

HERBALIFE LTD.

FORM SC TO-I (Tender offer statement by Issuer)

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Industry	Personal Products
Sector	Consumer Non-Cyclicals
Fiscal Year	12/31

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE TO

**TENDER OFFER STATEMENT UNDER SECTION 14(D)(1) OR 13(E)(1)
OF THE SECURITIES EXCHANGE ACT OF 1934**

HERBALIFE LTD.

(Name of Subject Company (Issuer))

Herbalife Ltd.

(Name of Filing Persons (Offeror))

Common Shares, par value \$0.001 per share
(Title of Class of Securities)

G4412G101

(CUSIP Number of Class of Securities)

John G. DeSimone
Chief Financial Officer
Herbalife Ltd.

P.O. Box 309GT

Ugland House, South Church Street
Grand Cayman, Cayman Islands
(213) 745-0500

(Name, address, and telephone numbers of person authorized to receive notices and communications on behalf of filing persons)

Copies to:

Jonathan K. Layne
James J. Moloney
Gibson, Dunn & Crutcher LLP
2029 Century Park East
Los Angeles, CA 90067
(310) 552-8500

Calculation of Filing Fee

Transaction valuation*	Amount of filing fee**
\$600,000,000	\$69,540.00

* Estimated for purposes of calculating the amount of the filing fee only, this amount is based on the purchase of common shares, par value \$0.001 per share, of the Issuer for a maximum aggregate tender offer price of \$600,000,000.

** The amount of the filing fee, calculated in accordance with Rule 0-11(b) and Rule 1-11(d) of the Securities Exchange Act of 1934, as amended and Fee Rate Advisory #1 for Fiscal Year 2017 equals \$115.90 per \$1,000,000 of the aggregate value of the transaction.

Check the box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

Amount Previously Paid:
Form or Registration No.:

Filing Party:
Date Filed:

Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

Check the appropriate boxes below to designate any transactions to which the statement relates:

- third-party tender offer subject to Rule 14d-1.
 issuer tender offer subject to Rule 13e-4.
 going-private transaction subject to Rule 13e-3.
 amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer:

If applicable, check the appropriate box(es) below to designate the appropriate rule provision(s) relied upon:

- Rule 13e-4(i) (Cross-Border Issuer Tender Offer)
 - Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)
-
-

This Tender Offer Statement on Schedule TO (together with any amendments and supplements hereto, this “Schedule TO”) is being filed by Herbalife Ltd., a Cayman Islands exempted company incorporated with limited liability (“the “Company”). This Schedule TO relates to the offer by the Company to purchase common shares, par value \$0.001 per share in the capital, of the Company (the “common shares”), for an aggregate cash purchase price of up to \$600 million and at a price per share (i) not greater than \$68.00 nor less than \$60.00 per share, net to the seller in cash, less any applicable tax withholding and without interest, plus (ii) a non-transferable contractual contingent value right (a “CVR”) pursuant to the Contingent Value Rights Agreement, a copy of which is annexed to and filed with this Schedule TO as Exhibit (a)(1)(F) (the “CVR Agreement”), to receive a contingent payment upon the occurrence of a Going Private Transaction (as such term is defined in the CVR Agreement) within the time period specified in the CVR Agreement, without interest and less any applicable tax withholding, each upon the terms and subject to the conditions set forth in the Offer to Purchase, dated August 21, 2017 (the “Offer to Purchase”), and in the related Letter of Transmittal (the “Letter of Transmittal” which, together with the Offer to Purchase, as each may be amended or supplemented from time to time, collectively constitute the “Offer”), copies of which are annexed to and filed with this Schedule TO as Exhibits (a)(1)(A) and (a)(1)(B), respectively.

Upon the terms and subject to the conditions of the Offer the Company will purchase common shares properly tendered and not properly withdrawn for an aggregate cash purchase price of up to \$600 million. Unless the context otherwise requires, all references to “common shares” shall refer to the common shares and all references to “common shares properly tendered” shall refer to “common shares properly tendered and not properly withdrawn in the Offer.” All the information set forth in the Offer to Purchase is incorporated herein by reference in response to Items 1 through 9 and Item 11 in this Schedule TO and is supplemented by the information specifically provided in this Schedule TO. Unless otherwise indicated, references to sections in this Schedule TO are references to sections of the Offer to Purchase.

