVE POWER |  |
| WITH         |           | See Row 8 above.         |  |
- 11** AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON £  
See Row 8 above.
- 12** CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES £
- 13** PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)  
17.7 percent<sup>5</sup>
- 14** TYPE OF REPORTING PERSON  
OO, BD

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<sup>5</sup> See Item 3 and Item 5 below.

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- 1** NAME OF REPORTING PERSON  
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (ENTITIES ONLY)
- Citadel Derivatives Trading Ltd.
- 2** CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)x  
(b)£
- 3** SEC USE ONLY
- 4** SOURCE OF FUNDS  
WC
- 5** CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) £
- 6** CITIZENSHIP OR PLACE OF ORGANIZATION  
Cayman Islands
- |              |           |                          |
|--------------|-----------|--------------------------|
| NUMBER OF    | <b>7</b>  | SOLE VOTING POWER        |
| SHARES       |           | 0                        |
| BENEFICIALLY | <b>8</b>  | SHARED VOTING POWER      |
| OWNED BY     |           | 89,957,842 shares        |
| EACH         | <b>9</b>  | SOLE DISPOSITIVE POWER   |
| REPORTING    |           | 0                        |
| PERSON       | <b>10</b> | SHARED DISPOSITIVE POWER |
| WITH         |           | See Row 8 above.         |
- 11** AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON £  
See Row 8 above.
- 12** CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES £
- 13** PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)  
17.7 percent<sup>6</sup>
- 14** TYPE OF REPORTING PERSON  
CO

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<sup>6</sup> See Item 3 and Item 5 below.

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- 1** NAME OF REPORTING PERSON  
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (ENTITIES ONLY)
- Citadel AC Investments Ltd.
- 2** CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)x  
(b)£
- 3** SEC USE ONLY
- 4** SOURCE OF FUNDS  
AF
- 5** CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) £
- 6** CITIZENSHIP OR PLACE OF ORGANIZATION  
Cayman Islands
- |              |           |                          |  |
|--------------|-----------|--------------------------|--|
| NUMBER OF    | <b>7</b>  | SOLE VOTING POWER        |  |
| SHARES       |           | 0                        |  |
| BENEFICIALLY | <b>8</b>  | SHARED VOTING POWER      |  |
| OWNED BY     |           | 89,957,842 shares        |  |
| EACH         | <b>9</b>  | SOLE DISPOSITIVE POWER   |  |
| REPORTING    |           | 0                        |  |
| PERSON       | <b>10</b> | SHARED DISPOSITIVE POWER |  |
| WITH         |           | See Row 8 above.         |  |
- 11** AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON £  
See Row 8 above.
- 12** CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES £
- 13** PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)  
17.7 percent<sup>7</sup>
- 14** TYPE OF REPORTING PERSON  
CO

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<sup>7</sup> See Item 3 and Item 5 below.

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- 1** NAME OF REPORTING PERSON  
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (ENTITIES ONLY)
- Citadel Advisors LLC
- 2** CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)x  
(b)£
- 3** SEC USE ONLY
- 4** SOURCE OF FUNDS  
AF
- 5** CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) £
- 6** CITIZENSHIP OR PLACE OF ORGANIZATION  
Delaware
- |              |           |                          |  |
|--------------|-----------|--------------------------|--|
| NUMBER OF    | <b>7</b>  | SOLE VOTING POWER        |  |
| SHARES       |           | 0                        |  |
| BENEFICIALLY | <b>8</b>  | SHARED VOTING POWER      |  |
| OWNED BY     |           | 89,957,842 shares        |  |
| EACH         | <b>9</b>  | SOLE DISPOSITIVE POWER   |  |
| REPORTING    |           | 0                        |  |
| PERSON       | <b>10</b> | SHARED DISPOSITIVE POWER |  |
| WITH         |           | See Row 8 above.         |  |
- 11** AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON £  
See Row 8 above.
- 12** CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES £
- 13** PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)  
17.7 percent<sup>8</sup>
- 14** TYPE OF REPORTING PERSON  
OO, HC

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<sup>8</sup> See Item 3 and Item 5 below.

