

PEZZULLO DAVID

Form 4

August 09, 2010

FORM 4

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

OMB APPROVAL

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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

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
**800 W. OLYMPIC BOULEVARD,
#406**

3. Date of Earliest Transaction
(Month/Day/Year)
08/05/2010

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

Chief Accounting Officer

(Street)
LOS ANGELES, CA 90015

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V | Amount or Price | | |
| Common Stock | 08/05/2010 | | M | | 8,000 A \$ 15 | D | |
| Common Stock | 08/05/2010 | | M | | 12,500 A \$ 9 | D | |
| Common Stock | 08/05/2010 | | S | | 20,500 D \$ 55.67 (1) | D | |
| Common Stock | 08/05/2010 | | S | | 2,627 D \$ 55.85 (2) | D | |
| | 08/05/2010 | | M | | 2,950 A | D | 28,958 |

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| | | | | | | | |
|--------------|------------|---|-------|---|----|-----------------------|---|
| Common Stock | | | | | \$ | 13.64 | |
| Common Stock | 08/05/2010 | D | 1,767 | D | \$ | 27,191 | D |
| Common Stock | 08/09/2010 | S | 1,183 | D | \$ | 26,155 ⁽³⁾ | D |
| | | | | | | 57.19 | |

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

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 control number.

SEC 1474
(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 Security (Instr. 3 and 4) | Amount or Number of Shares | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|----------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Stock Appreciation Rights | \$ 13.64 | 08/05/2010 | | M | 2,950 | ⁽⁴⁾ | 02/28/2020 | Common Stock | 2,950 |
| Non-Qualified Stock Options (Right to Buy) | \$ 15 | 08/05/2010 | | M | 8,000 | ⁽⁵⁾ | 08/03/2014 | Common Stock | 8,000 |
| Non-Qualified Stock Options (Right to Buy) | \$ 9 | 08/05/2010 | | M | 12,500 | ⁽⁶⁾ | 04/27/2015 | Common Stock | 12,500 |

Reporting Owners

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

Signatures

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

08/09/2010

__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) This transaction was executed in multiple trades at prices ranging from \$55.40 to \$55.93. The price reported reflects the weighted average sale price. The reporting person hereby undertakes to provide upon request to the SEC staff, the issuer or a security holder of the issuer full information regarding the number of shares and prices at which the transaction was effected.

(2) This transaction was executed in multiple trades at prices ranging from \$55.75 to \$56.02. The price reported above reflects the weighted average sale price. The reporting person hereby undertakes to provide upon request to the SEC staff, the issuer or a security holder of the issuer full information regarding the number of shares and prices at which the transaction was effected.

(3) Includes 147 shares purchased on July 13, 2010 under the issuer's Employee Stock Purchase Plan.

(4) Consists of Stock Appreciation Rights granted under the Herbalife Ltd. 2005 Stock Incentive Plan, of which 20% vested on 02/28/2010, 20% will vest on 02/28/2011 and the remaining 60% will vest on 02/28/2012.

(5) Consists of Non-Qualified Stock Options granted under the Herbalife Ltd. 2004 Stock Incentive Plan. The options vested quarterly in 5% increments from 09/30/2004 until 09/30/2009.

(6) Consists of Non-Qualified Stock Options granted under the Herbalife Ltd. 2004 Stock Incentive Plan. The options vested quarterly in 5% increments from 06/30/2005 until 06/30/2009.

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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