

LADENBURG THALMANN FINANCIAL SERVICES INC
Form 8-K
November 21, 2014

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D)
OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): November 21, 2014

Ladenburg Thalmann Financial Services Inc.

(Exact name of registrant as specified in its charter)

Florida
(State or Other Jurisdiction

of Incorporation)

001-15799
(Commission

File Number)

650701248
(IRS Employer

Identification No.)

4400 Biscayne Boulevard, 12th Floor

Miami, Florida
(Address of Principal Executive Offices)

33137
(Zip Code)

Registrant's telephone number, including area code: (212) 409-2000

n/a

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- .. Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- .. Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- .. Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- .. Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01. Entry into a Definitive Material Agreement.

On November 21, 2014, Ladenburg Thalmann Financial Services Inc. (the Company) entered into an Equity Distribution Agreement (the Distribution Agreement) with Jefferies LLC (Jefferies), as representative of the sales agents listed in Schedule I thereto (the Sales Agents), pursuant to which the Company may issue and sell over time and from time to time, to or through Jefferies, up to 3,400,000 shares (the Shares) of its 8.00% Series A Cumulative Redeemable Preferred Stock, \$0.0001 par value per share (the Series A Preferred Stock).

Sales of the Shares pursuant to the Distribution Agreement, if any, may be effected by any method permitted by law deemed to be an at-the-market offering as defined in Rule 415 of the Securities Act of 1933, as amended (the Securities Act), including, without limitation, directly on the NYSE MKT LLC or any other existing trading market for the Series A Preferred Stock or through a market maker, up to the amount specified, and otherwise to or through Jefferies in accordance with the placement notice delivered by the Company to Jefferies. Also, with the prior consent of the Company, some or all of the Shares issued pursuant to the Distribution Agreement may be sold in privately negotiated transactions. Under the Distribution Agreement, the Sales Agents will be entitled to compensation of up to 2.0% of the gross proceeds from the sale of all of the Shares sold through Jefferies, as sales agent.

The Shares sold pursuant to the Distribution Agreement will be issued pursuant to a prospectus dated December 20, 2013, as supplemented by a prospectus supplement dated November 21, 2014, in each case filed with the Securities and Exchange Commission (the Commission) pursuant to the Company's effective Registration Statement on Form S-3 (File No. 333-192712) (the Registration Statement) which was initially filed with the Commission on December 6, 2013 and declared effective on December 20, 2013. Interested investors should read the Registration Statement and all documents incorporated therein by reference. The Distribution Agreement is filed as Exhibit 1.1 to this Current Report on Form 8-K and is incorporated herein by reference. The foregoing description of the material terms of the Distribution Agreement and the transactions contemplated thereby does not purport to be complete and is qualified in its entirety by reference to such exhibit.

The Distribution Agreement has been included to provide investors and security holders with information regarding its terms and conditions. The representations, warranties and covenants contained in the Distribution Agreement were made only for purposes of that agreement and as of specific dates, and were solely for the benefit of the parties to the Distribution Agreement. Investors should not rely on the representations, warranties and covenants or any description thereof as characterizations of the actual state of facts or condition of the Company or any of its subsidiaries or affiliates. Moreover, information concerning the subject matter of the representations, warranties and covenants may change after the date of the Distribution Agreement, which subsequent information may or may not be fully reflected in public disclosures by the Company.

On November 21, 2014, in connection with the offering of the Shares described above, the Company terminated the Equity Distribution Agreement, dated June 13, 2014, by and among the Company and Mitsubishi UFJ Securities (USA), Inc. (the June 2014 Agreement), as representative of the sales agents listed in Schedule I thereto, which termination became effective November 21, 2014. Pursuant to the June 2014 Agreement, the Company, from time to time, could offer and sell up to 3,000,000 shares of Series A Preferred Stock, by any method permitted by law deemed to be an at-the-market offering as defined in Rule 415 of the Securities Act.

The Company has sold a total of approximately 2,600,000 shares under the terms of the June 2014 Agreement. The Company will not incur any termination penalties as a result of such termination. A total of 400,000 authorized but unissued shares previously covered under the June 2014 Agreement are being carried over to and included in the Shares to be sold pursuant to the Distribution Agreement.

This Current Report on Form 8-K does not constitute an offer to sell or a solicitation of an offer to buy any securities. The Registration Statement relating to these securities has been filed with the Commission and is effective. Copies of the prospectus supplement and accompanying prospectus relating to the offering may be obtained when available by

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contacting Jefferies LLC, Attn: Prospectus Department, 520 Madison Ave., 12th Floor, New York, New York 10022, Telephone: 1-877-547-6340, or by visiting EDGAR on the Commission's website at www.sec.gov.

