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E*TRADE FINANCIAL APPOINTS KARL A. ROESSNER GENERAL COUNSEL

New York, May 15, 2009 – E*TRADE FINANCIAL Corporation (NASDAQ: ETFC) today announced the appointment of Karl A. Roessner to the position of Executive Vice President and General Counsel, effective immediately, reporting to Donald H. Layton, Chairman and CEO. Mr. Roessner assumes responsibility for the oversight, guidance and direction of legal, regulatory and compliance matters. He will also act as Corporate Secretary to the Company's Board of Directors.

"Mr. Roessner joins the management team of E*TRADE FINANCIAL with an invaluable depth of experience in legal matters related to balance sheet management, including capital raising initiatives," said Mr. Layton.

Mr. Roessner has more than 16 years of experience practicing law, most recently as a partner in the Mergers and Acquisitions group of Clifford Chance US LLP, one of the world's leading law firms. There, he advised clients on negotiated public and private transactions, management and leveraged buyouts, and capital raising activities.

Mr. Roessner has an eight-year history with E*TRADE, having represented the Company primarily with respect to acquisitions and divestitures in the brokerage space, including the acquisitions of BrownCo and Harris*direct* and most recently, the divestiture of E*TRADE Canada.

Mr. Roessner earned his undergraduate degree in business administration from Siena College and his J.D. from St. Johns University School of Law.

About E*TRADE FINANCIAL

The E*TRADE FINANCIAL family of companies provides financial services including trading, investing and related banking products and services to retail investors. 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.

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