
**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): October 29, 2013

VECTOR GROUP LTD.

(Exact Name of Registrant as Specified in Its Charter)

DELAWARE

(State or Other Jurisdiction of Incorporation)

1-5759

(Commission File Number)

65-0949535

(I.R.S. Employer Identification No.)

4400 Biscayne Boulevard, Miami, Florida

(Address of Principal Executive Offices)

33137

(Zip Code)

(305) 579-8000

(Registrant's Telephone Number, Including Area Code)

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 (see General Instruction A.2. below):

- 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))
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Item 5.02 Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers; Compensatory Arrangements of Certain Officers.

On October 29, 2013, Vector Group Ltd., a Delaware corporation (the “Company”), and Ronald J. Bernstein, President and Chief Executive Officer of Liggett Group LLC and Liggett Vector Brands LLC, entered into a letter agreement (the “Bernstein Amendment”) amending Mr. Bernstein’s Employment Agreement with the Company dated as of November 11, 2005 and as amended on January 14, 2011. The October 29, 2013 amendment increased Mr. Bernstein’s base salary, effective January 1, 2014, to \$1,000,000 per annum (from his current base salary, which was effective January 1, 2013, of \$908,719) and terminated a provision in Mr. Bernstein’s contract which granted him an automatic annual increase in base salary based on a cost-of-living adjustment. Further, on October 29, 2013, the Company awarded Mr. Bernstein a restricted stock grant of 27,500 shares of its common stock pursuant to its Amended and Restated 1999 Long-Term Incentive Plan. The shares will vest on the earlier of March 15, 2019, contingent upon performance-based targets being achieved by the Company’s tobacco segment, or October 31, 2020, if the performance-based targets are not achieved. Mr. Bernstein will receive dividends on the restricted shares as paid. In the event Mr. Bernstein’s employment with the Company is terminated for any reason other than his death, his disability or a change of control of the Company, the shares not previously vested will be forfeited by the reporting person.

The foregoing description of the Bernstein Amendment is qualified in its entirety by reference to the Bernstein Amendment, which is included as Exhibit 10.1 hereto and incorporated herein by reference.

Item 7.01 Regulation FD Disclosure.

On October 29, 2013, the Company issued a press release announcing its intention to redeem all of its outstanding 3.875% Variable Interest Senior Convertible Debentures due 2026 (the “Debentures”). A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference. The press release attached hereto as Exhibit 99.1 shall not constitute an offer to sell, or the solicitation of an offer to buy, any of the Debentures described therein.

Item 8.01. Other Events.

On October 29, 2013, the Company issued a Notice of Optional Redemption to each holder of the Debentures pursuant to Sections 11.01(b) and 11.05 of the Indenture, dated July 12, 2006, as amended, supplemented or otherwise modified from time to time (the “Indenture”), between the Company and Wells Fargo Bank, National Association, a national banking association, as trustee (the “Trustee”). Pursuant to the Notice of Optional Redemption, the Company intends to redeem all of the remaining Debentures outstanding under the Indenture on November 29, 2013 (the “Redemption Date”), in accordance with the optional redemption provisions in the Indenture. The redemption price for the Debentures will be 100% of the outstanding principal amount of the Debentures, plus accrued and unpaid interest up to, but excluding, the Redemption Date. The aggregate principal amount of the Debentures outstanding is \$43.2 million and no amounts will remain outstanding following the redemption of the Debentures. The Debentures may be converted into shares of the Company’s common stock by the Debenture holders at any time before the close of business on the Redemption Date, at a conversion price of approximately \$14.55 per share (approximately 68.718858 shares of common stock per \$1,000 principal amount of the Debentures). The Company intends to use cash on hand to fund the redemption of the Debentures not converted into common stock prior to the Redemption Date. The redemption will constitute a complete redemption of the Debentures, such that no amount will remain outstanding following the redemption. A copy of the Notice of Optional Redemption is attached hereto as Exhibit 99.2.

Item 9.01. Financial Statements and Exhibit.

The following exhibits are included with this report. Exhibit 99.1 is being furnished solely for purposes of Item 7.01 of this Form 8-K:

(d) Exhibits.

<u>Exhibit No.</u>	<u>Exhibit</u>
10.1	Amendment to Employment Agreement, dated October 29, 2013, by and between Vector Group Ltd. and Ronald J. Bernstein.
99.1	Press Release, dated October 29, 2013.
99.2	Notice of Optional Redemption, dated October 29, 2013.

