

Betters Ralph M
 Form 4
 May 18, 2010

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549**

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).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
Betters Ralph M

2. Issuer Name and Ticker or Trading Symbol
TFS Financial CORP [TFSL]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
7007 BROADWAY AVENUE
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
05/14/2010

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
Chief Information Officer

CLEVELAND, OH 44105

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 ___ 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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|
| | | | | (A) or (D) Code V Amount (D) Price | | | |
| Common Stock | | | | | 30,129 | I | By Spouse's Trust |
| Common Stock | | | | | 3,648 | I | By ESOP ⁽⁸⁾ |
| Common Stock | | | | | 89 | I | By Child 2 |
| Common Stock | | | | | 49,934 | I | By 401(k) ⁽⁸⁾ |
| Common Stock | | | | | 100 | I | As Custodian For Child 1 |

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Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

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 Underlying Securities (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| | | | | Code | V (A) (D) | Date Exercisable Expiration Date | Title Amount or Number of Shares |
| Employee Stock Option (right to buy) | \$ 14 | 05/14/2010 | | A | 31,500 | <u>(1)</u> 05/14/2020 | Common Stock 31,500 |
| Restricted Stock Units | <u>(2)</u> | 05/14/2010 | | A | 3,600 | <u>(3)</u> <u>(3)</u> | Common Stock 3,600 |
| Restricted Stock Units | <u>(2)</u> | | | | | <u>(4)</u> <u>(4)</u> | Common Stock 35,100 |
| Restricted Stock Units | <u>(2)</u> | | | | | <u>(5)</u> <u>(5)</u> | Common Stock 4,200 |
| Employee Stock Option (right to buy) | \$ 11.74 | | | | | <u>(6)</u> 08/10/2018 | Common Stock 126,500 |
| Employee Stock Option (right to buy) | \$ 11.96 | | | | | <u>(7)</u> 05/11/2019 | Common Stock 37,500 |

Reporting Owners

Reporting Owner Name / Address

Relationships

Reporting Owners

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Director 10% Owner Officer Other

Betters Ralph M
7007 BROADWAY AVENUE
CLEVELAND, OH 44105

Chief Information Officer

Signatures

/s/ Paul J. Huml, Pursuant to Power of
Attorney

05/18/2010

**Signature of Reporting Person

Date

Explanation of Responses:

- * 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).
- (1) The options vest in three equal annual installments beginning on May 14, 2011.
Each restricted stock unit represents a contingent right to receive one share of TFS Financial Corporation common stock. Restricted stock units are entitled to dividend equivalent rights in the form of a cash payment in the amount of any cash dividend paid per share of common stock.
- (2) The restricted stock units vest in four equal annual installments beginning on May 14, 2011. Vested shares may be distributed to the Reporting Person only after that person's termination of employment with TFS Financial Corporation.
- (3) The restricted stock units vest 10% on each of the third through the ninth anniversaries of the date of the grant and 30% on the tenth anniversary of the date of the grant. Vested shares may be distributed to the Reporting Person only after that person's termination of employment with TFS Financial Corporation.
- (4) The restricted stock units vest in four equal annual installments beginning on May 12, 2010. Vested shares may be distributed to the Reporting Person only after that person's termination of employment with TFS Financial Corporation.
- (5) The options vest in four equal annual installments beginning on August 11, 2012.
- (6) The options vest in three equal installments beginning on May 12, 2010.
- (7) Reflects transactions not required to be reported under Section 16 of the Securities Exchange Act, as amended.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.