

VECTOR GROUP LTD  
Form 4  
January 19, 2010

**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, 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 \*  
FROST PHILLIP MD ET AL

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
4400 BISCAYNE  
BOULEVARD, SUITE 1500

3. Date of Earliest Transaction  
(Month/Day/Year)  
01/14/2010

\_\_\_ Director \_\_\_X\_\_\_ 10% Owner  
\_\_\_ Officer (give title below) \_\_\_ Other (specify below)

(Street)  
MIAMI, FL 33137

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

6. Individual or Joint/Group Filing(Check Applicable Line)  
\_\_\_ Form filed by One Reporting Person  
\_X\_ 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                    | 01/14/2010                           |  | X                              | 39,375<br>(1) A   | \$ 16.67<br>(1) 5,027,104   | I  | By Frost Gamma Investments Trust (2)                  |
| Common Stock                    | 01/15/2010                           |  | X                              | 139,125<br>(1) A  | \$ 16.67<br>(1) 5,166,229   | I  | By Frost Gamma Investments Trust (2)                  |
| Common Stock                    | 01/15/2010                           |  | X                              | 78,750<br>(1) A   | \$ 14.29<br>(1) 5,244,979   | I  | By Frost Gamma Investments Trust (2)                  |

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|              |            |   |                      |   |                           |           |   |  |
|--------------|------------|---|----------------------|---|---------------------------|-----------|---|--|
| Common Stock | 01/15/2010 | X | 42,460<br><u>(1)</u> | A | \$<br>18.18<br><u>(1)</u> | 5,287,439 | I | By Frost<br>Gamma<br>Investments<br>Trust <u>(2)</u> |
| Common Stock |            |   |                      |   |                           | 10,500    | I | By Patricia<br>Frost <u>(3)</u>                      |

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

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

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(9-02)

**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) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable Expiration Date                         | Title Amount of Number of Shares                              |
| Put (obligation to buy)                    | \$ 16.67<br><u>(1)</u>                                 | 01/14/2010                           |  | X                              | 375   | 03/06/2009 01/16/2010                                    | Common Stock 39,375<br><u>(1)</u>                             |
| Put (obligation to buy)                    | \$ 16.67<br><u>(1)</u>                                 | 01/15/2010                           |  | X                              | 1,325   | 03/06/2009 01/16/2010                                    | Common Stock 139,125<br><u>(1)</u>                            |
| Put (obligation to buy)                    | \$ 14.29<br><u>(1)</u>                                 | 01/15/2010                           |  | X                              | 750   | 02/24/2009 01/16/2010                                    | Common Stock 78,750<br><u>(1)</u>                             |
| Put (obligation to buy)                    | \$ 18.18<br><u>(4)</u>                                 | 01/15/2010                           |  | X                              | 386   | 02/24/2009 01/16/2010                                    | Common Stock 42,460<br><u>(4)</u>                             |
| Put (obligation to buy)                    | \$ 11.9 <u>(1)</u>                                     | 01/16/2010                           |  | E                              | 750   | 01/16/2010 01/16/2010                                    | Common Stock 78,750<br><u>(1)</u>                             |

## Reporting Owners

| Reporting Owner Name / Address   | Relationships |           |         |       |
|--|---------------|-----------|---------|-------|
|  | Director      | 10% Owner | Officer | Other |
| FROST PHILLIP MD ET AL<br>4400 BISCAYNE BOULEVARD<br>SUITE 1500<br>MIAMI, FL 33137         |               | X         |         |       |
| Frost Gamma Investments Trust<br>4400 BISCAYNE BOULEVARD<br>SUITE 1500<br>MIAMI, FL 33137  |               | X         |         |       |
| Frost Nevada Investments Trust<br>4400 BISCAYNE BOULEVARD<br>SUITE 1500<br>MIAMI, FL 33137 |               | X         |         |       |

## Signatures

|  |            |
|--|------------|
| /s/ Phillip Frost, MD  | 01/19/2010 |
| **Signature of Reporting Person                                      | Date       |
| Frost Gamma Investments Trust by: /s/ Phillip Frost, MD,<br>Trustee  | 01/19/2010 |
| **Signature of Reporting Person                                      | Date       |
| Frost Nevada Investments Trust by: /s/ Phillip Frost, MD,<br>Trustee | 01/19/2010 |
| **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) All share and price information has been adjusted to reflect the 5% stock dividend paid by the Issuer on September 29, 2009.  
These securities are held by Frost Gamma Investments Trust, of which Phillip Frost M.D., is the trustee. Frost Gamma L.P. is the sole and exclusive beneficiary of Frost Gamma Investments Trust. Dr. Frost is one of two limited partners 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. Dr. Frost is also the sole shareholder of Frost-Nevada Corporation. The reporting person disclaims beneficial ownership of these securities, except to the extent of any pecuniary interest therein and this report shall not be deemed an admission that the reporting person is the beneficial owner of these securities for purposes of Section 16 or for any other purpose.
  - (2) These securities are held by Patricia Frost, Dr. Frost's spouse. Pursuant to Rule 16a-1(a)(4), the Reporting Person disclaims beneficial ownership of these shares.
  - (3) All share and price information has been adjusted to reflect the 5% stock dividends paid by the Issuer on September 29, 2008 and September 29, 2009.
  - (4) Reflects cash in lieu payment of \$0.25 per contract received due to 5% stock dividend paid by Issuer on September 29, 2008.

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.