SIGNATURE

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

VECTOR GROUP LTD.

By: /s/ J. Bryant Kirkland III

J. Bryant Kirkland III

Vice President, Treasurer and Chief Financial Officer

Date: October 29, 2013

LIGGETT GROUP LLC
100 Maple Lane
Mebane, NC 27302-8160

October 29, 2013

Mr. Ronald J. Bernstein
329 Circle Park Place
Chapel Hill, NC 27517

Dear Ron:

This letter agreement constitutes an amendment to the Employment Agreement dated as of November 11, 2005 and as amended on January 14, 2011, (the "Agreement"), between Liggett Group Inc. (the "Company") and Ronald J. Bernstein ("Executive"). The Company and Executive wish to further amend the Agreement as set forth below. Unless otherwise defined herein, capitalized terms used herein shall have the meanings ascribed thereto in the Agreement.

A. The Agreement is amended in the following respects:

1. Section 3(a) of the Agreement is deleted and replaced by the following:

(a) Salary. Effective January 1, 2014, the Company shall pay Executive a base salary of \$1,000,000 per annum, as the same may be increased from time to time as provided herein (the "Salary"), payable in installments at such regular intervals as the Company customarily pays its other executives (but in no event less often than monthly).

B. This letter agreement constitutes an amendment to and a modification of the Agreement and shall for all purposes be considered a part of the Agreement. Except as amended hereby, the Agreement is confirmed and ratified in all respects and shall remain in full force and effect.

Please indicate your agreement with the foregoing by countersigning two copies of this letter agreement in the space provided below and returning one of such copies to us.

Very truly yours,

LIGGETT GROUP LLC and LIGGETT VECTOR BRANDS LLC

By: /s/ John R. Long

John R. Long

Vice President, General Counsel and Secretary

Exhibit 10.1

The foregoing letter agreement
is consented and agreed to as
of the date first above written.

By: /s/ Ronald J. Bernstein
Ronald J. Bernstein

Vector Group Ltd.
(as to Sections 3(c), 3(d), 3(f) and 7 only)

By: /s/ J. Bryant Kirkland III
J. Bryant Kirkland III
Vice President, Treasurer & Chief Financial Officer

FOR IMMEDIATE RELEASE

Contact: Paul Caminiti / Jonathan Doorley
Sard Verbinnen & Co
212-687-8080

**VECTOR GROUP LTD. PROVIDES
NOTICE OF REDEMPTION OF 3.875% VARIABLE INTEREST
SENIOR CONVERTIBLE DEBENTURES DUE 2026**

Miami - October 29, 2013 - Vector Group Ltd. (NYSE: VGR) (“Vector”) announced today that it has sent a notice of optional redemption to the holders of all of its outstanding 3.875% Variable Interest Senior Convertible Debentures due 2026 (the “Debentures”). Vector intends to redeem all of the outstanding Debentures on November 29, 2013 (the “Redemption Date”). The redemption price is 100% of the outstanding principal amount of the Debentures, plus accrued and unpaid interest to, but excluding, the Redemption Date. The aggregate principal amount of the outstanding Debentures is \$43.2 million.

The Debentures may be converted into shares of Vector’s common stock by the holders at any time before the close of business on November 28, 2013, at a conversion price of approximately \$14.55 per share, equating to approximately 68.718858 shares of Vector’s common stock per \$1,000 principal amount of the Debentures.

Vector intends to use cash on hand to fund the redemption of any Debentures not converted into common stock prior to the Redemption Date. The redemption will constitute a complete redemption of the Debentures, such that no amount will remain outstanding following the redemption.

Vector is a holding company that indirectly owns Liggett Group LLC and Vector Tobacco Inc. and directly owns New Valley LLC.

Cautionary Note Regarding Forward-Looking Statements

This press release contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Vector has tried, whenever possible, to identify these forward-looking statements using words such as “anticipates”, “believes”, “estimates”, “expects”, “plans”, “intends” and similar expressions. These statements reflect Vector’s current beliefs and are based upon information currently available to it. Accordingly, such forward-looking statements involve known and unknown risks,

Exhibit 99.1

uncertainties and other factors which could cause Vector's actual results, performance or achievements to differ materially from those expressed in, or implied by, such statements.