Upon the terms and subject to the conditions of the Offer, promptly following the Expiration Time (as defined in the Offer to Purchase), the Company will determine a single per share price, which will not be greater than \$68.00 nor less than \$60.00 per share, net to the seller in cash, less any applicable tax withholding and without interest (the “Cash Purchase Price”), that the Company will pay for shares properly tendered together with a CVR, that will allow the Company to purchase the shares properly tendered, for an aggregate Cash Purchase Price of up to \$600 million. The Cash Purchase Price will be the lowest price per share not greater than \$68.00 nor less than \$60.00 per share (in multiples of \$0.25) at which shares have been properly tendered in the Offer, that will enable the Company to purchase common shares for an aggregate Cash Purchase Price up to \$600 million. If fewer than such number of shares as would enable us to purchase shares pursuant to the Offer for an aggregate Cash Purchase Price of up to \$600 million shares are properly tendered, the Company will select the lowest price that will allow the Company to purchase all the shares that are properly tendered. All shares the Company purchases in the Offer will be purchased at the same Cash Purchase Price regardless of whether the shareholder tendered at a lower price, or was deemed to have tendered, at a lower price. If the Company’s purchase of all shares properly tendered at or below the Cash Purchase Price and not properly withdrawn in the Offer would result in an aggregate Cash Purchase Price of more than \$600 million, the Company will purchase all shares properly tendered at or below the Cash Purchase Price on a pro rata basis, except for “odd lots” (lots held by owners of less than 100 shares), which the Company will purchase on a priority basis, and except for each conditional tender whose condition was not met, which the Company will not purchase. Shares tendered but not purchased pursuant to the Offer will be returned to the tendering shareholders at the Company’s expense promptly following the Expiration Time.

Item 1. Summary Term Sheet.

The information set forth in the “Summary Term Sheet” of the Offer to Purchase is incorporated herein by reference.

Item 2. Subject Company Information.

(a) The name of the subject company and issuer is Herbalife Ltd., a Cayman Islands exempt company incorporated with limited liability. The address of the Company’s principal executive offices is P.O. Box 309GT, Uglund House, South Church Street, Grand Cayman, Cayman Islands, and its telephone number is (213) 745-0500.

(b) As of August 15, 2017, the Company had approximately 93,966,161 outstanding shares of common shares, which are quoted on the New York Stock Exchange under the symbol “HLF.” The information set forth in the “Summary Term Sheet” is incorporated herein by reference.

(c) The information set forth in the “Summary Term Sheet” and Section 8— “Price Range of the Shares; Dividends” of the Offer to Purchase is incorporated herein by reference.

Item 3. Identity and Background of Filing Persons.

(a)-(c) This Schedule TO is filed by the Company. The Company is both a filing person and the subject company. The Company's business address and telephone number are set forth in Item 2(a) above. The information set forth in Section 10— "Information About the Company" to the Offer to Purchase is incorporated herein by reference.

Item 4. Terms of the Transaction.

(a) The Company seeks to purchase common shares for an aggregate cash purchase price of up to \$600 million and at a price per share (i) not greater than \$68.00 nor less than \$60.00 per share, net to the seller in cash, less any applicable tax withholding and without interest, plus (ii) a CVR to receive a contingent payment upon the occurrence of a Going Private Transaction within the time period specified in the CVR Agreement, without interest and less any applicable tax withholding, each upon the terms and subject to the conditions set forth in the Offer to Purchase and the related Letter of Transmittal. The information set forth in the “Summary Term Sheet”, “Introduction”, Section 1— “Terms of the Offer”, Section 2— “Purpose of the Tender Offer; Certain Effects of the Tender Offer; Other Plans”, Section 3— “Procedures for Tendering Shares”, Section 4— “Withdrawal Rights”, Section 5— “Purchase of Shares and Payment of Purchase Price”, Section 6— “Conditional Tender of Shares”, Section 7— “Conditions of the Tender Offer”, Section 9— “Source and Amount of Funds”, Section 11— “Interests of Directors and Executive Officers; Transactions and Arrangements Concerning the Shares”, Section 12— “Effects of the Tender Offer on the Market for Shares; Registration under the Exchange Act”, Section 14— “Certain Material U.S. Federal Income Tax Consequences of the Offer”, and Section 15— “Extension of the Tender Offer; Termination; Amendment” of the Offer to Purchase is incorporated herein by reference.

(b) The information set forth in the “Summary Term Sheet”, “Introduction”, Section 2— “Purpose of the Tender Offer; Certain Effects of the Tender Offer; Other Plans”, Section 10— “Information About the Company” and Section 11— “Interest of Directors and Executive Officers; Transactions and Arrangements Concerning the Shares” of the Offer to Purchase is incorporated herein by reference.

Item 5. Past Contacts, Transactions, Negotiations and Agreements.

(a)-(b), (e) The information set forth in the “Summary Term Sheet”, “Introduction”, Section 2— “Purpose of the Tender Offer; Certain Effects of the Tender Offer; Other Plans”, Section 10— “Information About the Company”, Section 11— “Interest of Directors and Executive Officers; Transactions and Arrangements Concerning the Shares” and Section 16— “Background to the Offer; Contacts” of the Offer to Purchase is incorporated herein by reference.

Item 6. Purposes of the Transaction and Plans or Proposals.

