

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 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

| | | | | | | | | |
|---|---------|----------|--|--|--|--|--|--|
| 1. Name and Address of Reporting Person* ZEITCHICK MARK | | | 2. Issuer Name and Ticker or Trading Symbol LADENBURG THALMANN FINANCIAL SERVICES INC. [LTS] | | | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) ____ Director ____ 10% Owner ____ Officer (give title below) <input checked="" type="checkbox"/> Other (specify below) Former Director and Officer | | |
| (Last) 4400 BISCAYNE BOULEVARD, 12TH FLOOR | (First) | (Middle) | 3. Date of Earliest Transaction (Month/Day/Year) 02/12/2020 | | | | | |
| (Street) MIAMI, FL 33137 | | | 4. If Amendment, Date Original Filed(Month/Day/Year) | | | 6. Individual or Joint/Group Filing(Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> 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 Beneficial Ownership (Instr. 4) | |
|--|--------------------------------------|--|--------------------------------|---|---|------------|-------|---|--|---|--|
| | | | Code | V | Amount | (A) or (D) | Price | | | | |
| 8.00% Series A Cumulative Redeemable Preferred Stock | 02/12/2020 | | S | | 4,000 | (1) | D | \$ 25.07 | 0 | I | Held by the Mark D. Zeitchick 2016 Revocable Trust (2) |
| Common Stock | 02/14/2020 | | D | | 531,250 | (3) | D | \$ 3.5 (4) | 0 | D | |
| Common Stock | 02/14/2020 | | D | | 3,789,541 | | D | \$ 3.5 (5) | 0 | I | Held by the Mark D. Zeitchick 2016 Revocable Trust (2) |

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

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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) | | 8. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--|--|--------------------------------------|--|--------------------------------|---|---|-----|--|-----------------|---|----------------------------|--|--|--|--|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | | | | |
| Stock Option (Right to Buy) | \$ 1.28 | 02/14/2020 | | D | | 600,000 | | (6) | 03/02/2021 | Common Stock | 600,000 | \$ 2.22 (6) | 0 | D | |
| Stock Option (Right to Buy) | \$ 2.8 | 02/14/2020 | | D | | 600,000 | | (7) | 01/30/2022 | Common Stock | 600,000 | \$ 0.7 (7) | 0 | D | |
| Stock Option (Right to Buy) | \$ 1.4 | 02/14/2020 | | D | | 300,000 | | (8) | 01/28/2023 | Common Stock | 300,000 | \$ 2.1 (8) | 0 | D | |

| | | | | | | | | | | | | | |
|-----------------------------|---------|------------|--|---|--|---------|------|------------|--------------|---------|--------------|---|---|
| Stock Option (Right to Buy) | \$ 3.25 | 02/14/2020 | | D | | 400,000 | (9) | 01/17/2024 | Common Stock | 400,000 | \$ 0.25 (9) | 0 | D |
| Stock Option (Right to Buy) | \$ 4.25 | 02/14/2020 | | D | | 200,000 | (10) | 01/20/2025 | Common Stock | 200,000 | \$ 0 (10) | 0 | D |
| Stock Option (Right to Buy) | \$ 2.65 | 02/14/2020 | | D | | 200,000 | (11) | 01/14/2026 | Common Stock | 200,000 | \$ 0.85 (11) | 0 | D |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-----------------------------|
| | Director | 10% Owner | Officer | Other |
| ZEITCHICK MARK 4400 BISCAYNE BOULEVARD 12TH FLOOR MIAMI, FL 33137 | | | | Former Director and Officer |

Signatures

| | |
|-------------------------------|------------|
| /s/ Mark Zeitchick | 02/14/2020 |
| 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 8.00% Series A Cumulative Redeemable Preferred Stock is convertible into common stock at a non-fixed conversion rate in connection with a change of control as described in the issuer's Current Report on Form 8-K, filed with the Securities and Exchange Commission on May 24, 2013.
- (2) The reporting person is the trustee of the above-listed trust.
- (3) Represents restricted shares of common stock issued pursuant to the issuer's Amended and Restated 2009 Incentive Compensation Plan.
- (4) Disposed of in connection with the Agreement and Plan of Merger dated as of November 11, 2019, pursuant to which Ladenburg Thalmann Financial Services Inc. ("Ladenburg") would merge with a subsidiary of Advisor Group Holdings, Inc. (the "Merger"). Pursuant to the Merger, each issued and outstanding share of Ladenburg common stock was converted into the right to receive cash in the amount of \$3.50 per share (the "Per Share Merger Consideration") and each restricted share of common stock became vested at the effective time of the Merger and was converted into the right to receive an amount of cash equal to the product of (i) the number of restricted shares of common stock and (ii) the Per Share Merger Consideration. As a result of the Merger, the reporting person no longer beneficially owns, directly or indirectly, any shares of Ladenburg common stock. Figure above does not include any deduction for taxes.
- (5) Disposed of in connection with the Merger.
- (6) This option, which provided for vesting in four equal annual installments, commencing on March 2, 2012, was cancelled in the Merger and converted into the right to receive an amount in cash equal to the product of (i) the number of shares of common stock subject to such option and (ii) the excess, if any, of the Per Share Merger Consideration over the exercise price per share of the option. Figure above does not include any deduction for taxes.
- (7) This option, which provided for vesting in four equal annual installments, commencing on January 31, 2013, was cancelled in the Merger and converted into the right to receive an amount in cash equal to the product of (i) the number of shares of common stock subject to such option and (ii) the excess, if any, of the Per Share Merger Consideration over the exercise price per share of the option. Figure above does not include any deduction for taxes.
- (8) This option, which provided for vesting in four equal annual installments, commencing on January 28, 2014, was cancelled in the Merger and converted into the right to receive an amount in cash equal to the product of (i) the number of shares of common stock subject to such option and (ii) the excess, if any, of the Per Share Merger Consideration over the exercise price per share of the option. Figure above does not include any deduction for taxes.
- (9) This option, which provided for vesting in four equal annual installments, commencing on January 17, 2015, was cancelled in the Merger and converted into the right to receive an amount in cash equal to the product of (i) the number of shares of common stock subject to such option and (ii) the excess, if any, of the Per Share Merger Consideration over the exercise price per share of the option. Figure above does not include any deduction for taxes.
- (10) This option, which provided for vesting in four equal annual installments, commencing on January 20, 2016, was cancelled in the Merger because the exercise price was greater than the Per Share Merger Consideration.
- (11) This option, which provided for vesting in four equal annual installments, commencing on January 14, 2017, was cancelled in the Merger and converted into the right to receive an amount in cash equal to the product of (i) the number of shares of common stock subject to such option and (ii) the excess, if any, of the Per Share Merger Consideration over the exercise price per share of the option. Figure above does not include any deduction for taxes.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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