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- 1** NAME OF REPORTING PERSON  
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (ENTITIES ONLY)
- Citadel Holdings I LP
- 2** CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)x  
(b)£
- 3** SEC USE ONLY
- 4** SOURCE OF FUNDS  
AF
- 5** CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) £
- 6** CITIZENSHIP OR PLACE OF ORGANIZATION  
Delaware
- |              |           |                          |  |
|--------------|-----------|--------------------------|--|
| NUMBER OF    | <b>7</b>  | SOLE VOTING POWER        |  |
| SHARES       |           | 0                        |  |
| BENEFICIALLY | <b>8</b>  | SHARED VOTING POWER      |  |
| OWNED BY     |           | 89,957,842 shares        |  |
| EACH         | <b>9</b>  | SOLE DISPOSITIVE POWER   |  |
| REPORTING    |           | 0                        |  |
| PERSON       | <b>10</b> | SHARED DISPOSITIVE POWER |  |
| WITH         |           | See Row 8 above.         |  |
- 11** AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON £  
See Row 8 above.
- 12** CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES £
- 13** PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)  
17.7 percent<sup>9</sup>
- 14** TYPE OF REPORTING PERSON  
PN, HC

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<sup>9</sup> See Item 3 and Item 5 below..

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- 1** NAME OF REPORTING PERSON  
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (ENTITIES ONLY)
- Citadel Holdings II LP
- 2** CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)x  
(b)£
- 3** SEC USE ONLY
- 4** SOURCE OF FUNDS  
AF
- 5** CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) £
- 6** CITIZENSHIP OR PLACE OF ORGANIZATION  
Delaware
- |              |           |                          |  |
|--------------|-----------|--------------------------|--|
| NUMBER OF    | <b>7</b>  | SOLE VOTING POWER        |  |
| SHARES       |           | 0                        |  |
| BENEFICIALLY | <b>8</b>  | SHARED VOTING POWER      |  |
| OWNED BY     |           | 89,957,842 shares        |  |
| EACH         | <b>9</b>  | SOLE DISPOSITIVE POWER   |  |
| REPORTING    |           | 0                        |  |
| PERSON       | <b>10</b> | SHARED DISPOSITIVE POWER |  |
| WITH         |           | See Row 8 above.         |  |
- 11** AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON £  
See Row 8 above.
- 12** CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES £
- 13** PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)  
17.7 percent<sup>10</sup>
- 14** TYPE OF REPORTING PERSON  
PN, HC

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<sup>10</sup> See Item 3 and Item 5 below.

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- 1** NAME OF REPORTING PERSON  
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (ENTITIES ONLY)
- Citadel Investment Group II, L.L.C.
- 2** CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)x  
(b)£
- 3** SEC USE ONLY
- 4** SOURCE OF FUNDS  
AF
- 5** CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) £
- 6** CITIZENSHIP OR PLACE OF ORGANIZATION  
Delaware
- |              |           |                          |  |
|--------------|-----------|--------------------------|--|
| NUMBER OF    | <b>7</b>  | SOLE VOTING POWER        |  |
| SHARES       |           | 0                        |  |
| BENEFICIALLY | <b>8</b>  | SHARED VOTING POWER      |  |
| OWNED BY     |           | 89,957,842 shares        |  |
| EACH         | <b>9</b>  | SOLE DISPOSITIVE POWER   |  |
| REPORTING    |           | 0                        |  |
| PERSON       | <b>10</b> | SHARED DISPOSITIVE POWER |  |
| WITH         |           | See Row 8 above.         |  |
- 11** AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON £  
See Row 8 above.
- 12** CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES £
- 13** PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)  
17.7 percent<sup>11</sup>
- 14** TYPE OF REPORTING PERSON  
OO, HC

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<sup>11</sup> See Item 3 and Item 5 below.

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**ITEM 1. SECURITY AND ISSUER**

This Amendment No. 4 amends the Schedule 13D filed on December 17, 2007 (the "Original Filing") by Citadel Limited Partnership ("CLP"), Citadel Investment Group, L.L.C. ("CIG"), Kenneth Griffin ("Griffin"), Citadel Equity Fund Ltd. ("CEF"), Citadel Derivatives Group LLC ("CDG"), Citadel Derivatives Trading Ltd. ("CDT"), Wingate Capital Ltd., and Citadel AC Investments Ltd. ("CAC") relating to the Common Stock, \$0.01 par value, of E\*TRADE Financial Corporation, as amended by Amendment No. 1 to Schedule 13D filed on January 18, 2008 ("Amendment No. 1"), Amendment No. 2 to Schedule 13D filed on February 27, 2008 ("Amendment No. 2") and Amendment No. 3 to Schedule 13D filed on March 10, 2008 ("Amendment No. 3" and, together with the Original Filing, Amendment No. 1 and Amendment No. 2, the "Prior Filing") by CLP, CIG, Griffin, CEF, CDG, CDT, CAC, Citadel Advisors LLC ("Citadel Advisors"), Citadel Holdings I LP ("CH-I"), Citadel Holdings II LP ("CH-II"), and Citadel Investment Group II, L.L.C. ("CIG-II"). Capitalized terms not defined herein shall have the meaning given to them in the Prior Filing.

