

SECURITIES AND EXCHANGE COMMISSION

FORM S-3

Registration statement for specified transactions by certain issuers

Filing Date: **1999-09-10**
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([HTML Version](#) on secdatabase.com)

FILER

E TRADE GROUP INC

CIK: **1015780** | IRS No.: **942844166** | State of Incorporation: **DE** | Fiscal Year End: **0930**
Type: **S-3** | Act: **33** | File No.: **333-86925** | Film No.: **99709773**
SIC: **6211** Security brokers, dealers & flotation companies

Mailing Address
4500 BOHANNON DRIVE
MENLO PARK CA 94025

Business Address
4500 BOHANNON DRIVE
MENLO PARK CA 94025
6508422500

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM S-3
REGISTRATION STATEMENT
Under
The Securities Act of 1933

E*TRADE GROUP, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

94-2844166
(I.R.S. Employer
Identification Number)

4500 Bohannon Drive
Menlo Park, California 94025
(650) 331-6000
(Address, including zip code, and telephone number, including area code, of
registrant's principal executive offices)

Christos M. Cotsakos
Chairman and Chief Executive Officer
E*TRADE Group, Inc.
4500 Bohannon Drive
Menlo Park, California 94025
(650) 331-6000
(Name and address, including zip code, and telephone number, including area
code, of agent for service)

Copy to:
Curtis L. Mo, Esq.
Jonathan P. Shanberge, Esq.
Brobeck, Phleger & Harrison LLP
Two Embarcadero Place
2200 Geng Road
Palo Alto, California 94303
(650) 424-0160

Approximate date of commencement of proposed sale to the public:

From time to time after this Registration Statement becomes effective.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box. []

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box. [X]

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. []

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. []

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box. []

CALCULATION OF REGISTRATION FEE

<TABLE>
<CAPTION>

Title of Each Class of Securities to be Registered	Amount to Be Registered	Proposed Maximum Offering Price Per Share(1)	Proposed Maximum Aggregate Offering Price(1)	Amount of Registration Fee
<S>	<C>	<C>	<C>	<C>
Common Stock, \$0.01 par value per share	1,794,544	\$23.71875	\$42,564,340.50	\$11,832.89

</TABLE>

(1) The price of \$23.71875 was the average of the high and low prices of the Common Stock on the Nasdaq National Market System on September 2, 1999, is set forth solely for the purpose of computing the registration fee pursuant to Rule 457(c).

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment that specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

1,794,544 Shares
E*TRADE GROUP, INC.
Common Stock

This Prospectus relates to the public offering, which is not being underwritten, of 1,794,544 shares of Common Stock, par value of \$0.01 per share, of E*TRADE Group, Inc. (the "Company" or the "Registrant"). All 1,794,544 shares (the "Shares") may be offered by certain stockholders of the Company or by pledgees, donees, transferees or other successors in interest that receive such Shares as a gift, partnership distribution or other non-sale related transfer (the "Selling Stockholders"). All of the Shares were originally issued by the Company in connection with the purchase of all of the capital stock and options to purchase capital stock of TIR (Holdings) Limited, a Cayman Islands company ("TIR"), whereby TIR became a wholly-owned subsidiary of the Company (the "Exchange"). The Shares were issued pursuant to exemptions from the registration requirements of the Securities Act of 1933, as amended (the "Securities Act"), provided by Section 4(2) thereof and Regulation S promulgated thereunder. The Shares are being registered by the Company pursuant to the Exchange Agreement, dated as of July 12, 1999, by and between the Company and TIR (the "Exchange Agreement") and the Irrevocable Undertaking Agreement, dated as of July 12, 1999, by and among the Company and the Selling Stockholders (the "Irrevocable Undertaking Agreement").

The Shares may be offered by the Selling Stockholders from time to time in transactions in the over-the-counter market, in negotiated transactions, or a combination of such methods of sale, at fixed prices which may be changed, at market prices prevailing at the time of sale, at prices related to prevailing market prices or at negotiated prices. The Selling Stockholders may effect such transactions by selling the Shares to or through broker-dealers, and such broker-dealers may receive compensation in the form of discounts, concessions or commissions from the Selling Stockholders and/or the purchasers of the Shares for whom such broker-dealers may act as agents or to whom they sell as principals, or both (which compensation as to a particular broker-dealer might be in excess of customary commissions). See "Plan of Distribution."

