

PEZZULLO DAVID  
Form 4  
October 13, 2010

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
Expires: January 31, 2005  
Estimated average burden hours per response... 0.5

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**

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

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

SVP-Global Manufacturing Ops

(Street)

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

**LOS ANGELES, CA 90015**

(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 Ownership (Instr. 4)
				(A) or (D)	Price		
Common Stock	10/11/2010		S <sup>(1)</sup>	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 <sup>(1)</sup>	10,066	D	\$ 64.83	24,704 <sup>(2)</sup>	D

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

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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 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	<sup>(3)</sup>	03/23/2016	Common Stock	18,900
Stock Appreciation Rights	\$ 40.25	10/11/2010		M	19,342	<sup>(4)</sup>	05/29/2017	Common Stock	19,342
Stock Appreciation Rights	\$ 43.13	10/11/2010		M	6,458	<sup>(5)</sup>	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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