

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): December 10, 2021

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))

Securities Registered Pursuant to 12(b) of the Act:

Title of each class:	Trading Symbol(s)	Name of each exchange on which registered:
Common stock, par value \$0.10 per share	VGR	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01 Regulation FD Disclosure

Spin-off of Douglas Elliman, Inc.

On December 10, 2021, Vector Group Ltd. (NYSE: VGR) (the “Company”) announced that its board of directors has approved the spin-off of Douglas Elliman Inc. (“Douglas Elliman”), which is expected to be completed in late-December.

Upon completion of the spin-off, Vector Group will operate the tobacco segment of its business, which includes the manufacture and sale of cigarettes in the United States through Vector Group’s subsidiaries Liggett Group LLC and Vector Tobacco Inc., while also continuing to own interests in numerous properties and real estate projects across the United States. Douglas Elliman will own and operate the real estate services and property technology (“PropTech”) investment business currently owned and operated by Vector Group through its subsidiary New Valley, LLC, and will be capitalized with approximately \$200 million in net cash and cash equivalents.

A copy of the press release related to the spin-off of Douglas Elliman is attached as Exhibit 99.1 and is incorporated herein by reference.

The information furnished under Item 7.01 of this Current Report on Form 8-K, including Exhibit 99.1, shall not be deemed to be “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, and shall not be deemed to be incorporated by reference into any of the Company’s filings under the Securities Act or the Exchange Act, whether made before or after the date hereof and regardless of any general incorporation language in such filings, except to the extent expressly set forth by specific reference in such a filing.

This Current Report on Form 8-K contains forward-looking statements, which involve risk and uncertainties. The words “believe,” “expect,” “estimate,” “may,” “will,” “could,” “plan,” or “continue” and similar expressions are intended to identify forward-looking statements. The Company’s actual results could differ significantly from the results discussed in such forward-looking statements. Factors that could cause or contribute to such differences in results and outcomes include, without limitation, those discussed under the heading “Risk Factors” in the Company’s Annual Report on Form 10-K for the year ended December 31, 2020 and in the Company’s Form 10-Q for the quarterly period ended September 30, 2021. Readers are urged not to place undue reliance on these forward-looking statements, which speak only as of the date of this Current Report on Form 8-K. The Company undertakes no obligation to (and expressly disclaims any obligation to) revise or update any forward-looking statement, whether as a result of new information, subsequent events, or otherwise (except as may be required by law), in order to reflect any event or circumstance which may arise after the date of this Current Report on Form 8-K.

Exhibit Index

(c) Exhibit.

<u>Exhibit No.</u>	<u>Exhibit</u>
99.1	Press release issued by Vector Group Ltd. on December 10, 2021, announcing the approval of spin-off of Douglas Elliman Inc.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

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

Senior Vice President, Treasurer and Chief Financial Officer

Date: December 10, 2021

Vector Group Ltd. Board Approves Spin-Off of Douglas Elliman Inc.
Spin-Off Expected to be Completed in Late-December

Douglas Elliman's Common Stock Expected to Trade on the New York Stock Exchange Under the Symbol "DOUG"

MIAMI, FL – December 10, 2021 – Vector Group Ltd. (NYSE: VGR) (“Vector Group”) today announced that its board of directors (the “Board”) has approved the spin-off of Douglas Elliman Inc. (“Douglas Elliman”), which is expected to be completed in late-December.

Upon completion of the spin-off, Vector Group will operate the tobacco segment of its business, which includes the manufacture and sale of cigarettes in the United States through Vector Group’s subsidiaries Liggett Group LLC and Vector Tobacco Inc., while also continuing to own interests in numerous properties and real estate projects across the United States. Douglas Elliman will own and operate the real estate services and property technology (“PropTech”) investment business currently owned and operated by Vector Group through its subsidiary New Valley, LLC, and will be capitalized with approximately \$200 million in net cash and cash equivalents.

“The Board’s approval of the spin-off paves the way for us to establish Douglas Elliman as an independent publicly traded company in the coming weeks,” said Howard M. Lorber, President & Chief Executive Officer of Vector Group and Chairman, President & Chief Executive Officer of Douglas Elliman. “We are confident this separation is in the best interests of Vector Group, Douglas Elliman, our stockholders, and all our stakeholders. As a standalone company, Douglas Elliman will have a dedicated management team and Board, direct access to the public markets, and additional resources to capitalize on opportunities in the large and growing U.S. residential real estate market.”

The distribution is expected to take place on December 29, 2021 to holders of Vector Group common stock (including Vector Group common stock underlying outstanding Vector Group stock option awards and restricted stock awards) of record as of the close of business on December 20, 2021, the record date for the distribution. Each Vector Group common stockholder will receive one share of Douglas Elliman common stock for every two shares of Vector Group common stock held as of the record date.

No action or payment is required by Vector Group stockholders to receive shares of Douglas Elliman. For Vector Group stockholders who hold Vector Group common stock in registered form and for holders of outstanding Vector Group stock option awards and restricted stock awards as of the record date, in most cases the transfer and distribution agent will credit their shares of Douglas Elliman common stock to their book entry accounts. For stockholders who own Vector Group common stock through a broker or other nominee, their accounts will be credited with the new Douglas Elliman shares by the broker or other nominee. A prospectus containing details regarding the distribution of the new Douglas Elliman common stock and the Douglas Elliman business and management following the spin-off will be made available to Vector Group stockholders as of the record date prior to the distribution date.

