JOHNSON MICHAEL

Form 4

March 02, 2010

FORM 4

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

OMB Number: 3235-0287

Check this box if no longer subject to Section 16.

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Expires: January 31, 2005
Estimated average

0.5

OMB APPROVAL

Form 4 or Form 5 obligations may continue.

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

burden hours per response...

See Instruction 1(b).

(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) (Midd | | (Middle) | 3. Date of Earliest Transaction | (Check all applicable) | | |
| 800 W. OLYMPIC BOULEVARD, #406 | | | (Month/Day/Year) 02/28/2010 | _X Director 10% Owner X Officer (give title Other (specify below) Chairman & CEO | | |
| (Street) | | | 4. If Amendment, Date Original | 6. Individual or Joint/Group Filing(Check | | |
| LOS ANGELES, CA 90015 | | | Filed(Month/Day/Year) | Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting Person | | |

| (City) | (State) | (Zip) Ta | ble I - Non | -Derivative | Secur | ities Acqu | iired, Disposed | of, or Benefic | ially 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. Securitie our Disposed (Instr. 3, 4 | d of (D |)) | 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) |
| Common | 02/28/2010 | | Code V $F_{\underline{(1)}}$ | Amount 5,570 | (D) | Price \$ 40.05 | 356,654 | D | |
| Common Stock | 03/01/2010 | | M | 19,123 | A | \$ 3.52 | 375,777 | D | |
| Common Stock | 03/01/2010 | | M | 102,939 | A | \$ 10.56 | 478,716 | D | |
| Common Stock | 03/01/2010 | | S(2) | 96,773 | D | \$ 40.03 (3) | 381,943 | D | |
| Common Stock | | | | | | | 56,561 | I | Beneficially owned |

through Michael O. Johnson IRA

(9-02)

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

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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. 5. Number of TransactiorDerivative Code Securities (Instr. 8) Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | | 6. Date Exercisable and Expiration Date (Month/Day/Year) | | 7. Title and Amou Underlying Secur (Instr. 3 and 4) | |
|---|---|--------------------------------------|---|---|---------|--|--------------------|---|------------------|
| | | | | Code V | (A) (D) | Date Exercisable | Expiration Date | Title | Am Nui Sha |
| Non-Qualified Stock Option (Right To Buy) | \$ 3.52 | 03/01/2010 | | M | 19,123 | <u>(4)</u> | 04/03/2013 | Common Shares | 19 |
| Non-Qualified Stock Option (Right To Buy) | \$ 10.56 | 03/01/2010 | | M | 102,939 | <u>(4)</u> | 04/03/2013 | Common Shares | 10 |

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 03/02/2010 in Fact

> **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

Reporting Owners 2

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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."
- This transaction was executed in multiple trades at prices ranging from \$39.66 to \$40.58. 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.
- (4) Consists of Non-Qualified Stock Options granted under the Herbalife Ltd. 2004 Stock Incentive Plan. These options were fully vested on June 30, 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.