The Company will not receive any of the proceeds from the sale of the Shares. The Company has agreed to bear certain expenses in connection with the registration of the Shares being offered and sold by the Selling Stockholders.

The Company's Common Stock is quoted on the Nasdaq National Market under the symbol "EGRP." On September 2, 1999, the average of the high and low price for the Common Stock was \$23.71875.

The Selling Stockholders and any broker-dealers or agents that participate with the Selling Stockholders in the distribution of the Shares may be deemed to be "underwriters" within the meaning of Section 2(11) of

the Securities Act, and any commissions received by them and any profit on the resale of the Shares purchased by them may be deemed to be underwriting commissions or discounts under the Securities Act.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The Company has undertaken to keep a Registration Statement of which this Prospectus constitutes a part effective until the earlier of the disposition of the securities offered hereby or August 31, 2000. After such period, if the Company chooses not to maintain the effectiveness of the registration statement of which this Prospectus constitutes a part, the securities issuable upon exercise hereof and offered hereby may not be sold, pledged, transferred or assigned, except in a transaction which is exempt under the provisions of the Securities Act, as amended, or pursuant to an effective registration statement thereunder.

The date of this Prospectus is September __, 1999

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No person has been authorized to give any information or to make any representations other than those contained in this Prospectus in connection with the offering made hereby, and if given or made, such information or representations must not be relied upon as having been authorized by the Company, any Selling Stockholder or by any other person. Neither the delivery of this Prospectus nor any sale made hereunder shall, under any circumstances, create any implication that information herein is correct as of any time subsequent to the date hereof. This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any security other than the securities covered by this Prospectus, nor does it constitute an offer to or solicitation of any person in any jurisdiction in which such offer or solicitation may not lawfully be made.

AVAILABLE INFORMATION

The Company is subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and in accordance therewith files reports, proxy statements, information statements and other information with the Securities and Exchange Commission (the "Commission"). Reports, proxy statements and other information filed by the Company may be inspected and copied at the public reference facilities maintained by the Commission at Room 1024, 450 Fifth Street, N.W., Washington, D.C. 20549, and at the Commission's Regional Offices located at 75 Park Place, New York, New York 10007 and 500 West Madison Street, Suite 1400, Chicago, Illinois 60661-2511. Copies of such material can be obtained by mail from the Public Reference Branch of the Commission at 450 Fifth Street, N.W., Washington, D.C. 20549 at prescribed rates. The Common Stock of the Company is quoted on the Nasdaq National Market, and such material may also be inspected at the offices of Nasdaq Operations, 1735 K Street N.W. Washington, D.C. 20006. The Commission maintains a World Wide Web site that contains reports, proxy and information statements and other information regarding registrants that file electronically with the Commission. The address of the Commission's web site is <http://www.sec.gov>.

The Company has filed with the Commission a registration statement on Form S-3 (herein, together with all amendments and exhibits thereto, referred to as the "Registration Statement") under the Securities Act with respect to the Common Stock offered hereby. This Prospectus does not contain all of the information set forth in the Registration Statement, certain parts of which are omitted in accordance with the rules and regulations of the Commission. For further information regarding the Company and the Common Stock offered hereby, reference is hereby made to the Registration Statement and to the exhibits and schedules filed therewith. The Registration Statement, including the exhibits and schedules thereto, may be inspected at the public reference facilities maintained by the Commission at Room 450 Fifth Street, N.W., Washington, D.C. 20549 and copies of all or any part thereof may be obtained from such office upon payment of the prescribed fees.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The following documents filed with the Commission (File No. 1-11921) pursuant to the Exchange Act are incorporated herein by reference:

