

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 Instructions 1(b).

1. Name and Address of Reporting Person
 Rosenstock, Richard J.
 c/o Ladenburg Capital Management Inc.
 1055 Stewart Avenue
 Bethpage, NY 11415
 USA
2. Issuer Name and Ticker or Trading Symbol
 Ladenburg Thalmann Financial Services Inc.
 LTS
3. IRS or Social Security Number of Reporting Person (Voluntary)
4. Statement for Month/Year
 August 31, 2002
5. If Amendment, Date of Original (Month/Year)
6. Relationship of Reporting Person(s) to Issuer (Check all applicable)
 Director 10% Owner Officer (give title below) Other
 (specify below)
 Vice Chairman and Chief Operating Officer
7. Individual or Joint/Group Filing (Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

<TABLE>
 <CAPTION>

Table I -- Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned									
1. Title of Security	2. Date of Transaction	3. Code	4. Securities Acquired (A) or Disposed of (D)			5. Amount of Securities Beneficially Owned at End of Month	6. Direct (D) or Indirect (I)	7. Nature of Indirect Beneficial Ownership	
			Amount	A/D	Price			Indir	Direct
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Common Stock, par value \$0.001 per share	8/20/02	P		3,200	A	\$0.2407		I	(1)
Common Stock, par value \$0.001 per share	8/21/02	P		1,700	A	\$0.2708		I	(1)
Common Stock, par value \$0.001 per share	8/22/02	P		2,700	A	\$0.30	3,696,846	I	(1)

<CAPTION>

Table II -- Derivative Securities Acquired, Disposed of, or Beneficially Owned												
1. Title of Derivative Security	2. Conversion or Exercise Price of Derivative	3. Date of Transaction	4. Code	5. Number of Derivative Securities Acquired (A) or Disposed of (D)		6. Date Exercisable and Expiration Date		7. Title and Amount of Underlying Securities	8. Price of Derivative Security	9. Number of Derivative Securities Beneficially Owned at End of Month	10. Nature of Indirect Beneficial Ownership	
				Amount	A/D	Exercisable Date	Expiration Date				Indir	Direct
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>

</TABLE>

Explanation of Responses:
 (1) These shares are held of record by The Richard J. Rosenstock Revocable Living Trust Dated 3/5/96 of which the reporting person is the sole trustee and beneficiary.
 CONFIRMING STATEMENT

 This Statement confirms that the undersigned has authorized and designated Victor M. Rivas, Salvatore Giardina or Joseph Giovanniello Jr. to execute and file on the undersigned's behalf all Forms 3, 4 and 5 (including any amendments thereto) that the undersigned may be required to file with the United States Securities and Exchange Commission as a result of the undersigned's ownership of or transactions in securities of Ladenburg Thalmann Financial Services Inc. The authority of Victor M. Rivas, Salvatore Giardina and Joseph Giovanniello Jr. under this Statement shall continue until the undersigned is no longer required to file Forms 3, 4 or 5 with regard to the undersigned's ownership of or transactions in securities of Ladenburg Thalmann Financial Services Inc. unless earlier revoked in writing. The undersigned acknowledges that Victor M. Rivas, Salvatore Giardina and Joseph Giovanniello Jr. are not assuming any of the undersigned's responsibilities to comply with Section 16 of the Securities Exchange Act of 1934.
 /s/ Richard J. Rosenstock
 Richard J. Rosenstock
 Dated: August 15, 2002

SIGNATURE OF REPORTING PERSON

/s/ Richard J. Rosenstock

DATE

September 5, 2002