

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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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**

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**  
  
(Street)

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

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
**Chief Accounting Officer**

**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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount or Price		
Common Stock	08/05/2010		M		8,000 A \$ 15	36,635	D
Common Stock	08/05/2010		M		12,500 A \$ 9	49,135	D
Common Stock	08/05/2010		S		20,500 D \$ 55.67 (1)	28,635	D
Common Stock	08/05/2010		S		2,627 D \$ 55.85 (2)	26,008	D
	08/05/2010		M		2,950 A	28,958	D

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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 <sup>(3)</sup>	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 Security (Instr. 3 and 4)
				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	<sup>(4)</sup> 02/28/2020	Common Stock 2,950
Non-Qualified Stock Options (Right to Buy)	\$ 15	08/05/2010		M	8,000	<sup>(5)</sup> 08/03/2014	Common Stock 8,000
Non-Qualified Stock Options (Right to Buy)	\$ 9	08/05/2010		M	12,500	<sup>(6)</sup> 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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