

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

| OMB APPROVAL | |
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|---|--|--|--|--|--|--|--|--|
| 1. Name and Address of Reporting Person* <u>Vranos Michael W</u> _____ (Last) (First) (Middle) <u>53 FOREST AVENUE</u> _____ (Street) <u>OLD GREENWICH CT 06870</u> _____ (City) (State) (Zip) | | | 2. Issuer Name and Ticker or Trading Symbol <u>Ellington Financial LLC [EFC]</u> | | | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director <input checked="" type="checkbox"/> 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>Co-Chief Investment Officer</u> | | |
| | | | 3. Date of Earliest Transaction (Month/Day/Year) <u>11/28/2011</u> | | | | | |
| | | | 4. If Amendment, Date of Original Filed (Month/Day/Year) | | | | | |
| | | | 6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> 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 Indirect Beneficial Ownership (Instr. 4) |
|--|--------------------------------------|--|--------------------------------|---|---|------------|------------------------|---|--|---|
| | | | Code | V | Amount | (A) or (D) | Price | | | |
| Common Shares rep. limited liability company interests | 11/28/2011 | | P | | 330 | A | \$17.15 ⁽¹⁾ | 4,290 | D | |
| Common Shares rep. limited liability company interests | 11/29/2011 | | P | | 600 | A | \$16.84 ⁽²⁾ | 4,890 | D | |
| Common Shares rep. limited liability company interests | | | | | | | | 2,499,381 | I | See footnotes. ⁽³⁾ |

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 Securities Underlying Derivative Security (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|-----|--|-----------------|---|--|--|---|--|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | | | | | |
| LTIP Units | (4) | | | | | | | (4) | (4) | Common Shares | 375,000 ⁽⁴⁾ | 375,000 ⁽⁴⁾ | I | See footnotes ⁽⁴⁾ |

Explanation of Responses:

- This transaction was executed in multiple trades at prices ranging from \$17.10 to \$17.23. The price reported above reflects the weighted average purchase price. The reporting person hereby undertakes to provide upon request to the SEC staff, the issuer or a security holder of the issuer full information regarding the number of shares and prices at which the transaction was effected. All purchases pursuant to this transaction were made pursuant to a 10b5-1 trading plan adopted by the reporting person.
- This transaction was executed in multiple trades at prices ranging from \$16.71 to \$16.95. The price reported above reflects the weighted average purchase price. The reporting person hereby undertakes to provide upon request to the SEC staff, the issuer or a security holder of the issuer full information regarding the number of shares and prices at which the transaction was effected. All purchases pursuant to this transaction were made pursuant to a 10b5-1 trading plan adopted by the reporting person.
- Three affiliated hedge funds ("Hedge Funds") own 1,250,000 common shares. EMG Holdings, L.P ("EMGH") owns 1,228,920 common shares. Ellington Financial Management LLC ("EFM") owns 20,461 common shares. Ellington Capital Management, LLC ("ECM") is the general partner of the Hedge Funds. VC Investments L.L.C. ("VC") is the general partner of EMGH and the managing member of EFM and ECM. Michael W. Vranos is the managing member of, and holds a controlling interest in VC. Mr. Vranos, together with VC and, with respect to 1,228,920 common shares, EMGH, share the power to direct the voting and disposition of the common shares, and may be regarded as the beneficial owners of the common shares owned beneficially or of record by each other. Each of Mr. Vranos, VC and EMGH 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.
- Represents a separate non-voting class of limited liability company interests ("LTIP Units") of the Issuer, which are structured as profits interests. The 375,000 LTIP Units are held by EMGH and have vested. The LTIP Units may be converted, at the election of the holder, into common shares representing limited liability company interests of the Issuer on a one-for-one basis. Each of VC, EMGH and Mr. Vranos disclaims beneficial ownership of these LTIP Units except to the extent of it or his pecuniary interest therein.

Remarks:

In addition, Mr. Vranos is the settlor of two trusts holding 500,000 and 109,000 common shares respectively. Mr. Vranos disclaims beneficial ownership of the common shares owned by the trusts.

/s/ Sara Walden Brown, as
attorney-in-fact for Michael Vranos 11/30/2011

** Signature of Reporting Person Date

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

* 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).

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.