

OMB APPROVAL

OMB Number: 3235-0104

Estimated average burden

hours per response: 0.5

INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

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>SIMON RONALD I</u>	2. Date of Event Requiring Statement (Month/Day/Year) 10/07/2010	3. Issuer Name and Ticker or Trading Symbol <u>Ellington Financial LLC [EFC]</u>	
		4. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director <input type="checkbox"/> Officer (give title below) <input type="checkbox"/> 10% Owner <input type="checkbox"/> Other (specify below)	5. If Amendment, Date of Original Filed (Month/Day/Year)
(Last) (First) (Middle) <u>53 FOREST AVENUE</u>			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
(Street) <u>OLD GREENWICH CT 06870</u>			
(City) (State) (Zip)			

Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
<u>Common shares representing limited liability cmpny interests</u>	<u>6,250</u>	<u>I</u>	<u>By trust⁽¹⁾</u>

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

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)	4. Conversion or Exercise Price of Derivative Security	5. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date				
<u>LTIP units⁽²⁾</u>	<u>(2)</u>	<u>(2)</u>	<u>Common shares</u>	<u>2,500</u>	<u>(2)</u>	<u>D</u>

Explanation of Responses:

1. The 6,250 common shares are held in the Simon Family Trust (the "Trust"). Mr. Simon is the trustee of the Trust. Mr. Simon and his wife are the beneficiaries of the Trust. Mr. Simon disclaims beneficial ownership of the reported securities except to the extent of his pecuniary interest therein.

2. Represents a separate non-voting class of limited liability company interests ("LTIP Units") of the Issuer, which are structured as profits interests. 1,250 of the LTIP Units have vested. 1,250 LTIP Units remain forfeitable, subject to the reporting person's continued service as a member of the board of the Issuer, until October 1, 2011. 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. The LTIP Units were issued pursuant to, and are subject to the terms and conditions of, the Issuer's 2007 Incentive Plan for Individuals.

Remarks:

Exhibit List Exhibit 24- Power of Attorney

/s/ Ashton J. Harris

10/07/2010

** 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 5 (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 (the "Reporting Person") hereby constitutes and appoints Laurence Penn, Daniel Margolis, Lisa Mumford, Mark Tecotzky, Neha Mathur, Daniel M. LeBey, Christopher C. Green and Ashton J. Harris, and each of them, as the Reporting Person's true and lawful attorney-in-fact 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 "SEC") a Form ID, including amendments thereto, and any other documents necessary or appropriate to obtain codes and passwords enabling the undersigned to make electronic filings with the SEC of reports required by Section 16(a) of the Securities Exchange Act of 1934 or any rule or regulation of the SEC;

(2) execute for and on behalf of the Reporting Person, in the Reporting Person's capacity as an officer and/or director of Ellington Financial LLC (the "Company"), Forms 3, 4 and 5 in accordance with Section 16(a) of the Securities Exchange Act of 1934 and the rules thereunder;

(3) do and perform any and all acts for and on behalf of the Reporting Person which may be necessary or desirable to complete and execute any such Form 3, 4 or 5, complete and execute any amendment or amendments thereto, and timely file such form with the SEC and any stock exchange or similar authority; 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, in the best interest of, or legally required by, the Reporting Person, it being understood that the documents executed by such attorney-in-fact on behalf of the Reporting Person pursuant to this Power of Attorney shall be in such form and shall contain such terms and conditions as such attorney-in-fact may approve in such attorney-in-fact's discretion.

The Reporting Person grants to such attorney-in-fact full power and authority to do and perform any and every act and thing whatsoever requisite, necessary, or proper to be done in the exercise of any of the rights and powers herein granted, as fully to all intents and purposes as the Reporting Person might or could do if personally present, with full power of substitution or revocation, hereby ratifying and confirming all that such attorney-in-fact shall lawfully do or cause to be done by virtue of this Power of Attorney and the rights and powers herein granted. The Reporting Person acknowledges that the foregoing attorney-in-fact, in serving in such capacity at the request of the Reporting Person, is not assuming, nor is the Company assuming, any of the Reporting Person's responsibilities to comply with Section 16 of the Securities Exchange Act of 1934.

This Power of Attorney shall remain in effect until the Reporting Person is no longer required to file Forms 3, 4 and 5 with respect to the Reporting Person's holdings of, and transactions in securities issued by, the Company, unless earlier revoked by the Reporting Person in a signed writing delivered to the attorney-in-fact.

IN WITNESS WHEREOF, the Reporting Person has caused this Power of Attorney to be executed on September 21, 2010.

Sign here: /s/ Ronald I. Simon

Print Name: Ronald I. Simon
