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**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): March 14, 2007**

**Vector Group Ltd.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State of other jurisdiction  
of incorporation)

**1-5759**

(Commission  
File Number)

**65-0949535**

(IRS Employer  
Identification No.)

**100 S.E. Second Street, Miami, Florida**

(Address of principal executive offices)

**33131**

(Zip Code)

**(305) 579-8000**

(Registrant's telephone number, including area code)

**N/A**

(Former name or former address, if changed since last report)

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 8.01 Other Events**

In 1994, Vector Group Ltd.'s subsidiary, New Valley LLC, commenced an action against the United States government seeking damages for breach of a launch services agreement covering the launch of one of the Westar satellites owned by New Valley's former Western Union satellite business. On March 14, 2007, the parties entered into a Stipulation for the Entry of Judgment to settle New Valley's claims in this litigation. The settlement, among other things, calls for the payment of \$20,000,000 by the government to New Valley, inclusive of interest, with each party to bear its own costs, expenses and attorney fees. The stipulation has been submitted to the United States Court of Federal Claims for approval. Vector Group expects to recognize a pre-tax gain in 2007 of approximately \$19,500,000 in connection with the settlement.

**Item 9.01. Financial Statements and Exhibit**

(c) Exhibit.

<u>Exhibit No.</u>	<u>Exhibit</u>
99.1	Press Release issued March 15, 2007

**SIGNATURE**

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

**VECTOR GROUP LTD.**

By: /s/ Marc N. Bell

Marc N. Bell

Vice President and General Counsel

Date: March 19, 2007



## NEWS

FOR IMMEDIATE RELEASE

Contact: Paul Caminiti/Brandy Bergman/Carrie Bloom  
Sard Verbinnen & Co  
212/687 — 8080

### **VECTOR GROUP SUBSIDIARY TO RECEIVE \$20 MILLION LEGAL SETTLEMENT**

#### **Vector Will Recognize Gain of Approximately \$19.5 Million in 2007**

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**MIAMI, FL, March 15, 2007** — Vector Group Ltd. (NYSE: VGR) today announced that its New Valley LLC subsidiary has reached a settlement with the United States government under which New Valley will receive \$20.0 million.

The settlement relates to a legal action commenced by New Valley in 1994 against the United States government seeking damages for breach of a launch services agreement covering the launch of one of the Westar satellites owned by New Valley's former Western Union satellite business. On March 14, 2007, the parties entered into a Stipulation for the Entry of Judgment to settle New Valley's claims in this litigation. The settlement, among other things, calls for the payment of \$20.0 million by the government to New Valley, inclusive of interest, with each party to bear its own costs, expenses and attorney fees. The stipulation has been submitted to the United States Court of Federal Claims for approval. Vector Group expects to recognize a pre-tax gain in 2007 of approximately \$19.5 million in connection with the settlement.

Vector Group is a holding company that indirectly owns Liggett Group LLC, Vector Tobacco Inc. and New Valley LLC. Additional information concerning the company is available on the company's website, [www.VectorGroupLtd.com](http://www.VectorGroupLtd.com).

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