

Ellington Financial LLC
 Form 4
 February 13, 2014

FORM 4

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

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)
 02/11/2014

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 | 02/11/2014 | | J ⁽¹⁾ | | 13,564 | A | \$ 0 |
| Common shares | | | | | 2,205,623 | I | |
| | | | | | 514,294 ⁽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. Nu Deriv Secur Bene Own Follo Repo Trans (Instr |
|--------------------------------------------|--------------------------------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-----------------------------------------------------------------------------------------|----------------------------------------------------------|---------------------------------------------------------------|--------------------------------------------|----------------------------------------------------|
| | | | | | | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| | | | | | | Code | V | (A) | (D) |

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/ Jason S. Frank, attorney-in-fact for Michael W. Vranos | 02/13/2014 |
| **Signature of Reporting Person | Date |
| /s/ Jason S. Frank, attorney-in-fact for VC Investments LLC | 02/13/2014 |
| **Signature of Reporting Person | Date |

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 fourth quarter 2013 incentive fee payable to Ellington Financial Management LLC ("EFM"), the issuer's manager, pursuant to a management agreement between the issuer and EFM.
Of these 2,205,623 common shares, 1,905,443 common shares are owned directly by EMG Holdings, L.P. ("EMGH"), 122,706 common shares are directly owned by EFM and 177,474 common shares are held in family trusts for the benefit of EMGH partners (other than Mr. Vranos) for which Mr. Vranos acts as trustee. VC Investments LLC ("VC") is the general partner of EMGH and the managing member of 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 common shares held by EMGH and EFM, and may be regarded as the beneficial owners of the common shares. 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 a trust holding 109,000 common shares. Michael W. Vranos disclaims benefic

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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