1. The Company's Annual Report on Form 10-K for the year ended September 30, 1998, filed on December 29, 1998, as amended by the Company's Annual Report on Form 10-K/A, filed on August 16, 1999;
2. The Company's Quarterly Reports on Form 10-Q/A for the quarter ended December 31, 1998, filed on August 16, 1999, and for the quarter ended March 31, 1999, filed on August 16, 1999, and the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 1999, filed on August 16, 1999;
3. The Company's Current Reports on Form 8-K, filed on April 13, 1999, June 10, 1999, June 25, 1999 and July 28, 1999 and Form 8-K/A filed on June 10, 1999 and August 18, 1999;
4. Definitive Proxy Statement, dated January 28, 1999, filed on January 28, 1999 in connection with the Company's 1999 Annual Meeting of Stockholders;

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5. The description of the Company's Common Stock, \$0.01 par value per share, and associated rights, contained in its registration statement on Form 8-A, filed on July 12, 1996, including any amendment or report filed for the purpose of updating such description; and
6. All reports and other documents filed by the Company pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act subsequent to the date of this Prospectus and prior to the termination of the offering.

Any statement contained in a document incorporated by reference herein shall be deemed to be incorporated by reference in this Prospectus and to be part hereof from the date of filing of such documents. Any statement modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus. The Company will provide without charge to each person to whom this Prospectus is delivered a copy of any or all of such documents which are incorporated herein by reference (other than exhibits to such documents unless such exhibits are specifically incorporated by reference into the documents that this Prospectus incorporates). Written requests for copies should be directed to E*TRADE Group, Inc., Investor Relations, 4500 Bohannon Drive, Menlo Park, California 94025. The Company's telephone number is (650) 331-6000.

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THE COMPANY

The principal executive offices of the Company are located at 4500 Bohannon Drive, Menlo Park, California 94025. The Company's telephone number is (650) 331-6000.

PLAN OF DISTRIBUTION

The Company will receive no proceeds from this offering. The Shares offered hereby may be sold from time to time by the Selling Stockholders or by pledgees, donees, transferees or other successors in interest thereof. The Selling Stockholders will act independently of the Company in making decisions with respect to the timing, manner and size of each sale. Such sales may be made on one or more exchanges or in the over-the-counter market or otherwise, at prices and at terms then prevailing or at prices related to the then current market price, or in negotiated transactions. The Selling Stockholders may effect such transactions by selling the Shares to or through broker-dealers. The Shares may be sold by one or more of the following: (a) a block trade in which the broker-dealer so engaged will attempt to sell the Shares as agent but may position and resell a portion of the block as principal to facilitate the transaction; (b) purchases by a broker-dealer as principal and resale by such broker-dealer for its account pursuant to this Prospectus; (c) an exchange distribution in accordance with the rules of such exchange; (d) ordinary brokerage transactions and transactions in which the broker solicits purchasers and (e) in privately negotiated transactions. To the extent required, this Prospectus may be amended or supplemented from time to time to describe a specific plan of distribution. In effecting sales, broker-dealers engaged by the Selling Stockholders may arrange for other broker-dealers to participate in the resales.

In connection with distributions of the Shares or otherwise, the Selling Stockholders may enter into hedging transactions with broker-dealers. In connection with such transactions, broker-dealers may engage in short sales of the Shares in the course of hedging the positions they assume with Selling Stockholders. The Selling Stockholders may also sell Shares short and redeliver

the Shares to close out such short positions. The Selling Stockholders may also enter into option or other transactions with broker-dealers which require the delivery to the broker-dealer of the Shares registered hereunder, which the broker-dealer may resell or otherwise transfer pursuant to this Prospectus. The Selling Stockholder may also loan or pledge the Shares registered hereunder to a broker-dealer and the broker-dealer may sell the Shares so loaned or upon a default the broker-dealer may effect sales of the pledged shares pursuant to this prospectus.

