

Ellington Financial LLC
 Form 4
 September 15, 2014

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 *
SIMON RONALD I

(Last) (First) (Middle)
 53 FOREST AVE
 (Street)
 OLD GREENWICH, CT 06870
 (City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
 Ellington Financial LLC [EFC]

3. Date of Earliest Transaction
 (Month/Day/Year)
 09/11/2014

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

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)
			Code	V	Amount	(D)	Price
Common shares rep. limited liability company interests	09/11/2014		M		1,822	A	\$ 0
					13,604	I	
							By trust ⁽¹⁾

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

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SEC 1474 (9-02)

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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
LTIP Units ⁽²⁾	⁽³⁾	09/11/2014		A	1,947	⁽²⁾ ⁽²⁾	Common Shares	1,947
LTIP Units	⁽²⁾	09/11/2014		M	1,822 ⁽⁴⁾	⁽²⁾ ⁽²⁾	Common Shares	1,822

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SIMON RONALD I 53 FOREST AVE OLD GREENWICH, CT 06870			X	

Signatures

/s/ Jason Frank, attorney-in-fact for Ronald I. Simon
Date: 09/12/2014

⁽²⁾Signature of Reporting Person

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 shares are held in the Simon Family Trust (the "Trust"). Mr. Simon is a trustee of the Trust. Mr. Simon and his wife are the beneficiaries of the Trust. Mr. Simon disclaims beneficial ownership of the reported securities except to the extent of his pecuniary interest therein.
- (2) Represents a separate non-voting class of limited liability company interests ("LTIP Units") of Ellington Financial LLC (the "Company"), which are structured as profits interests. The LTIP Units were issued pursuant to, and are subject to the terms and conditions of, the Issuer's 2007 Incentive Plan for Individuals.
- (3) The 1,947 LTIP Units remain forfeitable, subject to the reporting person's continued service as a member of the board of directors of the Company, until September 10, 2015. After the applicable forfeiture restrictions lapse, the LTIP Units may be converted at the election of the holder, into common shares representing limited liability interests of the Company ("Common Shares") on a one-for-one basis. The rights to convert LTIP Units into Common Shares do not have expiration dates.
- (4) Represents the conversion of outstanding vested LTIP Units into common shares pursuant to the terms thereof. The conversion does not represent or involve a disposition for value.

Remarks:

Exhibit 24 Attached

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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