

VECTOR GROUP LTD
Form 4
March 15, 2006

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

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, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
LORBER HOWARD M

(Last) (First) (Middle)

C/O VECTOR GROUP LTD., 100
S.E. SECOND STREET, 32ND
FLOOR

(Street)

MIAMI, FL 33131

(City) (State) (Zip)

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

3. Date of Earliest Transaction
(Month/Day/Year)
03/13/2006

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)
President and CEO

6. Individual or Joint/Group Filing(Check Applicable Line)
 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 Ownership (Instr. 4)			
				(A) or (D)	Price					
Common Stock	03/13/2006		M	V	35,279	A	\$ 10.51	1,143,575	D	
Common Stock	03/13/2006		F ⁽²⁾	V	19,302	D	\$ 19.21	1,124,273	D	
Common Stock								1,817,871	I ⁽¹⁾	By Lorber Epsilon 1999 Limited Partnership
Common								64,800	I ⁽¹⁾	By Lorber

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).

Lorber Epsilon 1999 LLC, a Delaware limited liability company, is the general partner of Lorber Epsilon 1999 Limited Partnership.

(1) Lorber Alpha II Limited Partnership, a Nevada limited partnership, is the sole member of, and the reporting person is the manager of, Lorber Epsilon 1999 LLC. Lorber Alpha II, Inc., a Nevada corporation, is the general partner of Lorber Alpha II Limited Partnership, a Nevada limited partnership. The reporting person is a director, officer and controlling stockholder of Lorber Alpha II, Inc.

(2) Delivery of 19,302 shares in payment of exercise price in connection with exercise of 35,279 employee stock options on 3/13/06.

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

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.