(a)-(c) The information set forth in the “Summary Term Sheet”, Section 2— “Purpose of the Tender Offer; Certain Effects of the Tender Offer; Other Plans”, Section 11— “Interests of Directors and Executive Officers Transaction and Arrangements Concerning the Shares”, Section 12— “Effects of the Tender Offer on the Market for Shares, Registration under the Exchange Act” and Section 16— “Background to the Offer; Contacts” of the Offer to Purchase is incorporated herein by reference.

Item 7. Source and Amount of Funds or Other Consideration.

(a)-(b), (d) The information set forth in the “Summary Term Sheet” and Section 9— “Source and Amount of Funds” of the Offer to Purchase is incorporated herein by reference.

Item 8. Interest in Securities of the Subject Company.

(a)-(b) The information set forth in Section 10— “Information About the Company”, Section 11— “Interest of Directors and Executive Officers; Transactions and Arrangements Concerning the Shares” and Section 16— “Background to the Offer; Contacts” of the Offer to Purchase is incorporated herein by reference.

Item 9. Persons/Assets Retained, Employed, Compensated or Used.

(a) The information set forth in Section 17— “Fees and Expenses” of the Offer to Purchase is incorporated herein by reference.

Item 10. Financial Statements.

(a)-(b) Not material.

Item 11. Additional Information.

- (a)(1) The information set forth in Section 2—“Purpose of the Tender Offer; Certain Effects of the Tender Offer; Other Plans”, Section 7—“Conditions of the Tender Offer”, Section 10—“Information About the Company” and Section 16—“Background of the Offer; Contacts” of the Offer to Purchase is incorporated herein by reference.
- (a)(2) The information set forth in Section 13—“Legal Matters; Regulatory Approvals” of the Offer to Purchase is incorporated herein by reference.
- (a)(3) The information set forth in Section 13—“Legal Matters; Regulatory Approvals” of the Offer to Purchase is incorporated herein by reference.
- (a)(4) None.
- (a)(5) None.
- (c) The information set forth in the Offer to Purchase and the related Letter of Transmittal, copies of which are filed as Exhibits (a)(1)(A) and (a)(1)(B) hereto, respectively, as each may be amended or supplemented from time to time, is incorporated herein by reference. The Company will amend this Schedule TO in order to include documents that the Company may file with the SEC after the date of the Offer to Purchase pursuant to Section 13(a), 13(c) or 14 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and prior to the expiration of the Offer to the extent required by Rule 13e-4(d)(2) promulgated under the Exchange Act. The information contained in all of the exhibits referred to in Item 12 below is incorporated herein by reference.

Item 12. Exhibits.

The information set forth on the Exhibit Index is incorporated herein by reference.

Item 13. Information Required by Schedule 13E-3.

Not applicable.

SIGNATURE

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

HERBALIFE LTD.

By: /s/ JOHN G. DESIMONE

Name: John G. DeSimone

Title: *Chief Financial Officer*

Dated: August 21, 2017

EXHIBIT INDEX

Exhibit	Description
(a)(1)(A)*	Offer to Purchase, dated August 21, 2017.
(a)(1)(B)*	Form of Letter of Transmittal (including Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9).
(a)(1)(C)*	Form of Letter to Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees.
(a)(1)(D)*	Form of Letter to Clients for Use by Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees.
(a)(1)(E)*	Press release issued by the Company, dated August 21, 2017.
(a)(1)(F)*	Form of Contingent Value Rights Agreement by and between the Company and Computershare Trust Company, N.A., as CVR Agent.
(a)(5)	Not applicable.
(b)	Not applicable.
(d)(1)*	Agreement by and among the Company and Carl C. Icahn and his controlled affiliates, dated August 21, 2017
(g)	Not applicable.
(h)	Not applicable.

* Filed herewith

Offer to Purchase for Cash
by
Herbalife Ltd.
of
Common Shares
of
Herbalife Ltd.
for
an Aggregate Cash Purchase Price of Up to \$600 Million
at
a Cash Purchase Price Not Greater Than \$68.00 nor Less Than \$60.00 Per Share plus a Contingent Value Right, which Represents the Contractual Right to Receive Certain Consideration upon the Occurrence of Certain Events, as Described in and Under Conditions Set Forth in the Contingent Value Rights Agreement

THE OFFER, PRORATION PERIOD AND WITHDRAWAL RIGHTS WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON TUESDAY, SEPTEMBER 19, 2017 UNLESS THE OFFER IS EXTENDED (SUCH DATE AND TIME, AS THEY MAY BE EXTENDED, THE “EXPIRATION TIME”).

