



E*TRADE CANADA INTRODUCES HIGH-YIELD CASH INVESTMENT ACCOUNT

Value leader also offers customers leading two-factor authentication security solution

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Toronto, Canada, November 21, 2006-E*TRADE Canada, a subsidiary of E*TRADE FINANCIAL Corporation (NYSE: ET), today announced two major enhancements to its offering - one of the highest cash interest rates available and Canada's first two-factor customer authentication digital security solution - broadening its appeal as a value leader for the everyday investor. Branded under the Company's E*TRADE Complete(TM) umbrella of integrated financial solutions, the new high-yield cash investment account and added security measures reinforce the Company's commitment to delivering increased value to investors.

"Smart investors want more than low-cost commissions and are demanding a full suite of offerings that encompass premium interest rates, cutting-edge functionality and superior service," said Duncan Hannay, President, E*TRADE Canada Securities Corporation. "Our new high-yield cash investment account and customer security initiatives set a new standard of value for the Canadian consumer and build upon our suite of solutions for the self-directed investor."

Optimizing Cash Holdings

For investors who seek both a high rate of return on their idle cash balances and a high degree of flexibility, E*TRADE Canada's Cash Optimizer Investment Account offers a 4.15% and 4.75% interest rate¹ on Canadian and US cash balances, respectively, and the ability to move idle cash easily into an array of fixed-income mutual funds, money market, or debt instruments. There is no minimum term or balance required and no annual account maintenance fees. It also features the industry's only Intelligent Cash Optimizer, which allows customers to instantly calculate the interest earning potential of their uninvested cash, ensuring that customers have the ability to maximize the interest they earn on their idle cash balances at E*TRADE Canada. The Cash Optimizer Investment Account also offers a QuickTransfer tool to help customers move money, at no charge, between financial institutions in Canadian and US dollars.

Empowering and Standing by our Customers

The Digital Security ID offered by E*TRADE Canada provides customers an added layer of security, empowering customers to prevent unauthorized account access. Known as "two-factor authentication," this innovative solution from RSA(R), the Security Division of EMC, is a small digital device used by the customer at the time of account log-on that provides each participating customer with a unique six-digit code that changes every 60 seconds, impeding unauthorized access to a customer's accounts. Eligible E*TRADE Canada customers may obtain a Digital Security ID by visiting www.canada.etrade.com/SecurityID.²

E*TRADE Canada customers are offered additional account protection through the E*TRADE Complete(TM) Protection Guarantee³, a guarantee that covers a loss that results from unauthorized online use of a customer's E*TRADE Canada brokerage account.

Value Proposition Evolution

Earlier this year, E*TRADE Canada lowered commissions across the board and introduced flat \$9.99 U.S. and Canadian equity commissions while lowering the best-price qualification threshold to just \$50,000 in assets or 30 equity or options trades per quarter.

In addition to competitive pricing and state-of-the-art security solutions, E*TRADE Canada provides customers with a broad set of tools and services to make the most of their online investing experience, including real time account balances, customizable trading platforms, direct market access, trailing stop orders, uncovered options trading, SmartAlerts and the IPO Centre online, to name a few. The advanced functionality, coupled with highly competitive pricing and dedicated service, demonstrates E*TRADE Canada's commitment to providing retail investors with robust investing solutions.

Details and applicable terms regarding the E*TRADE Complete(TM) Protection Guarantee, Digital Security ID and Cash Optimizer Investment Account are available at www.etrade.ca.

About E*TRADE FINANCIAL

The E*TRADE FINANCIAL family of companies provide financial services including trading, investing, banking and lending for retail and institutional customers.

E*TRADE Canada is a service of E*TRADE Canada Securities Corporation (Discount Broker - Order-Execution Only Accounts), a member of the TSX, the TSX Venture Exchange, the Montreal Exchange, the Investment Dealers Association and the Canadian Investor Protection Fund. The E*TRADE Canada service is offered in all provinces. E*TRADE, E*TRADE Canada, E*TRADE Complete and E*TRADE FINANCIAL are trademarks or registered trademarks of E*TRADE FINANCIAL Corp. or its subsidiaries and are used with permission. E*TRADE FINANCIAL Corp., a U.S. public holding company listed on the New York Stock Exchange, is the indirect parent of E*TRADE Canada Securities Corporation. E*TRADE FINANCIAL Corp. is also the parent of U.S. based E*TRADE Securities LLC and E*TRADE Bank, each a pioneer in digital and online financial services.

*1 Annual interest rate in effect on November 21, 2006. Interest rate is subject to change at any time in E*TRADE Canada's discretion without prior notice. Interest is calculated on the daily closing balance and is paid monthly.*

*2 One E*TRADE Complete(TM) Digital Security ID will be offered at no cost to customers who trade equity or options 30 or more times per quarter or who have \$50,000 or more in assets across combined E*TRADE Canada accounts. All other E*TRADE Canada customers may obtain a Digital Security ID for \$30 per device. A \$30 charge may be imposed for each additional or replacement Security ID. E*TRADE FINANCIAL at its sole discretion may impose a fee for this service in the future or may discontinue or modify the terms of the service. The Security ID cannot be used in conjunction with the TELE*MASTER or Power E*TRADE Pro services.*

3 Conditions apply. For details, including limitations, visit www.etrade.ca.

RSA is a registered trademark or trademark of RSA Security Inc. in the United States and/or other countries. RSA Security Inc. is not affiliated with E*TRADE FINANCIAL Corp. or any of its affiliates and is not a sponsor of this program.

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