Broker-dealers or agents may receive compensation in the form of commissions, discounts or concessions from Selling Stockholders and/or the purchasers of the Shares for whom such broker-dealers may act as agents or to whom they sell as principals, or both (which compensation as to a particular broker-dealer might be in excess of customary commissions) in amounts to be negotiated in connection with the sale. Such broker-dealers or agents and any other participating broker-dealers or the Selling Stockholders may be deemed to be "underwriters" within the meaning of the Securities Act in connection with such sales and any such commission, discount or concession may be deemed to be underwriting discounts or commissions under the Securities Act. In addition, any securities covered by this Prospectus which qualify for sale pursuant to Rule 144 may be sold under Rule 144 rather than pursuant to this Prospectus.

In order to comply with the securities laws of certain states, if applicable, the Shares will be sold in such jurisdictions only through registered or licensed brokers or dealers. In addition, in certain states the Shares may not be sold unless they have been registered or qualified for sale in the applicable state or an exemption from the registration or qualification requirement is available and is complied with.

Under applicable rules and regulations under the Exchange Act, any person engaged in the distribution of the Shares may not simultaneously engage in market making activities with respect to the Common Stock of the Company for a period of two business days prior to the commencement of such distribution. In addition and without limiting the foregoing, each Selling Stockholder will be subject to applicable provisions of the Exchange Act and the rules and regulations thereunder, including, without limitation, Regulation M, which provisions may limit the timing of purchases and sales of shares of the Company's Common Stock by the Selling Stockholders. The Company will make copies of this Prospectus available to the Selling Stockholders and has informed them of the need for delivery of copies of this Prospectus to purchasers at or prior to the time of any sale of the Shares offered hereby. The Company assumes no obligation to so deliver copies of this Prospectus or any related Prospectus Supplement.

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At the time a particular offer of Shares is made, if required, a Prospectus Supplement will be distributed that will set forth the number of Shares being offered and the terms of the offering, including the name of any underwriter, dealer or agent, the purchase price paid by any underwriter, any discount, commission and other item constituting compensation, any discount, commission or concession allowed or reallocated or paid to any dealer, and the proposed selling price to the public.

All costs, expenses and fees in connection with the registration of the Shares will be borne by the Company. Commissions and discounts, if any, attributable to the sales of the Shares will be borne by the Selling Stockholders. The Selling Stockholders may agree to indemnify any broker-dealer or agent that participates in transactions involving sales of the Shares against certain liabilities, including liabilities arising under the Securities Act. The Selling Stockholders have agreed to indemnify certain persons including broker-dealers or agents against certain liabilities in connection with the offering of the Shares, including liabilities arising under the Securities Act.

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SELLING STOCKHOLDERS

The following table sets forth the number of shares of Common Stock owned by each of the Selling Stockholders. Ten percent of the shares of Common Stock received by each of the Selling Stockholders in the Exchange have been placed in escrow pursuant to the Exchange Agreement and the Irrevocable Undertaking Agreement and may not be sold pursuant to the offering contemplated by this Prospectus. Except as indicated, and except for the fact that most of the Selling Stockholders became employees of the Company when TIR became a wholly-owned subsidiary of the Company as of August 31, 1999, none of the Selling Stockholders has had a material relationship with the Company within the past three years other than as a result of the ownership of the Shares or other securities of the Company. Because the Selling Stockholders may offer all or some of the Shares which they hold pursuant to the offering contemplated by this Prospectus, and because there are currently no agreements, arrangements or understandings with respect to the sale of any of the Shares, no estimate can be

given as to the amount of Shares that will be held by the Selling Stockholders after completion of this offering. No Selling Stockholder beneficially owns 1% or more of the outstanding shares of Common Stock. The Shares offered by this Prospectus may be offered from time to time by the Selling Stockholders named below.

