

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
 Frost, Phillip

4400 Biscayne Boulevard
 Miami, FL 33137-3227
 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
 December 31, 2002

5. If Amendment, Date of Original (Month/Year)

6. Relationship of Reporting Person(s) to Issuer (Check all applicable)
 () Director (X) 10% Owner () Officer (give title below) () Other
 (specify below)

7. Individual or Joint/Group Filing (Check Applicable Line)

() Form filed by One Reporting Person

(X) 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. Transaction Date	3. Code	4. Securities Acquired (A) or Disposed of (D) Amount	5. Amount of Securities Beneficially Owned at End of Month	6. Director or Indirect (I)	7. Nature of Indirect Beneficial Ownership
<S>	<C>	<C>	<C><C>	<C> <C>	<C>	<C> <C>
Common Stock, par value \$0.001 per share	12/31/02	P	34,000	A \$0.11 1,487,866	I	Frost Gamma Inv. Trust (1)

<CAPTION>

Table II -- Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Derivative Security	2. Conversion or Exercise Price	3. Transaction Date	4. Derivative Acquired (A) or Disposed of (D) Amount	5. Number of Derivative Securities Acquired (A) or Disposed of (D) Amount	6. Date Exercisable and Expiration Date	7. Title and Amount of Underlying Securities	8. Price of Derivative	9. Number of Derivative Securities Beneficially Owned at End of Month	10. Director or Indirect (I)	11. Nature of Indirect Beneficial Ownership
<S>	<C>	<C>	<C> <C>	<C> <C>	<C> <C>	<C>	<C>	<C>	<C>	<C> <C>

</TABLE>

Explanation of Responses:

(1) On 11/29/02 Frost Gamma, L.P. transferred all its shares to Frost Gamma Investments Trust, of which the reporting person is the trustee and Frost Gamma, L.P. is the sole and exclusive beneficiary. The reporting person is the sole limited partner of Frost Gamma, L.P. The general partner of Frost Gamma, L.P. is Frost Gamma, Inc. and the sole shareholder of Frost Gamma, Inc. is Frost-Nevada Corporation. The reporting person is also the sole shareholder of Frost-Nevada Corporation.

JOINT
 FILER

FROST GAMMA INVESTMENTS
 TRUST
 /s/ Phillip
 Frost

By Phillip Frost, M.D.,
 Trustee
 DATE
 January 3, 2003