This offer is being made by Herbalife Ltd., a Cayman Islands exempted company incorporated with limited liability (the “Company,” “we,” or “us”). We are offering to purchase common shares, par value \$0.001 per share in the capital, of the Company (the “common shares”) for an aggregate cash purchase price of up to \$600 million and at a per share price (i) not greater than \$68.00 nor less than \$60.00, net to the seller in cash, less any applicable tax withholding and without interest, plus (ii) a non-transferable contractual contingent value right (a “CVR”) pursuant to the Contingent Value Rights Agreement, to be entered into by the Company substantially in the form which is annexed to and filed with the Tender Offer Statement on Schedule TO we filed with the Securities and Exchange Commission on August 21, 2017 (the “Schedule TO”), as Exhibit (a)(1)(F) (the “CVR Agreement”), to receive a contingent payment upon the occurrence of a Going Private Transaction (as such term is defined in the CVR Agreement) within the time period specified in the CVR Agreement, without interest and less any applicable tax withholding, each upon the terms and subject to the conditions described in this Offer to Purchase and the related Letter of Transmittal (which together, as they may be amended and supplemented from time to time, constitute the “Offer”).

Upon the terms and subject to the conditions of the Offer, the Company will purchase common shares properly tendered and not properly withdrawn for an aggregate Cash Purchase Price (as such term is defined below) of up to \$600 million, constituting approximately 10.64% of the total number of outstanding common shares as of the close of trading on August 15, 2017 (assuming the Company acquires common shares pursuant to this Offer at the lowest possible cash purchase price of \$60.00 per share). Unless the context otherwise requires, all references to “shares” shall refer to the common shares and all references to “shares properly tendered” shall refer to “shares properly tendered and not properly withdrawn in the Offer.”

Upon the terms and subject to the conditions of the Offer, promptly following the Expiration Time, we will determine a single per share price, which will be not greater than \$68.00 nor less than \$60.00 per share, net to the seller in cash (the “Cash Purchase Price”), less any applicable tax withholding and without interest, that we will pay for those shares properly tendered, together with a CVR, for an aggregate Cash Purchase Price of up to \$600 million. The Cash Purchase Price will be the lowest price per share not greater than \$68.00 nor less than \$60.00 per share (in multiples of \$0.25) at which shares have been properly tendered in the Offer that will enable us to purchase the maximum number of shares for an aggregate Cash Purchase Price of up to \$600 million. If

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fewer than such number of shares as would enable us to purchase shares pursuant to the Offer for an aggregate Cash Purchase Price of up to \$600 million are properly tendered, we will select the lowest price that will allow us to purchase all the shares that are properly tendered.

All shares we purchase in the Offer will be purchased at the same Cash Purchase Price, regardless of whether the shareholder tendered, or was deemed to have tendered, at a lower cash price. If our purchase of all shares properly tendered at or below the Cash Purchase Price and not properly withdrawn in the Offer would result in an aggregate Cash Purchase Price of more than \$600 million, we will purchase all shares properly tendered at or below the Cash Purchase Price on a pro rata basis, except for “odd lots” (lots held by owners of less than 100 shares), which we will purchase on a priority basis, and except for each conditional tender whose condition was not met, which we will not purchase. Shares properly tendered, but not purchased pursuant to the Offer will be returned to the tendering shareholders at our expense promptly after the Offer expires. See Section 3.

The Offer is not conditioned upon the receipt of financing. The Offer is, however, subject to certain other conditions. See Section 7.

As of August 15, 2017, there were 93,966,161 common shares outstanding. The shares are quoted on the New York Stock Exchange (the “NYSE”) under the symbol “HLF.” On August 18, 2017, the last full trading day before we commenced the Offer, the reported closing price of the shares on the NYSE was \$61.95 per share, which is greater than the low end of the price range for Cash Purchase Price component of the Offer of \$60.00 per share. **Shareholders are urged to obtain current market quotations for the shares. See Section 8.**

The Board of Directors of the Company (the “Board”) has unanimously approved the Offer pursuant to the recommendation of a committee of the Board, which is comprised solely of individuals, each of whom the Board has determined to be an independent director under Section 303A.02 of the NYSE Listed Company Manual (the “Committee”). However, none of the Board, the Committee, the Company, the Depository and Paying Agent nor the Information Agent is making any recommendation to you as to whether to tender or refrain from tendering your shares or as to the purchase price or purchase prices at which you may choose to tender your shares. You must make your own decision as to whether to tender your shares and, if so, how many shares to tender and the price or prices at which you will tender them. In doing so, you should read carefully the information in this Offer to Purchase and in the related Letter of Transmittal, including our reasons for making the Offer. Neither the directors or executive officers of the Company nor Mr. Carl C. Icahn and all of his controlled affiliates holding shares (together, the “Icahn Entities”) intend to tender any of their shares in the Offer or otherwise sell or dispose of any common shares during the pendency of the Offer. See Section 2.