<TABLE>
<CAPTION>

Name of Selling Stockholder	Number of Shares Beneficially Owned	Number of Shares Registered for Sale Hereby (1)
-----	-----	-----
<S>	<C>	<C>
Carl Hans Tiedemann II	979,990	391,996
Carl Hans Tiedemann III	491,841	196,736
Renassa N.V.	26,687	10,675
Gamma-Nest Co Ltd	433,999	173,600
Edward B. Goodnow	411,314	164,526
R. Jarrett Lilien	102,464	40,986
James Marler	67,146	26,858
Tim Cook	16,346	6,538
Nicholas Bullman	148,408	59,363
The Tiedemann Investment	125,449	50,180
Nicholas Mann	69,687	27,875
Scott Delany	33,042	13,217
Leslie Whiteford	62,042	24,817
Susan Holgate	78,171	31,268
Irene Tam Yuet Ping	47,888	19,155
Katsuhiko Akahori	13,877	5,551
Osamu Hojo	15,487	6,195
Pistons Consultants Limited	171,017	68,407
Legard Overseas Corp. S.A.	51,374	20,550
Richard Taylor	17,260	6,904
John Lord	48,238	19,295
Hikaru Aoyama	2,235	894
Brestco Investments Limited	202,828	81,131
Nicholas Stalder	9,623	3,849
Patrick Claridge	12,940	5,176
Sally Writer	6,856	2,742
Chan Chee Wah	7,669	3,068
Annie Man Yee Lok	15,974	6,390
Josephine Ho Pik Chan	11,675	4,670
Alsess Lai Mei Ma	3,047	1,219
Steve Ferrando	40,699	16,280
Victoria Klippel	6,238	2,495
Winnie Wai Ying Kong	567	227
Eriko Hoshikawa	567	227
Iwao Yamazaki	3,075	1,230
Ezra Hakkak	13,343	5,337
Frank Loots	10,841	4,336
Kenji Deura	18,393	7,357
Scaraway Limited	46,836	18,734
Richard Leonard	19,348	7,739
Joe Jenkins	14,413	5,765
Vidhu Shekhar	2,652	1,061
Mathias Helleu	33,631	13,452
Weymouth Enterprises Ltd	18,723	7,489
Glenn Barber	31,923	12,769
Steve Ehrlich	7,419	2,968
Mauricio Miranda	2,251	900
Steve Hauck	6,420	2,568
Morgan Dunbar	617	247
Xlendi Investments Ltd	47,341	18,936
Michael Katz	30,688	12,275
Stella Wong Lap Ying	900	360
Agnes Ma Oi Ling	233	93
Henry Tang Chiu Hang	233	93
Joe Mok Man Fai	233	93
Yvonne Lau Mei Wah	233	93
Doris Ng To Lai	233	93
Rita Yu Mui Fan	233	93
Rolita Ma Chui Sim	233	93
Christina Mace	500	200
Kelly Barber	300	120
Carrie Rivers	1,234	494
Mika Tomioka	400	160
Richard & Lily Leonard	7,636	3,054
Whitecraigs Holdings Limited	18,358	7,343
Kosuke Hosokawa	7,472	2,989
Yoshijaru Morofushi	4,003	1,601
Connie Tirabosco	7,756	3,102
Doonesbury Group Ltd	15,595	6,238
BHF-BANK Aktiengesellschaft	219,834	87,934
Mariko Ezuka	366	146

Cormac O'Connor	680	272
Anne Griffin	2,228	891
Sam Pratt	1,604	642
Helen Langan	4,119	1,648
Robert White	5,137	2,055
Naeem Fayyaz	6,671	2,668
Arthur Greco	4,656	1,862
Anthony Penwill	3,590	1,436
Martin Aubery	255	102
William Head	4,286	1,714
Brian Mackley	5,003	2,001
David Tai Wai Hon	33	13
Joyce Yuen Man Chan	33	13
Amy Man Pui Law	33	13
George Kwok Fan Wan	33	13
Maggie Shuk Han Leung	33	13
Linda O'Neill	33	13
Kayo Ohara	33	13
Keiko Chida	33	13
Keiko Fujiwara	33	13
Francine Ehrlich, IRA Account	1,000	400
Britt Oliver	33	13
Courtney Mainardi	66	26
Brooks Addington	2,328	931
Paul Redwood	150	60
Tomonori Nishioka	283	113
Long Terms Holdings Ltd	46,547	18,619
Stephen Murphy	3,669	1,468
Lai Pui Ming	33	13
Joe Delmonte	833	333
Patricia O'Hara	16	6
David Hallifax	102	41
Emile Pierides	337	135
Sam Mo	300	120
Philippe Leprince	532	213
Curzon Secretaries & Trustees Ltd	16,679	6,672
William Walker	1,152	461
Edouard Dejoux	9,110	3,644
Emilie Sinkler	166	66
Sam Clapp	189	76
Tracy Bird	1,834	734
Tara Levins	166	66
Peter Rowe	1,004	402
Franco Law	66	26
Jeremy Slade	1,782	713
Vincent Spenceley	33	13
Pierre Bastien	66	26
Ruth Berry	57	23
Spencer Russell	580	232
Guido Corsetti	3,335	1,334
Meryem Menemenlioglu	3,335	1,334
Sumihati Gani	500	200
Anthony Limited	33,359	10,008
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TOTAL	4,486,372	1,794,544

