

E TRADE FINANCIAL CORP
Form FWP
November 27, 2017

ISSUER FREE WRITING PROSPECTUS
(RELATING TO PRELIMINARY PROSPECTUS
SUPPLEMENT DATED NOVEMBER 27, 2017 AND
PROSPECTUS DATED FEBRUARY 22, 2017)
FILED PURSUANT TO RULE 433
REGISTRATION NUMBER 333-203953

E*TRADE Financial Corporation

300,000 Depositary Shares

Each Representing 1/100th of a Share of Fixed-to-Floating Rate Non-Cumulative Perpetual

Preferred Stock, Series B

(liquidation preference \$100,000 per share (equivalent to \$1,000 per depositary share))

Final Term Sheet

November 27, 2017

The information in this pricing term sheet supplements E*TRADE Financial Corporation's preliminary prospectus supplement, dated November 27, 2017 (the Preliminary Prospectus Supplement), and supersedes the information in the Preliminary Prospectus Supplement to the extent inconsistent with the information in the Preliminary Prospectus Supplement. In all other respects, this pricing term sheet is qualified in its entirety by reference to the Preliminary Prospectus Supplement (and the accompanying prospectus), including all other documents incorporated by reference therein. Terms used herein but not defined herein shall have the respective meanings as set forth in the Preliminary Prospectus Supplement.

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|-----------|---|
| Issuer: | E*TRADE Financial Corporation (the Issuer) |
| Security: | Depositary shares (the depositary shares), each Representing a 1/100 th Interest in a Share of Fixed-to-Floating Rate Non-Cumulative Perpetual Preferred Stock, Series B (the Preferred Stock) |
| Size: | \$300,000,000 (300,000 depositary shares) |
| Maturity: | Perpetual |

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Expected Ratings (Moody's / S&P)*:

Ba3/BB

Liquidation Preference:

\$100,000 per share of Preferred Stock (equivalent to \$1,000 per depositary share)

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| Dividend Rate (Non-Cumulative): | At a rate per annum equal to 5.30% from the date of issuance to, but excluding, March 15, 2023, and thereafter at a floating rate per annum equal to three month U.S. dollar LIBOR on the related dividend determination date plus 3.16% |
| Dividend Payment Dates: | Semi-annually in arrears on the 15 th day of March and September of each year, commencing on September 15, 2018 and ending on March 15, 2023, and thereafter quarterly in arrears on the 15 th day of March, June, September and December of each year |
| Day Count: | From the date of issuance to, but excluding, March 15, 2023, 30/360, and from, and including March 15, 2023, Actual/360 |
| Optional Redemption: | The Issuer may redeem the Preferred Stock at its option, (i) in whole or in part, from time to time, on any dividend payment date on or after March 15, 2023 or (ii) in whole but not in part at any time within 90 days following a regulatory capital treatment event (as defined in the Preliminary Prospectus Supplement), in each case, at a redemption price equal to \$100,000 per share (equivalent to \$1,000 per depositary share), plus any declared and unpaid dividends to, but excluding, the date fixed for redemption, without accumulation of any undeclared dividends. |
| Trade Date: | November 27, 2017 |
| Settlement Date: | December 6, 2017 (T + 7)** |
| Public Offering Price: | \$1,000 per depositary share |
| Underwriting Discount: | \$12.5 per depositary share |
| Net Proceeds (before expenses) to the Issuer: | \$296,250,000 |
| Joint Book-Running Managers: | Credit Suisse Securities (USA) LLC J.P. Morgan Securities LLC Wells Fargo Securities, LLC |
| Co-Managers: | Merrill Lynch, Pierce, Fenner & Smith Incorporated Barclays Capital Inc. Goldman Sachs & Co. LLC Morgan Stanley & Co. LLC |

U.S. Bancorp Investments, Inc.

Listing:

Neither the depositary shares or the Preferred Stock will not be listed on any securities exchange.

CUSIP / ISIN:

269246BR4 / US269246BR45

***Note: A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.**

**** Under Rule 15c6-1 under the Exchange Act, trades in the secondary market generally are required to settle in two business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade depositary shares on the date of pricing or any of the next four succeeding business days will be required, by virtue of the fact that the depositary shares initially will settle T + 7, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Purchasers of the depositary shares who wish to trade the depositary shares on the date of pricing of the depositary shares or any of the next four succeeding business days should consult their own advisor.**

The Issuer has filed a registration statement (including a prospectus) and a preliminary prospectus supplement with the SEC for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement, the preliminary prospectus supplement and other documents the Issuer has filed with the SEC for more complete information about the Issuer and this offering. You may get these documents for free by visiting EDGAR on the SEC Web site at www.sec.gov. Alternatively, these documents may be obtained by calling (i) Credit Suisse Securities (USA) LLC toll free at 1-800-221-1037, (ii) J.P. Morgan Securities LLC telephone collect at 1-212-834-4533, or (iii) Wells Fargo Securities, LLC at 1-800-645-3751.

Any disclaimers or other notices that may appear below are not applicable to this communication and should be disregarded. Such disclaimers or other notices were automatically generated as a result of this communication being sent via Bloomberg or another email system.