Questions and requests for assistance may be directed to Georgeson LLC, the information agent for the Offer (the “Information Agent”), at its address and telephone number set forth on the back cover of this Offer to Purchase. Requests for additional copies of this Offer to Purchase or the related Letter of Transmittal may be directed to the Information Agent.

Neither the Securities and Exchange Commission (the “SEC”) nor any state securities commission has approved or disapproved of this transaction or passed upon the merits or fairness of such transaction or passed upon the adequacy or accuracy of the information contained in this Offer to Purchase. Any representation to the contrary is a criminal offense.

August 21, 2017

IMPORTANT

If you desire to tender all or any portion of your shares, you should either:

(1) (a) if you hold certificates in your own name, complete and sign the Letter of Transmittal in accordance with the instructions to the Letter of Transmittal, have your signature on the Letter of Transmittal guaranteed if Instruction 1 to the Letter of Transmittal so requires, and mail or deliver the Letter of Transmittal, together with any other required documents, including the share certificates, to the Depository and Paying Agent (as defined herein), at one of its addresses shown on the Letter of Transmittal, or

(b) if you are an institution participating in The Depository Trust Company, tender the shares in accordance with the procedure for book-entry transfer set forth in Section 3; or

(2) if you have shares registered in the name of a broker, dealer, commercial bank, trust company or other nominee, you must contact the nominee if you desire to tender those shares and request that your broker, dealer, commercial bank, trust company or other nominee effect the transaction for you.

To properly tender shares, you must validly complete the Letter of Transmittal, including the section relating to the price at which you are tendering shares.

If you wish to maximize the chance that your shares will be purchased at the Cash Purchase Price, you should check the box in the section of the Letter of Transmittal captioned “Shares Tendered at Cash Price Determined Under the Offer.” If you agree to accept the cash purchase price determined in the Offer, your shares will be deemed to be tendered at the minimum price of \$60.00 per share.

Questions and requests for assistance may be directed to the Information Agent at its address and telephone number set forth on the back cover of this Offer to Purchase. Requests for additional copies of this Offer to Purchase or the related Letter of Transmittal may be directed to the Information Agent.

This Offer to Purchase and accompanying Letter of Transmittal do not constitute an offer to purchase securities in any jurisdiction in which such offer is not permitted or would not be permitted. If we become aware of any jurisdiction where the making of the Offer or the acceptance of shares pursuant thereto is not in compliance with applicable law, we will make a good faith effort to comply with the applicable law where practicable. If, after such good faith effort, we cannot comply with the applicable law, the Offer will not be made to (nor will tenders be accepted from or on behalf of) the holders of shares in such jurisdiction.

We have not authorized any person to make any recommendation on our behalf as to whether you should tender or refrain from tendering your shares or as to the purchase price or purchase prices at which you may choose to tender your shares in the Offer. You should rely only on the information contained in this Offer to Purchase or to which we have referred you in this Offer to Purchase. We have not authorized anyone to provide you with information or to make any representation in connection with the Offer other than those contained in this Offer to Purchase or in the related Letter of Transmittal. If anyone makes any recommendation or gives any information or representation, you must not rely upon that recommendation, information or representation as having been authorized by us, the Depository and Paying Agent or the Information Agent.

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SUMMARY TERM SHEET

We are providing this summary term sheet for your convenience. This summary term sheet highlights certain material information in this Offer to Purchase, but you should realize that it does not describe all of the details of the Offer to the same extent described in this Offer to Purchase. We urge you to read the entire Offer to Purchase and the related Letter of Transmittal because they contain the full details of the Offer. We have included references to the sections of this Offer to Purchase where you will find a more complete discussion where helpful.

Who is offering to purchase my shares?

This Offer is being made by Herbalife Ltd., a Cayman Islands exempted company incorporated with limited liability (the “Company”).

What is the Company offering to purchase?

We are offering to purchase common shares, par value \$0.001 per share, of the Company (the “common shares”) for an aggregate cash purchase price of up to \$600 million. See Section 1. Under the terms of the Offer, the Company, subject to the satisfaction or waiver of the terms and conditions of the Offer, will purchase common shares that were properly tendered (and not properly withdrawn) pursuant to this Offer for an aggregate cash purchase price of up to \$600 million.

What will the purchase price for the shares be and what will be the form of payment?