**NOTICE OF OPTIONAL REDEMPTION
TO HOLDERS OF
Vector Group Ltd.
3.875% Variable Interest Senior Convertible Debentures due 2026
(CUSIP NoS. 92240MAJ7 and 92240MAL2)**

October 29, 2013

Notice is hereby given that, pursuant to Section 2 of the 3.875% Variable Interest Senior Convertible Debentures due 2026 (CUSIP Nos. 92240MAJ7 and 92240MAL2) (the “Notes”) and Sections 11.01(b) and 11.05 of the Indenture, dated as of July 12, 2006, as amended, supplemented or otherwise modified from time to time (the “Indenture”; capitalized terms used but not defined herein have the meanings given to such terms in the Indenture), between Vector Group Ltd., a Delaware corporation (the “Company”) and Wells Fargo Bank, National Association, a national banking association, as trustee (the “Trustee”), the Company has elected to redeem all of the Notes outstanding under the Indenture, and in connection herewith, the Company hereby notifies you of the following:

1. Optional Redemption Date: November 29, 2013 (the “Optional Redemption Date”).
2. Redemption Price: 100% of the outstanding principal amount of the Notes being redeemed (the “Redemption Price”) plus accrued and unpaid interest up to, but excluding, the Optional Redemption Date, the amount of which interest is \$510,860.03. Unless the Company defaults in making payment of the Redemption Price, interest on the Notes redeemed will cease to accrue on and after the Optional Redemption Date.
3. Principal Amount of Notes to be Redeemed: \$43,222,000 aggregate principal amount of the Notes, representing all of the Notes outstanding on the Optional Redemption Date.
4. Conversion Price: \$14.55204629. Notes to be redeemed may be converted into shares of the Company’s common stock at any time before the close of business on the Business Day immediately preceding the Optional Redemption Date, in accordance with the Indenture. After that time, you will be entitled only to the Redemption Price for your Notes. Holders who want to convert their Notes must satisfy the conversion requirements set forth in the Notes and the Indenture.
5. Paying Agent Name and Address:

Wells Fargo Bank, National Association
6th & Marquette Avenue
N9303-121
Minneapolis, MN 55479
Attention: Corporate Trust Services
6. Conversion Agent Name and Address:

Wells Fargo Bank, National Association
6th & Marquette Avenue
N9303-121
Minneapolis, MN 55479
Attention: Corporate Trust Services

Notes to be redeemed must be surrendered to the Paying Agent for cancellation to collect the Redemption Price, plus accrued and unpaid interest, on such Notes. Notes must be surrendered by hand or by mail at the following locations:

<u>Registered & Certified Mail:</u>	<u>Regular Mail or Courier:</u>	<u>In Person by Hand Only:</u>
Wells Fargo Bank, National Association Corporate Trust Operations MAC N9303-121 P.O. Box 1517 Minneapolis, MN 55480	Wells Fargo Bank, National Association Corporate Trust Operations MAC N9303-121 6th & Marquette Avenue Minneapolis, MN 55479	Wells Fargo Bank, National Association Corporate Trust Services Northstar East Building 12 th Floor 608 Second Avenue South Minneapolis, MN 55402

For Notes surrendered by mail, the use of registered or certified mail is suggested.

The CUSIP numbers listed above are for informational purposes only. No representation is made as to the correctness or accuracy of the CUSIP numbers listed in this notice or printed on the Notes.

For all purposes of the Indenture, the Notes called for redemption in accordance with the foregoing will be deemed to be no longer outstanding from and after the Optional Redemption Date, and all rights with respect thereto, except as stated herein, will cease as of the close of business on that same date and the only remaining right of Holders of the Notes is to receive payment of the Redemption Price, plus accrued and unpaid interest and Registration Default Payments, if any, up to, but excluding, the Optional Redemption Date, upon surrender to the Paying Agent of the Notes to be redeemed.

IMPORTANT TAX NOTICE

Holders must furnish a properly completed and signed Form W-9 when submitting the Notes. Federal law may require paying agents making payments of interest or principal to withhold a 28% tax from remittances to individuals who have failed to furnish the Paying Agent with a valid taxpayer identification (Social Security) number.

VECTOR GROUP LTD.

By: /s/ J. Bryant Kirkland III

J. Bryant Kirkland III

Vice President, Treasurer and Chief Financial Officer