





Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On June 15, 2016, E\*TRADE Financial Corporation's (the "Company") Board of Directors (the "Board") expanded the number of members of the Board from eleven to twelve and elected Mr. Kevin Kabat to the Board and the Compensation and Governance Committees of the Board, effective June 16, 2016 (the "Effective Date"). Mr. Kabat will stand for re-election at the 2017 Annual Stockholders Meeting.

Consistent with the Company's non-employee director compensation policy, as of the Effective Date, the Board approved the payment of a pro-rata retainer to Mr. Kabat in the amount of \$45,000 in cash, and a grant of restricted stock with a fair market value on the Effective Date equal to \$90,000, which will vest one year from the grant date.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

E\*TRADE FINANCIAL  
CORPORATION

Dated: June 15, 2016 By: /s/ Karl A. Roessner  
Name: Karl A. Roessner  
Title: Corporate Secretary