We are conducting the Offer through a procedure commonly called a “modified Dutch Auction.” This procedure allows you to select the cash component of the price (in multiples of \$0.25) within a price range specified by us at which you are willing to sell your shares. The price range for the Offer is \$60.00 to \$68.00 per share. Upon the terms and subject to the conditions of the Offer, promptly following the Expiration Time, we will determine a single per share price, which will be not greater than \$68.00 nor less than \$60.00 per share, net to the seller in cash (the “Cash Purchase Price”), less any applicable tax withholding and without interest, that we will pay for shares properly tendered, for an aggregate Cash Purchase Price of up to \$600 million. In addition, the holder of each share we accept for purchase pursuant to the Offer will receive a non-transferable contractual contingent value right (a “CVR”) in respect of each share, pursuant to the Contingent Value Rights Agreement, to be entered into by the Company substantially in the form which is annexed to and filed with the Tender Offer Statement on Schedule TO we filed with the SEC on August 21, 2017 (the “Schedule TO”), as Exhibit (a)(1)(F) (the “CVR Agreement”), to receive a contingent cash payment upon the occurrence of a Going Private Transaction (as such term is defined in the CVR Agreement) within the time period specified in the CVR Agreement, without interest and less any applicable tax withholding, upon the terms and subject to the conditions described in this Offer to Purchase and the related Letter of Transmittal.

The Cash Purchase Price will be the lowest price per share not greater than \$68.00 nor less than \$60.00 per share (in multiples of \$0.25) at which shares have been properly tendered in the Offer that will enable us to purchase up to 10,000,000 shares in the aggregate. If fewer than such number of shares as would enable us to purchase shares pursuant to the Offer for an aggregate Cash Purchase Price of up to \$600 million are properly tendered, we will select the lowest price that will allow us to buy all the shares that are properly tendered. All shares we purchase will be purchased at the same Cash Purchase Price, even if you have tendered at a lower cash price (or are deemed to have tendered at a lower cash price), but we will not purchase any shares tendered above the Cash Purchase Price.

If you wish to maximize the chance that your shares will be purchased, you should check the box of the section of the Letter of Transmittal captioned “Shares Tendered at Price Determined under the Offer” indicating that you will accept the Cash Purchase Price. If you agree to accept the Cash Purchase Price determined in the Offer, your shares will be deemed to be tendered at the minimum price of \$60.00 per share.

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If your shares are purchased in the Offer, for each such share, we will pay you the Cash Purchase Price in cash, less any applicable tax withholding and without interest, and grant you a CVR promptly after the Offer expires. See Sections 1 and 5. Under no circumstances will we pay interest on the Cash Purchase Price or any payments due under a CVR, even if there is a delay in making payment.

What is a CVR?

Upon the consummation of the Offer, the Company intends to enter into a CVR Agreement with Computershare Trust Company, N.A., acting as the CVR agent thereunder (the “CVR Agent”), governing the terms of the CVR Payment Amount (as such term is defined in the CVR Agreement), substantially in the form filed as Exhibit (a)(1)(F) to the Schedule TO, which is incorporated herein by reference. Each CVR represents the contingent contractual right to receive a cash payment, without interest thereon and less any applicable withholding, conditioned upon the consummation of a Going Private Transaction within two years of the commencement of the Offer.

What is a “Going Private Transaction” for the purposes of the CVR?

A “Going Private Transaction,” for the purposes of the CVR Agreement, means any consummated merger, tender offer, exchange offer, reorganization, recapitalization or similar transaction or series of transactions (including but not limited to such transaction(s) with Mr. Carl C. Icahn or any of his controlled Affiliates (as such term is defined in the CVR Agreement) other than the Company), resulting in the delisting of the Company’s securities from all national securities exchanges, or as a result which such delisting is required pursuant to applicable law, SEC regulations and/or regulations of any such national securities exchanges.

How will the CVR Payment Amount be calculated?

Pursuant to the terms of the CVR Agreement, if a Going Private Transaction is consummated within two years of the commencement of the Offer, the Company will calculate, in good faith, the difference between the value shareholders receive per share in the Going Private Transaction and the Cash Purchase Price. The Company will adjust the value per share received by shareholders in the Going Private Transaction for such matters as the Company deems relevant, including any increase or decrease in the class of outstanding shares, other distributions, share splits, reverse share splits and similar matters that occur in the intervening time, and make certain other adjustments, all as set forth in the CVR Agreement (the “Adjusted Going Private Price Per Share”). If a Going Private Transaction is consummated during the two year period following the commencement of the Offer, each holder of a CVR will be entitled to receive, for each CVR, the difference between (i) the Adjusted Going Private Price Per Share, minus (ii) the Cash Purchase Price such shareholder received for his or her tendered share, subject to the terms and conditions set forth in the CVR Agreement.

May I transfer my right to receive a contingent cash consideration pursuant to a CVR to another party?

No. The right to receive a CVR payment is contractual in nature and may not be transferred except in the following limited instances:

- upon the death of the holder, by will or intestacy;
- by instrument to an inter vivos or testamentary trust in which the CVRs are to be passed to beneficiaries upon the death of the trustee;
- transfers made pursuant to a court order of a court of competent jurisdiction (including in connection with divorce, bankruptcy or liquidation); or
- a transfer made by operation of law (including a consolidation or merger) or without consideration in connection with the dissolution, liquidation or termination of any corporation, limited liability company, partnership or other entity.