Item 1.02. Termination of a Material Definitive Agreement.

The information set forth in Item 1.01 of this Current Report on Form 8-K is hereby incorporated in Item 1.02 by reference.

Item 5.03. Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

In connection with the issuances and sales of the Shares to be made pursuant to the Distribution Agreement, the Company caused Articles of Amendment to its Articles of Incorporation (the "Articles of Amendment") to be filed with the Department of State of the State of Florida on November 20, 2014, to designate 3,000,000 of the Shares as additional shares of Series A Preferred Stock. The remaining balance of the Shares to be sold under the Distribution Agreement described in Item 1.01 above, equal to 400,000 authorized but unissued shares, were previously included in the Company's prospectus supplement, dated and filed with the Commission on June 13, 2014 in connection with the June 2014 Agreement described in Item 1.01 above, and were designated as shares of Series A Preferred Stock in connection therewith. The Articles of Amendment became effective on November 21, 2014.

The Articles of Amendment provide that the Company will pay monthly cumulative dividends on the Shares on the 28th day of each month (provided that if any dividend payment date is not a business day, then the dividend which would otherwise have been payable on that dividend payment date may be paid on the next succeeding business day without adjustment in the amount of the dividend) at 8.00% of the \$25.00 per share liquidation preference per annum (equivalent to \$2.00 per annum per share). The Articles of Amendment further provide that dividends will be payable to holders of record as they appear in the stock records of the Company for the Shares at the close of business on the applicable record date, which shall be the 15th day of each month, whether or not a business day, in which the applicable dividend payment date falls.

The Shares will not be redeemable before May 24, 2018, except upon the occurrence of a Change of Control (as defined in the Articles of Amendment). On or after May 24, 2018 the Company may, at its option, redeem any or all the Shares at \$25.00 per share plus any accumulated and unpaid dividends to, but not including, the redemption date. Also, upon the occurrence of a Change of Control, the Company may, at its option, redeem any or all of the Shares within 120 days after the first date on which such Change of Control occurred at \$25.00 per share plus any accumulated and unpaid dividends to, but not including, the redemption date. The Shares have no stated maturity, are not subject to any sinking fund or mandatory redemption and will remain outstanding indefinitely unless repurchased or redeemed by the Company or converted into the Company's common stock in connection with a Change of Control by the holders of the Shares.

Upon the occurrence of a Change of Control, each holder of the Shares will have the right (subject to the Company's election to redeem the Shares in whole or in part, as described above, prior to the Change of Control Conversion Date (as defined in the Articles of Amendment)) to convert some or all of the Shares held by such holder on the Change of Control Conversion Date into a number of shares of the Company's common stock per Share determined by formula, in each case, on the terms and subject to the conditions described in the Articles of Amendment, including provisions for the receipt, under specified circumstances, of alternative consideration as described in the Articles of Amendment.

Except under limited circumstances, holders of the Shares generally do not have any voting rights.

The foregoing description of the Articles of Amendment is a summary only, does not purport to be complete and is qualified in its entirety by reference to the full text of the Articles of Amendment, a copy of which is filed as Exhibit 3.1 hereto and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

On November 21, 2014, Akerman LLP delivered to the Company an opinion with respect to the validity of the Shares (the Opinion). The Opinion and consent of Akerman LLP are being filed herewith as Exhibit 5.1 and Exhibit 23.1, respectively, to this Current Report on Form 8-K, and are thereby automatically incorporated by reference into the Company's Registration Statement on Form S-3 (No. 333-192712), in accordance with the requirements of Item 601(b)(5) and Item 601(b)(8), respectively, of Regulation S-K.

(d) Exhibits.

Exhibit No.	Exhibit Description
1.1	Equity Distribution Agreement, dated November 21, 2014, between Ladenburg Thalmann Financial Services Inc. and Jefferies LLC, as representative of the Sales Agents listed on Schedule I thereto.
3.1	Articles of Amendment to Articles of Incorporation designating 3,000,000 additional shares of Ladenburg Thalmann Financial Services Inc. s 8.00% Series A Cumulative Redeemable Preferred Stock.
5.1	Opinion of Akerman LLP, regarding validity of the securities to be issued.
23.1	Consent of Akerman LLP (included in Exhibit 5.1).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: November 21, 2014

**LADENBURG THALMANN FINANCIAL SERVICES
INC.**

By: /s/ Brett H. Kaufman

Name: Brett H. Kaufman

Title: Senior Vice President and Chief Financial Officer

EXHIBIT INDEX

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