**ITEM 3. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION**

Item 3 of the Prior Filing is amended by deleting the fourth paragraph of the Prior Filing and replacing it with the following:

On January 18, 2008, the Issuer and Wingate executed a second amendment to the Investment Agreement (the "Second Amendment") that provided, among other things, that on the date thereof the Issuer would issue to the Reporting Persons \$150,000,000 in aggregate principal amount of the Issuer's 12.5% Springing Lien Notes due 2017 (constituting the Final Springing Lien Notes) and the Reporting Persons would contribute to the Issuer cash in the aggregate amount of \$150,000,000, less expenses for which the Issuer is responsible under the Amended Investment Agreement. The transactions concerning the Final Springing Lien Notes contemplated by the Second Amendment were consummated on January 18, 2008. The Second Amendment also provided that the Reporting Persons have the right to receive from the Issuer 46,684,890 shares of Common Stock (constituting the Final Common Stock) following the receipt of the remaining government approvals relating to such issuance, and that the Reporting Person's right to designate a nominee to be appointed to the Issuer's Board of Directors would become effective immediately following the issuance of the Final Common Stock. The Issuer and Wingate entered into a third amendment to the Investment Agreement, dated March 27, 2008 (the "Third Amendment" and, together with the Investment Agreement, the First Amendment and the Second Amendment, the "Amended Investment Agreement"). The Third Amendment provided, among other things, that the Reporting Persons' obligation to give notice (thus triggering their right to receive from the Issuer 46,684,890 shares of Common Stock constituting the Final Common Stock) would be extended from 30 days after receipt of all regulatory approvals (which occurred on February 26, 2008) to May 1, 2008.

Item 3 of the Prior Filing is also amended by adding, after the fifth paragraph, the following new paragraph:

From March 12 through 17, 2008, the Reporting Persons acquired approximately \$29 million in aggregate principal face amount of the Issuer's outstanding 7.875% senior notes due 2015 (the "7.875% Notes"), and \$8 million in aggregate principal face amount of its outstanding 7.375% senior notes due 2013 (the "7.375% Notes") in privately negotiated transactions for cash. On March 28, 2008, the Reporting Persons acquired approximately \$7 million in aggregate principal amount of the Springing Lien Notes and sold approximately \$7 million in aggregate principal amount of the 8% Notes in privately negotiated transactions. Following these transactions, as of April 1, 2008, the Reporting Persons owned approximately \$1,601,415,000 in aggregate principal amount of the Springing Lien Notes, approximately \$249,245,000 in aggregate principal amount of the 8% Notes, approximately \$29 million in aggregate principal amount of the 7.875% Notes and approximately \$8 million in aggregate principal amount of the 7.375%

Notes.

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**ITEM 5. INTEREST IN SECURITIES OF THE ISSUER**

Items 5(a) and (b) of the Prior Filing are amended and restated as follows:

(a) Number of shares: 89,957,842 shares

Percentage of shares: 17.7%<sup>12</sup>

(b) Sole power to vote or direct the vote: 0

Shared power to vote or direct the vote: 89,957,842 shares

Sole power to dispose or to direct the disposition: 0

Shared power to dispose or direct the disposition: 89,957,842 shares

(c) The table attached hereto as Exhibit 99.15 sets forth the transactions effected by the Reporting Persons in the shares of Common Stock of the Issuer since Amendment No. 3. Other than the acquisition of the Initial Common Stock, the Additional Common Stock and the Final Common Stock, and other than the transactions contemplated by the agreements disclosed in Item 6, all such transactions were effected on March 17, 2008 in the open market.

(d) No change.

(e) No change.

**ITEM 6. CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS OR RELATIONSHIPS WITH RESPECT TO SECURITIES OF THE ISSUER**

Item 6 of the Prior Filing is amended by adding after the thirteenth paragraph the following:

The Issuer and Wingate entered into the Third Amendment, dated March 27, 2008, a copy of which is attached as Exhibit 99.16 hereto and the terms of which are described in Item 3. The description of the terms of the Third Amendment contained in Item 3 is a summary, does not purport to be complete, and is qualified in its entirety by reference to the Third Amendment referred to in Item 7 below as Exhibit 99.16, and which is incorporated herein by reference.

