

RAHN WILLIAM  
Form 4  
October 05, 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 \*  
RAHN WILLIAM

(Last) (First) (Middle)

800 W. OLYMPIC BOULEVARD,  
#406

(Street)

LOS ANGELES, CA 90015

(City) (State) (Zip)

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

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

10/01/2010

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

SVP / Mg Dir. - Asia Pacific

6. Individual or Joint/Group Filing(Check Applicable Line)

Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
|                                 |                                      |  |                                | (A) or (D)  | Price   |  |                                   |
| Common Stock                    | 10/01/2010                           |  | S <sup>(1)</sup>               | D   | \$ 3,221 60.48  | 3,780  | D                                 |
| Common Stock                    | 10/01/2010                           |  | M                              | A   | \$ 5,802 40.25  | 9,582  | D                                 |
| Common Stock                    | 10/01/2010                           |  | D                              | D   | \$ 4,545 60.84  | 5,037  | D                                 |
| Common Stock                    | 10/01/2010                           |  | M                              | A   | \$ 1,200 30.97  | 6,237  | D                                 |
| Common Stock                    | 10/01/2010                           |  | D                              | D   | \$ 823 60.84  | 5,414  | D                                 |

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|              |            |  |              |       |   |          |        |   |
|--------------|------------|--|--------------|-------|---|----------|--------|---|
| Common Stock | 10/01/2010 |  | M            | 2,240 | A | \$ 32.79 | 7,654  | D |
| Common Stock | 10/01/2010 |  | D            | 1,580 | D | \$ 60.84 | 6,074  | D |
| Common Stock | 10/01/2010 |  | M            | 4,000 | A | \$ 43.13 | 10,074 | D |
| Common Stock | 10/01/2010 |  | D            | 3,255 | D | \$ 60.84 | 6,819  | D |
| Common Stock | 10/04/2010 |  | <u>S</u> (1) | 3,039 | D | \$ 60.84 | 3,780  | 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 Securities (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                  | \$ 40.25   | 10/01/2010                           |  | M                              | 5,802   | <u>(2)</u> 05/29/2017                                    | Common Stock  | 5,802                      |                            |
| Stock Appreciation Rights                  | \$ 30.97   | 10/01/2010                           |  | M                              | 1,200   | <u>(3)</u> 08/23/2016                                    | Common Stock  | 1,200                      |                            |
| Stock Appreciation Rights                  | \$ 32.79   | 10/01/2010                           |  | M                              | 2,240   | <u>(4)</u> 03/23/2016                                    | Common Stock  | 2,240                      |                            |
| Stock Appreciation Rights                  | \$ 43.13   | 10/01/2010                           |  | M                              | 4,000   | <u>(5)</u> 02/28/2018                                    | Common Stock  | 4,000                      |                            |

## Reporting Owners

| Reporting Owner Name / Address  | Relationships |           |                              |       |
|---|---------------|-----------|------------------------------|-------|
|   | Director      | 10% Owner | Officer                      | Other |
| RAHN WILLIAM<br>800 W. OLYMPIC BOULEVARD, #406<br>LOS ANGELES, CA 90015 |               |           | SVP / Mg Dir. - Asia Pacific |       |

## Signatures

William Rahn by Brett R. Chapman,  
Attorney-in-Fact

10/05/2010

\_\_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 November 11, 2009.
  - (2) 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 on May 29, 2010.
  - (3) Consists of stock appreciation rights granted under the Herbalife Ltd. 2005 Stock Incentive Plan that vest in 5% increments commencing on September 30, 2006 and on the last day of each subsequent calendar quarter until June 30, 2011.
  - (4) Consists of stock appreciation rights granted under the Herbalife Ltd. 2005 Stock Incentive Plan that vest in 5% increments commencing on March 31, 2006 and on the last day of each subsequent calendar quarter until December 31, 2010.
  - (5) Consists of stock appreciation rights granted under the Herbalife Ltd. 2005 Stock Incentive Plan, of which 20% vested on February 28, 2009, 20% vested on February 28, 2010, and the remaining 60% vested on 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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