What is the recent market price of my shares?

On August 18, 2017, the last full trading day before we commenced the Offer, the reported closing price of the shares quoted on NYSE was \$61.95 per share, which is greater than the low end of the price range for the Offer of \$60.00 per share. You are urged to obtain current market quotations for the shares before deciding whether and at what purchase price or purchase prices to tender your shares. See Section 8.

How many shares will the Company purchase in the Offer?

This offer is being made by the Company. Upon the terms and subject to the conditions of the Offer the Company will purchase common shares properly tendered and not properly withdrawn pursuant to the Offer for an aggregate Cash Purchase Price of up to \$600 million. If fewer than such number of shares as would enable us to purchase shares pursuant to the Offer for an aggregate Cash Purchase Price of up to \$600 million are properly tendered, we will purchase all shares that are properly tendered. If our purchase of all shares properly tendered at or below the Cash Purchase Price and not properly withdrawn in the Offer would result in an aggregate Cash Purchase Price of more than \$600 million, we will purchase all shares properly tendered at or below the Cash Purchase Price on a pro rata basis, except for “odd lots” (lots held by owners of less than 100 shares), which we will purchase on a priority basis, and except for each conditional tender whose condition was not met, which we will not purchase (except as described in Section 6). The Offer is subject to certain conditions described below. See Section 7.

How will the Company pay for the shares?

The maximum aggregate Cash Purchase Price the Company will pay to purchase common shares pursuant to the Offer is \$600 million. The Company anticipates that it will pay for such shares tendered from the proceeds from the \$1,300.0 million term loan under its \$1,450.0 million senior secured credit facility entered into on February 15, 2017 (the “Credit Facility”).

Consummation of the Offer is not subject to any financing condition, but is subject to certain other conditions. See Section 7.

How long do I have to tender my shares?

You may tender your shares until the Offer expires. The Offer will expire on September 19, 2017, at 5:00 p.m., New York City time, unless we extend it. See Section 1. If a broker, dealer, commercial bank, trust company or other nominee holds your shares, it is likely the nominee has established an earlier deadline for you to act to instruct the nominee to accept the Offer on your behalf. We urge you to contact the broker, dealer, commercial bank, trust company or other nominee to find out the nominee’s deadline.

Can the Offer be extended, amended or terminated?

We may choose to extend the Offer at any time and for any reason, subject to applicable laws. See Section 15. We cannot assure you that we will extend the Offer or indicate the length of any extension that we may provide. If we extend the Offer, we will delay the acceptance of any shares that have been tendered. We can amend the Offer in our sole discretion at any time prior to the Expiration Time. We can also terminate the Offer at any time prior to the Expiration Time if the conditions set forth in Section 7 are not met. See Sections 7 and 15.

How will I be notified if you extend the Offer or amend the terms of the Offer?

If we extend the Offer, we will issue a press release announcing the extension and the new Expiration Time by 9:00 a.m., New York City time, on the next business day after the previously scheduled Expiration Time. We will announce any amendment to the Offer by making a public announcement of the amendment. See Section 15.

What is the purpose of the Offer?

On August 17, 2017, the Board unanimously approved this Offer pursuant to the recommendation of the Committee (as defined below). The Board determined the Offer is a prudent use of the Company's financial resources and presents an appropriate balance between meeting the needs of the Company's business and delivering value to the Company's shareholders. The Board determined that a tender offer is an appropriate mechanism to return capital to shareholders that seek liquidity under current market conditions while, at the same time, allowing shareholders who do not participate in the Offer to share in a higher portion of the Company's future potential.

We believe that purchasing the shares in the Offer represents an attractive use of capital. We also believe that the "modified Dutch Auction" tender offer set forth in this Offer represents a mechanism to provide all of the shareholders of the Company with the opportunity to tender all or a portion of their shares and, thereby, receive a return of their investment if they so elect. The Offer provides such shareholders (particularly those who, because of the size of their shareholdings, might not be able to sell their shares without potential disruption to the share price) with an opportunity to obtain liquidity with respect to all or a portion of their shares without potential disruption to the share price or incurring broker's fees or commissions and other transaction costs associated with open market sales. Moreover, subject to the terms and conditions of the CVR Agreement, shareholders who tender shares into the Offer may receive an additional contractual cash payment in the event a Going Private Transaction occurs within two years of the commencement of the Offer. In addition, if we complete the Offer, shareholders who do not participate in the Offer will automatically increase their relative percentage ownership interest in the Company and its future operations at no additional cost to them.

Furthermore, odd lot holders who hold shares registered in their names and tender their shares directly to the Depository and Paying Agent and whose shares are purchased pursuant to the Offer will avoid any applicable odd lot discounts that might be payable on sales of their shares. See Section 1.

Following the Offer, will the Company continue as a public company?