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<sup>12</sup> The percentages reported in this Amendment No. 4 are based upon 508,677,602 shares of Common Stock outstanding as of March 27, 2008 (461,992,712 shares of Common Stock outstanding as of February 22, 2008 (as reported in the Issuer's Form 10-K filed on February 28, 2008), plus 46,684,890 shares of Common Stock to which the Reporting Persons became entitled on February 26, 2008).

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**ITEM 7.**

**MATERIAL TO BE FILED AS EXHIBITS**

The following documents are filed as appendices and exhibits (or incorporated by reference herein):

Exhibit 99.15: Transaction Listing Required by Item 5(c)

Exhibit 99.16: Third Amendment to the Investment Agreement, dated March 27, 2008, by and between E\*TRADE Financial Corporation and Wingate Capital Ltd.

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**Signature**

After reasonable inquiry and to the best of its knowledge and belief, the undersigned certify that the information set forth in this statement is true, complete and correct.

Dated this 1<sup>st</sup> day of April, 2008

**CITADEL LIMITED PARTNERSHIP**

By: Citadel Investment Group,  
L.L.C.,  
its General Partner

By: /s/ Matthew B. Hinerfeld  
Matthew B Hinerfeld, Authorized  
Signatory

**CITADEL EQUITY FUND LTD.**

By: Citadel Limited Partnership,  
its Portfolio Manager

By: Citadel Investment Group,  
L.L.C.,  
its General Partner

By: /s/ Matthew B. Hinerfeld  
Matthew B. Hinerfeld,  
Authorized Signatory

**KENNETH GRIFFIN**

By: /s/ Matthew B. Hinerfeld  
Matthew B. Hinerfeld,  
attorney-in-fact<sup>13</sup>

**CITADEL INVESTMENT GROUP, L.L.C.**

By: /s/ Matthew B. Hinerfeld  
  
Matthew B. Hinerfeld,  
Authorized Signatory

**CITADEL AC INVESTMENTS LTD.**

By: Citadel Limited Partnership,  
its Portfolio Manager

By: Citadel Investment Group,  
L.L.C.,  
its General Partner

By: /s/ Matthew B. Hinerfeld  
Matthew B. Hinerfeld,  
Authorized Signatory

**CITADEL DERIVATIVES GROUP LLC**

By: Citadel Limited Partnership,  
its Managing Member

By: Citadel Investment Group,  
L.L.C.,  
its General Partner

By: /s/ Matthew B. Hinerfeld  
Matthew B. Hinerfeld,  
Authorized Signatory

<sup>13</sup> Matthew B. Hinerfeld is signing on behalf of Kenneth Griffin as attorney-in-fact pursuant to a power of attorney previously filed with the Securities and Exchange Commission on February 4, 2005, and hereby incorporated by reference herein. The power of attorney was filed as an attachment to a filing by Citadel Limited Partnership on Schedule 13G/A for Komag, Incorporated.

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**CITADEL DERIVATIVES TRADING LTD.**

By: Citadel Limited Partnership,  
its Portfolio Manager

By: Citadel Investment Group,  
L.L.C.,  
its General Partner

By: /s/ Matthew B. Hinerfeld  
Matthew B. Hinerfeld,  
Authorized Signatory

**CITADEL ADVISORS LLC**

By: Citadel Holdings II LP,  
its managing member

By: Citadel Investment Group II,  
L.L.C.,  
its General Partner

By: /s/ Matthew B. Hinerfeld  
Matthew B. Hinerfeld,  
Authorized Signatory

**CITADEL HOLDINGS I LP**

By: Citadel Investment Group II,  
L.L.C.,  
its General Partner

By: /s/ Matthew B. Hinerfeld  
Matthew B. Hinerfeld,  
Authorized Signatory

**CITADEL HOLDINGS II LP**

By: Citadel Investment Group II,  
L.L.C.,  
its General Partner

By: /s/ Matthew B. Hinerfeld  
Matthew B. Hinerfeld,  
Authorized Signatory

**CITADEL INVESTMENT GROUP II, L.L.C.**

By: /s/ Matthew B. Hinerfeld  
Matthew B. Hinerfeld,  
Authorized Signatory

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