

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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).

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

1. Name and Address of Reporting Person* <u>Herlihy John</u>		2. Issuer Name and Ticker or Trading Symbol <u>Ellington Financial Inc. [EFC]</u>		5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director _____ 10% Owner _____ <input checked="" type="checkbox"/> Officer (give title below) _____ Other (specify below) _____ Chief Financial Officer	
(Last) (First) (Middle) <u>53 FOREST AVENUE</u>		3. Date of Earliest Transaction (Month/Day/Year) <u>12/17/2020</u>			
(Street) <u>OLD GREENWICH CT 06870</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	
(City) (State) (Zip)					

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			

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						Title
OP LTIP Units ⁽¹⁾	⁽²⁾	12/17/2020		A		19,213		⁽²⁾	⁽²⁾	Common Units ⁽²⁾	19,213 ⁽²⁾	\$0	42,577 ⁽³⁾	D	

Explanation of Responses:

- Represents a separate non-voting class of limited liability company interests ("OP LTIP Units") of Ellington Financial Operating Partnership LLC (the "Operating Partnership"), the operating partnership subsidiary of Ellington Financial Inc. (the "Company").
- 9,607 of the OP LTIP Units will vest on December 17, 2021 and the remaining 9,606 of the OP LTIP units will vest December 17, 2022. The OP LTIP Units may be converted, upon lapse of the vesting restrictions described above, at the election of the holder, or at any time at the election of the Company, into limited liability company interests of the Operating Partnership designated as common units ("Common Units") on a one-for-one basis. Subject to certain conditions, the Common Units are redeemable by the holder for an equivalent number of shares of common stock of the Company, \$0.001 par value per share ("Common Shares") or for the cash value of such Common Shares, at the Company's election. The OP LTIP Units were issued pursuant to, and are subject to the terms and conditions of, the Company's 2017 Equity Incentive Plan (the "2017 Plan").
- 6,381 of these OP LTIP Units will vest on December 13, 2021.

Remarks:

/s/ Jason Frank, as attorney-in-fact for JR Herlihy 12/21/2020

** 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.

POWER OF ATTORNEY

The undersigned hereby constitutes and appoints Laurence Penn, Daniel Margolis, Jason Frank, Daniel M. LeBey and Christopher C. Green, and each of them, to (1) prepare, execute in the undersigned's name and on the undersigned's behalf, and submit to the U.S. Securities and Exchange Commission (the Commission) the registration statement for the offering of securities, (2) execute for and on behalf of the undersigned, in the undersigned's capacity as a beneficial owner of 10% or more of Ellington Financial LLC, the registration statement for the offering of securities, (3) do and perform any and all acts for and on behalf of the undersigned which may be necessary or desirable to complete and execute any such registration statement, and (4) take any other action of any type whatsoever in connection with the foregoing which, in the opinion of such attorney-in-fact, may be of benefit to the undersigned. The undersigned grants to such attorney-in-fact full power and authority to do and perform any and every act and thing whatsoever requisite, necessary, proper or convenient to carry out fully the powers and authority herein granted to the undersigned. This Power of Attorney shall remain in effect until the undersigned is no longer required to file Forms 3, 4 and 5 with respect to the undersigned's securities. IN WITNESS WHEREOF, the undersigned has caused this Power of Attorney to be executed as of this 22nd day of February, 2018.

By: /s/ JR Herlihy
Name: JR Herlihy