BERNSTEIN RONALD J
Form 4
November 14, 2005

FORM 4

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

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

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).

(Print or Type Responses)

1. Name and Address of Reporting Person *
BERNSTEIN RONALD J

(Last) (First) (Middle)

LIGGETT VECTOR BRANDS INC., ONE PARK DRIVE, SUITE 150

(Street)

RESEARCH TRIANGLE PARK, NC 27709

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
VECTOR GROUP LTD [VGR]

3. Date of Earliest Transaction (Month/Day/Year)
11/11/2005

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

__X__ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
President of Subsidiary

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

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			
Common Stock	11/11/2005		A(1)		50,000	A	$ 0.1	50,000	D	

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 Amou Underlying Securi (Instr. 3 and 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amo Num Shar
Employee Stock Option (right to buy)	$ 31.59	11/11/2005		D[(2)]			303,876	09/21/2003[(3)]	09/21/2011	Common Stock	303

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BERNSTEIN RONALD J LIGGETT VECTOR BRANDS INC. ONE PARK DRIVE, SUITE 150 RESEARCH TRIANGLE PARK, NC 27709	X		President of Subsidiary	

Signatures

/s/ Ronald J. Bernstein	11/11/2005
**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) On November 11, 2005, Vector Group Ltd. ("VGR") awarded the reporting person a restricted stock grant of 50,000 shares of VGR's Common Stock pursuant to VGR's Amended and Restated 1999 Long-Term Incentive Plan (the "Plan"). One-fourth of the shares vest on November 1, 2006, with an additional one-fourth vesting on each of the three succeeding one-year anniversaries of the first vesting date through November 1, 2009. In the event the reporting person's employment with VGR is terminated for any reason other than his death, his disability or a change of control of VGR, any remaining balance of the shares not previously vested will be forfeited by the reporting person.

(2) On November 11, 2005, VGR cancelled, pursuant to an agreement with the reporting person, an option granted to him on September 21, 2001 to purchase 303,876 shares of VGR's Common Stock pursuant to the Plan. In exchange, the reporting person, if he remains employed by VGR or an affiliate of VGR, will receive a replacement option six months and a day later in May 2006 to purchase 250,000 shares of VGR Common Stock, having an exercise price equal to the market price of the underlying stock on the grant date. The new option will have a 10-year term and will become exercisable with respect to one-fourth of the shares on December 1, 2006, with an additional one-fourth becoming exercisable on each of the three succeeding one-year anniversaries of the first exercisable date through December 1, 2009.

(3) The cancelled option provided for vesting in four equal annual installments beginning on September 21, 2003.

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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