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**E*TRADE TO NAME RODGER A. LAWSON
CHAIRMAN OF THE BOARD OF DIRECTORS**

*Frank J. Petrilli and Ronald D. Fisher will not stand for re-election
at upcoming Annual Meeting of Stockholders*

NEW YORK, March 8, 2013 – E*TRADE Financial Corporation (NASDAQ: ETFC) today announced that its Board of Directors intends to appoint Rodger A. Lawson as Chairman to replace Frank J. Petrilli immediately following the 2013 Annual Meeting of Stockholders, subject to the re-election of Mr. Lawson at the Annual Meeting. Mr. Petrilli, who has served as Chairman since January 2012 and also as Interim CEO of the Company from August 2012 through January 2013, advised the Board that he does not wish to stand for re-election. Mr. Petrilli will remain a director until the Annual Meeting of Stockholders, scheduled for May 9, 2013.

Mr. Lawson, who was appointed to the E*TRADE Board of Directors in February 2012, brings over 30 years of experience in the financial services industry, having most recently served as President of Fidelity Investments. Mr. Lawson also served as Lead Independent Director from August 2012 to January 2013, during which time Mr. Petrilli was Chairman and Interim CEO of the Company.

“I am grateful to accept this role, and look forward to continuing to serve the Company and its stockholders in this new capacity,” Mr. Lawson commented. “I am particularly encouraged about the direction of E*TRADE under CEO Paul Idzik, and feel the Company is on the right path to creating long-term value for its stockholders.”

“E*TRADE is a fantastic franchise, and I have been honored to serve as Chairman and Interim CEO during such a pivotal time in the Company’s history,” said Mr. Petrilli. “My decision to not stand for re-election was a difficult one, but reflects my other business and time commitments. I believe that Paul Idzik is well equipped to lead E*TRADE forward and that Rodger Lawson will make an excellent Chairman. I look forward to watching all of E*TRADE’s success as an investor and customer.”

Ronald D. Fisher, who has been a member of E*TRADE’s Board since October 2000, has also notified the Board that he will not stand for re-election, due to his expanded responsibilities as President of SoftBank Holdings, Inc. Mr. Fisher will also remain a director until the Annual Meeting of Stockholders.

Mr. Lawson continued, "On behalf of the Board, I would like to thank Frank and Ron for their commitment and dedication over the past years."

About Rodger Lawson

Rodger A. Lawson, 66, has been a director of the Company since February 2012 and was Lead Independent Director from August 2012 to January 2013. Mr. Lawson is a retired financial services executive who most recently served as President and CEO of Fidelity Investments – Financial Services. Prior to joining Fidelity, Mr. Lawson served in several senior executive roles with Prudential Financial, including Vice Chairman. He has held numerous other executive positions in financial services, including President and CEO of Van Eck Global, and Managing Director and Partner of Bankers Trust Company and CEO of the Private Bank and Global Mutual Funds. Previously, Mr. Lawson was President and CEO of Fidelity Investments Retail Group, and CEO of the Dreyfus Service Corporation. Mr. Lawson is currently on the board of directors of UnitedHealth Group, Inc. Mr. Lawson is a member of the E*TRADE Bank board and the E*TRADE Financial Corporation Compensation Committee.

About E*TRADE Financial

The E*TRADE Financial family of companies provides financial services including online brokerage and related banking products and services to retail investors. Specific business segments include Trading and Investing and Balance Sheet Management. Securities products and services are offered by E*TRADE Securities LLC (Member FINRA/SIPC). Bank products and services are offered by E*TRADE Bank, a Federal savings bank, Member FDIC, or its subsidiaries and affiliates. More information is available at www.etrade.com. ETFC-G

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