

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL	
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1. Name and Address of Reporting Person* <u>BEINSTEIN HENRY C</u> (Last) (First) (Middle) <u>GAGNON SECURITIES LLC</u> <u>1370 AVENUE OF THE AMERICAS</u> (Street) <u>NEW YORK NY 10019</u> (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>VECTOR GROUP LTD [VGR]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner Officer (give title below) Other (specify below)
	3. Date of Earliest Transaction (Month/Day/Year) <u>12/09/2005</u>	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	

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)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	12/09/2005		P		6,209	A	(1)	17,234	D	

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 Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Title
Employee Stock Option (right to buy)	\$8.68	12/13/2005		A ⁽²⁾		5,400		01/19/2001	12/13/2007	Common Stock	5,400	\$0	5,400	D	
Employee Stock Option (right to buy)	\$6.61	12/13/2005		A ⁽²⁾		2,700		06/04/2002	12/13/2007	Common Stock	2,700	\$0	2,700	D	
Employee Stock Option (right to buy)	\$7.69	12/13/2005		A ⁽²⁾		2,700		10/24/2003	12/13/2007	Common Stock	2,700	\$0	2,700	D	
Employee Stock Option (right to buy)	\$7.43	12/13/2005		A ⁽²⁾		2,700		06/02/2004	12/13/2007	Common Stock	2,700	\$0	2,700	D	
Employee Stock Option (right to buy)	\$7.65	12/13/2005		A ⁽²⁾		2,700		05/24/2005	12/13/2007	Common Stock	2,700	\$0	2,700	D	
Employee Stock Option (right to buy)	\$11.96	12/13/2005		A ⁽²⁾		2,700		12/13/2005	12/13/2007	Common Stock	2,700	\$0	2,700	D	

Explanation of Responses:

- On December 9, 2005, in connection with the exchange offer by Vector Group Ltd. (the "Company") for New Valley Corporation common shares, Mr. Beinstein received shares of the Company's common stock in exchange for New Valley common shares tendered.
- In connection with the merger of New Valley Corporation with a subsidiary of the Company on December 13, 2005, Mr. Beinstein's options to purchase New Valley common shares under the New Valley Corporation Non-Employee Directors Stock Option Program were converted, in accordance with the terms of such options, into options to purchase the Company's common stock.

/s/ Henry C. Beinstein 12/13/2005

** Signature of Reporting Person Date

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

* 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).**

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

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 Number.