For a period of time to be determined prior to the distribution, the new Douglas Elliman common stock is expected to trade on a “when-issued” basis on the NYSE under the symbol “DOUG WI”

and Vector Group expects that its common stock will trade in two markets on the NYSE: in the “regular way” market under the symbol “VGR” and in the “ex-distribution” market under the symbol “VGR WI”. The dates for “when issued” and “ex-distribution” are expected to be released prior to the December 20, 2021 record date. Investors are encouraged to consult with their financial advisors regarding the specific implications of buying or selling Vector Group common stock on or before the distribution date.

The distribution is expected to qualify as a tax-free distribution for U.S. federal income tax purposes. Vector Group encourages stockholders to consult with their tax advisors with respect to U.S. federal, state, local and foreign tax consequences of the spin-off. Completion of the spin-off is subject to various conditions, including receipt of a tax opinion from counsel and the effectiveness of Douglas Elliman’s registration statement on Form S-1. Jefferies LLC serves as financial advisor to Vector Group and Sullivan & Cromwell LLP serves as legal counsel to Vector Group and Douglas Elliman.

About Vector Group Ltd.

Vector Group is a holding company for Liggett Group LLC, Vector Tobacco Inc., New Valley LLC, and Douglas Elliman Realty, LLC. Additional information concerning Vector Group is available on its website, www.VectorGroupLtd.com.

Investors and others should note that we may post information about Vector Group or its subsidiaries on our website at www.VectorGroupLtd.com and/or at the websites of those subsidiaries or, if applicable, on their accounts on Facebook, Instagram, LinkedIn, TikTok, Twitter, YouTube or other social media platforms. It is possible that the postings or releases could include information deemed to be material information. Therefore, we encourage investors, the media and others interested in Vector Group to review the information we post on our website at www.VectorGroupLtd.com, on the websites of our subsidiaries and on their social media accounts.

Disclaimer

Douglas Elliman has filed a registration statement with the SEC relating to the proposed distribution of Douglas Elliman securities, which may not be sold, nor may offers to buy be accepted, before a registration statement for such securities becomes effective. This press release does not constitute an offer to sell or the solicitation of an offer to buy, nor will there be any sale of Douglas Elliman securities in any state or jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration or qualification.

Special Note on Forward-Looking Statements

This press release may contain “forward-looking statements” within the meaning of the federal securities laws. Forward-looking statements include information relating to our intent, belief or current expectations, primarily with respect to, but not limited to, economic outlook, capital expenditures, cost reduction, cash flows, operating performance, growth expectations, competition, legislation and regulations, litigation, and related industry developments (including

trends affecting our business, financial condition and results of operations) and our spin-off of Douglas Elliman.

Forward-looking statements can be identified by words or phrases such as “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “intend,” “may be,” “objective,” “opportunistically,” “plan,” “potential,” “predict,” “project,” “prospects,” “seek,” and “will be” and similar words or phrases or their negatives. Forward-looking statements involve important risks and uncertainties that could cause our actual results, performance or achievements to differ materially from our anticipated results, performance or achievements expressed or implied by the forward-looking statements. Further information on the risks and uncertainties to the business of Vector Group include the risk factors described in the filings of Vector Group with the SEC.

Factors that could cause actual results of Douglas Elliman to differ materially from those suggested by forward-looking statements include: general economic and market conditions, and any changes therein, due to acts of war and terrorism or otherwise; governmental regulations and policies; adverse changes in global, national, regional and local economic and market conditions, including those related to pandemics and health crises, such as the outbreak of COVID-19 and the impact of potential COVID-19 variants; the extent and timing of COVID-19 vaccine administration and the duration of the COVID-19 pandemic; Douglas Elliman’s ability to effectively manage the impacts of the COVID-19 pandemic and any government-mandated or encouraged suspension of our business operations; the impacts of the Tax Cuts and Jobs Act of 2017, including its impact on the markets of Douglas Elliman’s business; effects of industry competition; severe weather events or natural or man-made disasters, including increasing the severity or frequency of such events due to climate change or otherwise, or other catastrophic events may disrupt Douglas Elliman’s business and have an unfavorable impact on home sale activity; the level of Douglas Elliman’s expenses, including its corporate expenses as a stand-alone publicly-traded company; Douglas Elliman’s status as an emerging growth company; the tax-free treatment of the spin-off; Douglas Elliman’s lack of operating history as a public company and costs associated with being an independent public company; potential dilution to holders of Douglas Elliman’s common stock as a result of issuances of additional shares of common stock to fund its financial obligations and other financing activities; the failure of Douglas Elliman or Vector Group to satisfy their respective obligations under the agreements entered into in connection with the spin-off; and the additional factors described under “Risk Factors” in the registration statement on Form S-1 filed with the SEC by Douglas Elliman.

The forward-looking statements speak only as of the date they are made, and we disclaim any obligation to update or revise the forward-looking statements contained herein, except as otherwise required by applicable federal securities laws.

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