</TABLE>

(1) This Registration Statement shall also cover any additional shares of Common Stock which become issuable in connection with the shares registered for sale hereby by reason of any stock divided, stock split, recapitalization or other similar transaction effected without the receipt of consideration which results in an increase in the number of the Registrant's outstanding shares of Common Stock.

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LEGAL MATTERS

The validity of the securities offered hereby will be passed upon for the Company by Brobeck, Phleger & Harrison LLP, Palo Alto, California.

EXPERTS

The annual consolidated financial statements of E*TRADE Group, Inc. and its subsidiaries incorporated in this Prospectus by reference from E*TRADE Group, Inc.'s Annual Report on Form 10-K/A for the year ended September 30, 1998, have been audited by Deloitte & Touche LLP, independent auditors, as stated in their report, which is incorporated herein by reference, and have been so incorporated in reliance upon the report of such firm, given upon their authority as experts in accounting and auditing.

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PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 14. Other Expenses of Issuance and Distribution

The following table sets forth the fees and expenses, other than underwriting discounts and commissions, payable by the Company in connection with the sale of Common Stock being registered. All amounts are estimates except the SEC registration fee.

SEC registration fee	\$11,833
Legal fees and expenses	15,000
Accounting fees and expenses	5,000
Printing fees	5,000
Transfer agent fees	5,000
Miscellaneous fees and expenses	20,000

Total	\$61,833
	=====

Item 15. Indemnification of Directors and Officers

Section 317 of the California Corporations Code authorizes a court to award, or a corporation's Board of Directors to grant, indemnity to directors and officers in terms sufficiently broad to permit indemnification (including reimbursement of expenses incurred) under certain circumstances for liabilities arising under the Securities Act. The Registrant's Restated Articles of Incorporation, as amended and Amended Bylaws provide for indemnification of its directors, officers, employees and other agents to the maximum extent permitted by the California Corporations Code. In addition, the Company has entered into Indemnification Agreements with each of its directors and officers.

Item 16. Exhibits

- 5.1 Opinion of Brobeck, Phleger & Harrison LLP.
- 23.1 Consent of Deloitte & Touche LLP, independent auditors.
- 23.2 Consent of Brobeck, Phleger & Harrison LLP (included in Exhibit 5.1 hereto).
- 24.1 Power of Attorney (included on page II-3 of this Registration Statement).

Item 17. Undertakings

The undersigned Registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement: (i) to include any prospectus required by section 10(a)(3) of the Securities Act; (ii) to reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement; and (iii) to include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement;

(2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

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Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent,

submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The undersigned Registrant hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of the Registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Exchange Act that is incorporated by reference in the Registration Statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

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SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of Menlo Park, State of California, on this 10th day of September, 1999.

E*TRADE GROUP, INC.

By: /s/ THOMAS A. BEVILACQUA

Thomas A. Bevilacqua, Esq.
Executive Vice President, General
Counsel and Secretary

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Leonard C. Purkis, Thomas A. Bevilacqua, Esq. and Brigitte Van Baelen, and each of them, as his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement, and to file same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitutes, may lawfully do or cause to be done by virtue thereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this Registration Statement has been signed below by the following persons on behalf of the Company and in the capacities and on the dates indicated:

