

VECTOR GROUP LTD  
Form 4  
August 20, 2010

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
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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)

3. Date of Earliest Transaction (Month/Day/Year)  
08/18/2010

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

4400 BISCAYNE BOULEVARD, SUITE 1500

(Street)

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

MIAMI, FL 33137

(City) (State) (Zip)

**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 Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|
|                                 |                                      |  |                                | (A) or (D)  | Code V Amount (D) Price   |  |  |

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.**

SEC 1474 (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 | 2. Conversion or Exercise | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any | 4. Transaction Code | 5. Number of Derivative | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) |
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|-------------------------|--|---|
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|-------------------------|--|---|

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| (Instr. 3)              | Price of Derivative Security | (Month/Day/Year) | (Instr. 8) | Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title        | Amount or Number of Shares |
|-------------------------|------------------------------|------------------|------------|---|------|---|-----|-----|------------------|-----------------|--------------|----------------------------|
|                         |                              |                  |            |   |      |   |     |     |                  |                 |              |                            |
| Put (obligation to buy) | \$ 20                        | 08/18/2010       | E          |   |      |   |     | 216 | 12/28/2009       | 08/21/2010      | Common Stock | 21,600                     |
| Put (obligation to buy) | \$ 20                        | 08/18/2010       | S          |   |      |   |     | 216 | 08/18/2010       | 02/19/2011      | Common stock | 21,600                     |
| Put (obligation to buy) | \$ 20                        | 08/18/2010       | E          |   |      |   |     | 443 | 12/29/2009       | 08/21/2010      | Common Stock | 44,300                     |
| Put (obligation to buy) | \$ 20                        | 08/18/2010       | S          |   |      |   |     | 443 | 08/18/2010       | 02/19/2011      | Common Stock | 44,300                     |

## 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  | 08/20/2010 |
| **Signature of Reporting Person                                      | Date       |
| Frost Gamma Investments Trust by: /s/ Phillip Frost, MD,<br>Trustee  | 08/20/2010 |
| **Signature of Reporting Person                                      | Date       |
| Frost Nevada Investments Trust by: /s/ Phillip Frost, MD,<br>Trustee | 08/20/2010 |
| **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) 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) Represents the weighted average purchase price for price increments ranging from \$1.05 to \$1.15. The Reporting Person undertakes to provide, upon request for the Securities and Exchange Commission staff, the Issuer or a security holder of the Issuer, full information regarding the number of derivative securities cancelled or closed at each separate price for all transactions reported on this Form 4.

(3) Represents the weighted average sales price for price increments ranging from \$1.84 to \$1.93. The Reporting Person undertakes to provide, upon request for the Securities and Exchange Commission staff, the Issuer or a security holder of the Issuer, full information regarding the number of derivative securities sold at each separate price for all transactions reported on this Form 4.

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.