

OMB APPROVAL	
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**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

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

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

1. Name and Address of Reporting Person* <u>ICAHN CARL C ET AL</u> _____ (Last) (First) (Middle) <u>C/O ICAHN ASSOCIATES CORP.</u> <u>767 FIFTH AVE., SUITE 4700</u> _____ (Street) <u>NEW YORK NY 10153</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) Director <input checked="" type="checkbox"/> 10% Owner Officer (give title below) _____ Other (specify below) _____		
			3. Date of Earliest Transaction (Month/Day/Year) <u>06/16/2006</u>					
			4. If Amendment, Date of Original Filed (Month/Day/Year)			6. Individual or Joint/Group Filing (Check Applicable Line) Form filed by One Reporting Person <input checked="" type="checkbox"/> Form filed by More than One Reporting Person		

**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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock \$0.10 par value ("Shares")	06/16/2006		C		938,087	A	\$0 <sup>(1)</sup> (2)(3)(4)(5)(6)(7)	10,461,279	I	PLEASE SEE FOOTNOTES <sup>(1)(2)(3)(4)(5)(6)(7)</sup>
Shares	06/16/2006		J		261,913	A	\$0 <sup>(1)</sup> (2)(3)(4)(5)(6)(7)	10,723,192	I	PLEASE SEE FOOTNOTES <sup>(1)(2)(3)(4)(5)(6)(7)</sup>

**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					
6.25% Convertible Subordinated Notes dues 2008 ("Notes")	\$21.32	06/16/2006		C		\$20,000,000	06/29/2001	07/15/2008	Shares	938,087	\$20,000,000 <sup>(1)</sup> (2)(3)(4)(5)(6)(7)	0	I	PLEASE SEE FOOTNOTES <sup>(1)(2)(3)(4)(5)(6)(7)</sup>

1. Name and Address of Reporting Person\*  
ICAHN CARL C ET AL  
 \_\_\_\_\_  
 (Last) (First) (Middle)  
C/O ICAHN ASSOCIATES CORP.  
767 FIFTH AVE., SUITE 4700  
 \_\_\_\_\_  
 (Street)  
NEW YORK NY 10153  
 \_\_\_\_\_  
 (City) (State) (Zip)

1. Name and Address of Reporting Person\*  
BARBERRY CORP.  
 \_\_\_\_\_  
 (Last) (First) (Middle)  
445 HAMILTON AVENUE  
SUITE 1210  
 \_\_\_\_\_  
 (Street)  
WHITE PLAINS NY 10601  
 \_\_\_\_\_  
 (City) (State) (Zip)

**Explanation of Responses:**

- On June 7, 2006, Barberrry Corp. ("Barberrry") entered into a Letter Agreement with Vector Group Ltd. ("Vector"), to convert \$20 million principal amount of the Notes into 938,087 Shares. As an inducement for Barberrry to convert Vector agreed to issue to Barberrry an additional 261,913 Shares. The foregoing transactions were consummated on June 16, 2006.
- Barberrry is the sole member of Hopper Investments LLC ("Hopper"), which is the general partner of High River Limited Partnership ("High River"). Buffalo Investors Corp. ("Buffalo") is 100 percent owned by Starfire Holding Corporation ("Starfire"). Highestrest Investors Corp. ("Highestrest") is approximately 99.34 percent owned by Buffalo. ACF Industries Holding Corp. ("ACF Holding") is 100 percent owned by Highestrest. All of the voting stock of Unicorn Associates Corporation ("Unicorn") is owned by ACF Holding.
- Arnos Corp. ("Arnos") is 100 percent owned by Unicorn Associates Corporation ("Unicorn"). Tortoise Corp. ("Tortoise") is 100 percent owned by Arnos. Reindeer Holding LLC ("Reindeer Holding") is 100 percent owned by Tortoise. Reindeer Subsidiary LLC ("Reindeer") is 100 percent owned by Reindeer Holding. Each of Barberrry, Starfire and Little Meadow Corp. ("Little Meadow") are 100 percent owned by Mr. Icahn. As such, Mr. Icahn is in a position indirectly to determine the investment and voting decisions made by all of the foregoing entities.
- Each of Barberrry and Hopper, by virtue of their relationship to High River, may be deemed to indirectly beneficially own (as that term is defined in Rule 13d-3 under the Act) the 8,290,092 Shares which High River owns. Each of Barberrry and Hopper disclaim beneficial ownership of such Shares except to the extent of their pecuniary interest therein.
- Tortoise and Reindeer Holding, by virtue of their relationship to Reindeer, may be deemed to indirectly beneficially own (as that term is defined in Rule 13d-3 under the Act) the 670,680 shares which Reindeer owns. Each of Tortoise and Reindeer Holding disclaim beneficial ownership of such Shares except to the extent of their pecuniary interest therein.
- Arnos, Unicorn, ACF Holding, Highestrest, Buffalo and Starfire, by virtue of their relationship to Tortoise and Reindeer, may be deemed to indirectly beneficially own (as that term is defined in Rule 13d-3 under the Act) the 370 Shares which Tortoise owns and the 670,680 Shares which Reindeer owns. Each of Arnos, Unicorn, ACF Holding, Highestrest, Buffalo and Starfire disclaim beneficial ownership of such Shares except to the extent of their pecuniary interest therein.
- Mr. Icahn, by virtue of his relationship to Barberrry, Hopper, High River, Reindeer, Reindeer Holding, Tortoise, Arnos, Unicorn, ACF Holding, Highestrest, Buffalo, Starfire and Little Meadow may be deemed to indirectly beneficially own (as that term is defined in Rule 13d-3 under the Act) the 1,751,250 Shares which Barberrry owns, the 8,290,092 Shares which High River owns, the 670,680 Shares which Reindeer owns, the 370 Shares which Tortoise owns and the 10,800 Shares which Little Meadow owns. Mr. Icahn disclaims beneficial ownership of such Shares except to the extent of their pecuniary interest therein. Gail Golden, the spouse of Mr. Icahn, directly beneficially owns 15,952 Shares. Mr. Icahn disclaims beneficial ownership of such Shares for all purposes.

CARL C. ICAHN  
BARBERRY CORP.

06/16/2006  
06/16/2006

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.**