<TABLE> <CAPTION> SIGNATURES	TITLE	DATE
<S>	<C>	<C>
/s/ Christos M. Cotsakos ----- Christos M. Cotsakos	Chairman of the Board, Chief Executive Officer and Director (Principal Executive Officer)	September 10, 1999
/s/ Kathy Levinson ----- Kathy Levinson	President and Chief Operating Officer (Principal Executive Officer)	September 10, 1999
/s/ Leonard C. Purkis ----- Leonard C. Purkis	Executive Vice President, Finance and Administration, and Chief Financial Officer (Principal Financial and Accounting Officer)	September 10, 1999
/s/ Thomas A. Bevilacqua ----- Thomas A. Bevilacqua, Esq.	Executive Vice President, Corporate Development, General Counsel and Secretary (Principal Executive Officer)	September 10, 1999
/s/ William A. Porter ----- William A. Porter	Director	September 10, 1999
/s/ Richard S. Braddock ----- Richard S. Braddock	Director	September 10, 1999

/s/ Masayoshi Son

Director

September 10, 1999

Masayoshi Son
</TABLE>

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<TABLE>

<CAPTION>

SIGNATURES

TITLE

DATE

<S>

<C>

<C>

/s/ William E. Ford

Director

September 10, 1999

William E. Ford

/s/ George Hayter

Director

September 10, 1999

George Hayter

/s/ Lewis E. Randall

Director

September 10, 1999

Lewis E. Randall

/s/ Lester C. Thurow

Director

September 10, 1999

Lester C. Thurow

</TABLE>

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Index to Exhibits

Exhibit
Number

Exhibit Title

- 5.1 Opinion of Brobeck, Phleger & Harrison LLP
- 23.1 Consent of Deloitte & Touche LLP, independent auditors.
- 23.2 Consent of Brobeck, Phleger & Harrison LLP (included in Exhibit 5.1 hereto)
- 24.1 Power of Attorney (included on page II-3 of this Registration Statement)

September 10, 1999

E*TRADE Group, Inc.
4500 Bohannon Drive
Menlo Park, California 94025

Re: E*TRADE Group, Inc. Registration Statement on Form S-3 for Resale
of 1,794,544 Shares of Common Stock

Ladies and Gentlemen:

We have acted as counsel to E*TRADE Group, Inc., a Delaware corporation (the "Company"), in connection with the registration for resale of 1,794,544 shares of the Company's Common Stock (the "Shares"), as described in the Company's Registration Statement on Form S-3 ("Registration Statement") filed with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Act").

This opinion is being furnished in accordance with the requirements of Item 16 of Form S-3 and Item 601(b)(5)(i) of Regulation S-K.

We have reviewed the Company's charter documents, the corporate proceedings taken by the Company in connection with the original issuance and sale of the Shares, and a certificate of a Company officer regarding (among other things) the Company's receipt of consideration upon the original issuance and sale of the Shares. Based on such review, we are of the opinion that the Shares are duly authorized, validly issued, fully paid and nonassessable.

We consent to the filing of this opinion as Exhibit 5.1 to the Registration Statement and to the reference to this firm under the caption "Legal Matters" in the prospectus which is part of the Registration Statement. In giving this consent, we do not thereby admit that we are within the category of persons whose consent is required under Section 7 of the Act, the rules and regulations of the Securities and Exchange Commission promulgated thereunder, or Item 509 of Regulation S-K.

September 10, 1999
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This opinion letter is rendered as of the date first written above and we disclaim any obligation to advise you of facts, circumstances, events or developments which hereafter may be brought to our attention and which may alter, affect or modify the opinion expressed herein. Our opinion is expressly

limited to the matters set forth above and we render no opinion, whether by implication or otherwise, as to any other matters relating to the Company or the Shares.

Very truly yours,

BROBECK, PHLEGER & HARRISON LLP

INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in this Registration Statement on Form S-3 of our report dated November 23, 1998 (July 12, 1999 as to Note 15) appearing in the Annual Report on Form 10-K/A of E*TRADE Group, Inc. for the year ended September 30, 1998 and to the reference to us under the heading "Experts" in the Prospectus which is part of this Registration Statement.

DELOITTE & TOUCHE LLP

San Jose, California
September 10, 1999