

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> <hr/> (Last) (First) (Middle) <u>53 FOREST AVENUE</u> <hr/> (Street) <u>OLD GREENWICH CT 06870</u> <hr/> (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) <input type="checkbox"/> Other (specify below) <u>Co-Chief Investment Officer</u> |
| | 3. Date of Earliest Transaction (Month/Day/Year) <u>02/12/2013</u> | |
| | 4. If Amendment, Date of Original Filed (Month/Day/Year) | 6. Individual or Joint/Group Filing (Check Applicable Line) <input type="checkbox"/> Form filed by One Reporting Person <input checked="" 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 | 02/12/2013 | | j ⁽¹⁾ | | 33,254 | A | \$0.00 | 2,169,378 | I | See Footnote ⁽²⁾ |
| Common shares | | | | | | | | 14,294 ⁽³⁾ | D | |

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 | | | | | |

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

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

 (Street)
OLD GREENWICH CT 06870

 (City) (State) (Zip)

1. Name and Address of Reporting Person*
VC INVESTMENTS LLC

 (Last) (First) (Middle)
53 FOREST AVE

 (Street)
OLD GREENWICH CT 06870

 (City) (State) (Zip)

1. Name and Address of Reporting Person*
EMG Holdings, L.P.

 (Last) (First) (Middle)

 (Street)

 (City) (State) (Zip)

| | | |
|---------------|---------|----------|
| (Last) | (First) | (Middle) |
| 53 FOREST AVE | | |
| <hr/> | | |
| (Street) | | |
| OLD GREENWICH | CT | 06870 |
| <hr/> | | |
| (City) | (State) | (Zip) |

Explanation of Responses:

1. The shares were issued in connection with the fourth 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.
2. Of these 2,169,378 common shares, 1,892,619 common shares are owned directly by EMG Holdings, L.P. ("EMGH"), 86,461 common shares are directly owned by EFM and 190,298 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.
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 W. Vranos disclaims beneficial ownership of the common shares owned by the trusts.

| | |
|---|-------------------|
| <u>/s/ Sara Walden Brown,</u> <u>attorney-in-fact for Michael W. Vranos</u> | <u>02/14/2013</u> |
| <u>/s/ Sara Walden Brown,</u> <u>attorney-in-fact for VC Investments LLC</u> | <u>02/14/2013</u> |
| <u>/s/ Sara Walden Brown,</u> <u>attorney-in-fact for EMG Holdings, L.P.</u> | <u>02/14/2013</u> |
| ** 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.