

JOHNSON MICHAEL
Form 4
March 01, 2011

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 *
JOHNSON MICHAEL

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)
02/27/2011

Director 10% Owner
 Officer (give title below) Other (specify below)
Chairman & CEO

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 | (A) or (D) | Price |
| Common Stock | 02/27/2011 | | F | | 7,032 ⁽¹⁾ | D | \$ 78.2 |
| Common Stock | 02/28/2011 | | F | | 7,213 ⁽¹⁾ | D | \$ 78.41 |
| Common Stock | 03/01/2011 | | M | | 122,061 | A | \$ 10.56 |
| Common Stock | 03/01/2011 | | S ⁽²⁾ | | 42,646 | D | \$ 75.25 ⁽³⁾ |
| Common Stock | 03/01/2011 | | S ⁽²⁾ | | 42,200 | D | \$ 76.32 |

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| | | | | | <u>(4)</u> | | | | |
|--------------|------------|--|-------------|-------|------------|---------------------------|---------|---|---|
| Common Stock | 03/01/2011 | | <u>S(2)</u> | 5,499 | D | \$ <u>(5)</u> 76.99 | 384,167 | D | |
| Common Stock | 03/01/2011 | | <u>S(2)</u> | 4,901 | D | \$ <u>(6)</u> 77.91 | 379,266 | D | |
| Common Stock | | | | | | | 55,000 | I | Beneficially owned through Spouse's GRAT |
| Common Stock | | | | | | | 55,000 | I | Beneficially owned through GRAT |
| Common Stock | | | | | | | 56,561 | I | Beneficially owned through Michael O. Johnson IRA |

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) | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------|------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Am Nun Sha |
| Non-Qualified Stock Options (Right to Buy) | \$ 10.56 | 03/01/2011 | | M | 122,061 | <u>(7)</u> | 04/03/2013 | Common Stock | 12 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|----------------|-------|
| | Director | 10% Owner | Officer | Other |
| JOHNSON MICHAEL 800 W. OLYMPIC BOULEVARD, #406 LOS ANGELES, CA 90015 | X | | Chairman & CEO | |

Signatures

Michael O. Johnson by Brett R. Chapman,
Attorney-in-Fact

03/01/2011

__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) Pursuant to the Issuer's 2005 Stock Incentive Plan and the terms of the related award agreement, shares of the Issuer's common stock are issued to the Reporting Person as his restricted stock units vest, with a portion of the newly issued shares automatically withheld by the Issuer to satisfy the resulting withholding tax obligation. This Statement of Changes of Beneficial Ownership has been filed to reflect that withholding of shares due to a recent vesting of restricted stock units held by the Reporting Person. The withholding of the newly issued shares occurred automatically upon the vesting of the restricted stock units, and as such, no investment decision was made by the Reporting Person in connection with this transfer.

(2) Sale made pursuant to a pre-existing 10b5-1(c) trading plan publicly disclosed by the Issuer on November 9, 2009, under the headline "Herbalife Chairman and CEO Implements Orderly Stock Trading Plan; Will Retain Half of Net Proceeds in Company Stock."

(3) This transaction was executed in multiple trades at prices ranging from \$74.73 to \$75.69. The price reported reflects the weighted average sale price of \$75.25. 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.

(4) This transaction was executed in multiple trades at prices ranging from \$75.73 to \$76.71. The price reported reflects the weighted average sale price of \$76.32. 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.

(5) This transaction was executed in multiple trades at prices ranging from \$76.73 to \$77.67. The price reported reflects the weighted average sale price of \$76.99. 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.

(6) This transaction was executed in multiple trades at prices ranging from \$77.73 to \$77.93. The price reported reflects the weighted average sale price of \$77.91. 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.

(7) These options were fully vested as of June 20, 2008.

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

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.