

PEZZULLO DAVID

Form 4

October 13, 2010

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
PEZZULLO DAVID

(Last) (First) (Middle)

800 W. OLYMPIC BOULEVARD,
#406

(Street)

LOS ANGELES, CA 90015

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
HERBALIFE LTD. [HLF]

3. Date of Earliest Transaction
(Month/Day/Year)
10/11/2010

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)

SVP-Global Manufacturing Ops

6. Individual or Joint/Group Filing(Check Applicable Line)

Form filed by One Reporting Person
 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) |
|---------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|----------------------------------------------------------|-------------------------------------------------------|
| | | | | (A) or (D) | Price | | |
| Common Stock | 10/11/2010 | | S ⁽¹⁾ | 1,544 D | \$ 64.48 | 24,620 | D |
| Common Stock | 10/11/2010 | | M | 19,342 A | \$ 40.25 | 43,962 | D |
| Common Stock | 10/11/2010 | | D | 15,421 D | \$ 64.95 | 28,541 | D |
| Common Stock | 10/11/2010 | | M | 18,900 A | \$ 32.79 | 47,441 | D |
| Common Stock | 10/11/2010 | | D | 13,911 D | \$ 64.95 | 33,530 | D |

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| | | | | | | | |
|--------------|------------|------------------|--------|---|----------|-----------------------|---|
| Common Stock | 10/11/2010 | M | 6,458 | A | \$ 43.13 | 39,988 | D |
| Common Stock | 10/11/2010 | D | 5,302 | D | \$ 64.95 | 34,686 | D |
| Common Stock | 10/12/2010 | S ⁽¹⁾ | 10,066 | D | \$ 64.83 | 24,704 ⁽²⁾ | D |

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

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(9-02)

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 Underlying Securities (Instr. 3 and 4) | | |
|--------------------------------------------|--------------------------------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-----------------------------------------------------------------------------------------|----------------------------------------------------------|---------------------------------------------------------------|--------------|----------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Stock Appreciation Rights | \$ 32.79 | 10/11/2010 | | M | 18,900 | ⁽³⁾ | 03/23/2016 | Common Stock | 18,900 |
| Stock Appreciation Rights | \$ 40.25 | 10/11/2010 | | M | 19,342 | ⁽⁴⁾ | 05/29/2017 | Common Stock | 19,342 |
| Stock Appreciation Rights | \$ 43.13 | 10/11/2010 | | M | 6,458 | ⁽⁵⁾ | 02/28/2018 | Common Stock | 6,458 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---------------------------------------------------------------------------|---------------|-----------|------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| PEZZULLO DAVID 800 W. OLYMPIC BOULEVARD, #406 LOS ANGELES, CA 90015 | | | SVP-Global Manufacturing Ops | |

Signatures

David Pezzullo by Brett R. Chapman,
Attorney-in-Fact

10/13/2010

__Signature of Reporting Person

Date

Explanation of Responses:

- * 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).
- (1) The sales reported in this Form 4 were effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on September 9, 2010.
- (2) Includes 84 shares purchased on September 30, 2010 under the issuer's Employee Stock Purchase Plan.
- (3) Consists of stock appreciation rights granted under the Herbalife Ltd. 2005 Stock Incentive Plan, of which 20% vested May 29, 2008, 20% vested May 29, 2009 and the remaining 60% vested May 29, 2010.
- (4) Consists of stock appreciation rights granted under the Herbalife Ltd. 2005 Stock Incentive Plan that vest in 5% increments commencing on March 30, 2006 and on the last day of the nineteen subsequent calendar quarters.
- (5) Consists of stock appreciation rights granted under the Herbalife Ltd. 2005 Stock Incentive Plan, of which 20% vested February 28, 2009, 20% vested February 28, 2010 and the remaining 60% will vest February 28, 2011.

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

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