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E*TRADE FINANCIAL Media Relations Contact

Pam Erickson

617-296-6080

pam.erickson@etrade.com

E*TRADE FINANCIAL Investor Relations Contact

Adam Townsend

646-521-4406

adam.townsend@etrade.com

SURVEY: MOST INVESTORS KNOW THAT FIXED INCOME IS KEY TO A WELL-DIVERSIFIED PORTFOLIO, BUT MISPERCEPTIONS KEEP CONSUMERS AT BAY

E*TRADE Securities Launches Redesigned Fixed Income Trading Platform

New York, May 20, 2008 – E*TRADE Securities LLC has enhanced and redesigned its fixed income trading platform following a nationwide E*TRADE customer survey that revealed the need for practical information and education about fixed income securities as well as simplified pricing.

Key findings from the survey included:

- The majority (over 65%) of respondents believe fixed income is an integral part of a well-diversified portfolio; however, those who don't have fixed income investments report the following:
 - Nearly half (45%) think fixed income is an investment tool only for retired people
 - Many (36%) think buying and selling fixed income is a complex process
- Most (58%) think fixed income is more important during times of volatility
- A majority (52%) of fixed income investors prefer commission-based agency pricing similar to equity trade pricing

"Fixed income is indeed a key component of most well-diversified portfolios, yet we continue to see hesitation and misperceptions perpetuated among investors, signaling a need for better education, tools and access to fixed income securities and information," said Michael Curcio, Managing Director, E*TRADE Securities LLC. "Our goal in redesigning E*TRADE's fixed income trading platform is to deliver an easy-to-navigate, educational platform paired with transparent pricing that helps to simplify bond trading. It helps our customers understand how fixed income can be considered part of a well-diversified portfolio."

E*TRADE Securities' upgraded Bond Center makes it easy for customers to research, buy and sell fixed income securities online. The new Bond Center offers:

- One of the largest selections of fixed-income products available online – access to more than 30,000 fixed income products online, including Treasury, Agency, Corporate and Municipal securities, as well as brokered CDs
- Three ways to purchase bonds – independently online; over the phone through our Fixed Income Service Center; or with the help and guidance of an experienced Financial Advisor

- Powerful tools, screeners, and research content to help investors choose – including the “Quick Picks” list, Bond Ladder tool and real-time fixed income market updates that make it easy to find fixed income securities that meet investors’ needs
- New and improved bond trading ticket – offering enhanced trade details and information to make customers’ bond trading experiences fast and easy

“Now more than ever, investors are looking for smart ways to diversify their investment portfolios, and E*TRADE is committed to offering the best personalized guidance and tools to help customers do just that,” continued Mr. Curcio.

In addition, E*TRADE Securities has simplified its online bond pricing structure to meet the market demand for a simplified and transparent model, using commission-based agency pricing for online bond purchases. The new pricing model is as follows:

US Treasury Auction	\$0
US Treasury Secondary Trades Online	\$0
Online Secondary Trades¹	\$1 per bond (minimum \$10, maximum \$250)
Rep Assisted Trades	Online secondary pricing plus \$20 commission
Through Financial Advisors²	Net yield basis³
New Issues (except Treasury Auction)	Offering price includes a selling concession

For more information on fixed income investing and E*TRADE’s updated fixed income trading platform, visit www.etrade.com.

PLEASE READ THE IMPORTANT DISCLOSURES BELOW:

¹Includes Agency, Corporate and Municipal Bonds, Brokered CDs, Pass-Thrus, CMOs, and Asset Backed Securities.

²Financial Advisors provide recommendations on mutual funds, bonds, preferred stocks, closed-end funds, structured products (including equity linked CDs) and asset allocation. Customers are required to complete additional forms and documentation in order to receive such services. Different commission structures may apply and in some cases may be less or more than the rates posted on the web site.

³Secondary market trades executed through a Financial Advisor will be effected on a net yield basis, where E*TRADE Securities will act as principal. When acting as principal, we will add a markup to every purchase, and subtract a markdown from every sale. The markup or markdown will be included in the price quoted to you and will vary depending on the characteristics of the particular security or CD.

About E*TRADE FINANCIAL

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

Securities products and services are offered by E*TRADE Securities LLC (Member FINRA/[SIPC](#)).

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