

Vranos Michael W
 Form 4
 August 02, 2012

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549**

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 Vranos Michael W

(Last) (First) (Middle)
 53 FOREST AVENUE
 (Street)

OLD GREENWICH, CT 06870

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
 Ellington Financial LLC [EFC]

3. Date of Earliest Transaction (Month/Day/Year)
 08/01/2012

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)
 Co-Chief Investment Officer

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V	Amount	(D)	Price
Common shares	08/01/2012		J ⁽¹⁾		11,045	A	\$ 0
Common shares					14,294 ⁽³⁾	D	

See Footnote (2)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Owned Beneficially (Instr. 5)
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Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Vranos Michael W 53 FOREST AVENUE OLD GREENWICH, CT 06870	X	X	Co-Chief Investment Officer	
VC INVESTMENTS LLC 53 FOREST AVE OLD GREENWICH, CT 06870		X		

Signatures

/s/ Christopher C. Green, attorney-in-fact for Michael W. Vranos
 **Signature of Reporting Person
 Date 08/02/2012

/s/ Christopher C. Green, attorney-in-fact for VC Investments LLC
 **Signature of Reporting Person
 Date 08/02/2012

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
 - ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) The shares were issued in connection with the second quarter 2012 incentive fee payable to Ellington Financial Management LLC ("EFM"), the issuer's manager, pursuant to a management agreement between the issuer and EFM.
- The shares are owned indirectly by each of Michael W. Vranos and VC Investments LLC ("VC"). Of the 2,373,136 shares indirectly beneficially owned by each of Michael W. Vranos and VC, 2,362,091 common shares are owned directly by EMG Holdings, L.P. ("EMGH") and 11,045 common shares are directly owned by EFM. VC is the general partner of EMGH and the managing member of
- (2) EFM. Michael W. Vranos is the managing member of, and holds a controlling interest in, VC. Michael W. Vranos and VC together share the power to direct the voting and disposition of these common shares, and may be regarded as the beneficial owners of the common shares owned beneficially or of record by each other. Each of Michael W. Vranos and VC disclaims beneficial ownership of any common shares owned beneficially or of record by each other except to the extent of its or his pecuniary interest therein.

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- (3) Represents common shares owned directly by Michael W. Vranos.

Remarks:

In addition, Michael W. Vranos is the settlor of two trusts holding 500,000 and 109,000 common shares, respectively. Michael

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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