Yes. The completion of the Offer in accordance with its terms and conditions will not cause the Company to stop being quoted on the NYSE or to stop being subject to the periodic reporting requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act").

The consummation of the Offer will decrease the Company's "public float" (the number of shares owned by non-affiliate shareholders and available for trading in the securities markets), which may result in slightly less liquidity and trading volume of the shares and could potentially result in an increase in price volatility. Shareholders may not be able to sell non-tendered shares in the future on NYSE or otherwise at a net price higher than the value of the Cash Purchase Price in the Offer. We can give no assurance as to the price at which a shareholder may be able to sell his or her shares in the future.

What are the significant conditions to the Offer?

Our obligations to accept and pay for your tendered shares depends upon a number of conditions that must be satisfied or waived by us prior to the Expiration Time, including, but not limited to:

- No increase or decrease in excess of 10% in the market price of the common shares, measured from the close of trading on August 18, 2017, the last full trading day before we commenced the Offer, to the close of trading on any other trading day during the Offer, up to and including the close of trading on the Expiration Time shall have occurred.
- No legal action shall have been instituted, threatened, or been pending that challenges the Offer or seeks to impose limitations on our ability (or any affiliate of ours) to acquire or hold or to exercise full rights of ownership of the shares.

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- No material adverse change in the business, condition (financial or otherwise), assets, income, operations, prospects or stock ownership of the Company shall have occurred.
- No one shall have proposed, announced or made a tender or exchange offer (other than this Offer), merger, business combination or other similar transaction involving the Company or any subsidiary of the Company.
- No one shall have filed a Notification and Report Form under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, or made a public announcement reflecting an intent to acquire the Company or any of its subsidiaries.
- No commencement or escalation of war, armed hostilities, terrorism or other similar national or international calamity, directly or indirectly involving the United States, shall have occurred.
- No general suspension of, or general limitation on prices for, or trading in, securities on any national securities exchange in the United States or in the over-the-counter market shall have occurred.
- Any approval, permit, authorization, favorable review or consent of any governmental entity required to be obtained in connection with the Offer has not been obtained on terms satisfactory to us in our reasonable discretion.
- The continuation and/or consummation of the Offer shall not result in adverse consequences under the terms of (i) the Company's outstanding 2% convertible notes due 2019, (ii) the capped call option transactions that the Company entered into in connection with the issuance of the convertible notes, or (iii) those forward share repurchase transactions the Company entered into when the convertible notes were issued, which in the Board's determination make it inadvisable to proceed with the Offer.

The Offer is subject to a number of other conditions described in greater detail in Section 7. Each of these conditions is for our sole benefit and may be asserted or waived by us, in whole or in part, at any time and from time to time in our discretion prior to the Expiration Time.

How do I tender my shares?

If you want to tender all or part of your shares, you must do one of the following before the Expiration Time:

- If your shares are registered in the name of a broker, dealer, commercial bank, trust company or other nominee, you must contact the nominee and request that the nominee tender your shares for you.
- If you hold certificates in your own name, you must complete and sign a Letter of Transmittal according to its instructions, and deliver it, together with any required signature guarantees, the certificates for your shares and any other documents required by the Letter of Transmittal, to the Depositary and Paying Agent.
- If you are an institution participating in the book-entry transfer facility (as defined herein), you must tender your shares according to the procedure for book-entry transfer described in Section 3.

You may contact the Information Agent for assistance. The contact information for the Information Agent appears on the back cover of this Offer to Purchase. See Section 3 and the Instructions to the Letter of Transmittal.

What happens if the Company's purchase of all shares tendered in the Offer would result in an aggregate Cash Purchase Price of more than \$600 million?

If our purchase of all shares properly tendered at or below the Cash Purchase Price and not properly withdrawn prior to the Expiration Time in the Offer would result in an aggregate Cash Purchase Price of more than \$600 million, we will purchase shares:

- *first*, from all holders of "odd lots" of less than 100 shares who properly tender all of their shares at or below the Cash Purchase Price;
- *second*, from all other shareholders who properly tender shares at or below the Cash Purchase Price, on a pro rata basis (except for shareholders who tendered shares conditionally for which the condition was not satisfied); and
- *third*, only if necessary to permit us to purchase shares for an aggregate Cash Purchase Price of up to \$600 million, from holders who have properly tendered shares at or below the Cash Purchase Price conditionally (for which the condition was not initially satisfied), by random lot, to the extent feasible. To be eligible for purchase by random lot, shareholders whose shares are conditionally tendered must have properly tendered all of their shares.

Because of the "odd lot" priority, proration and conditional tender provisions described above, we may not purchase all of the shares that you properly tender even if you tender them at or below the Cash Purchase Price. See Section 1.

If I own fewer than 100 shares and I tender all of my shares, will I be subject to proration?

If you own beneficially or of record fewer than 100 shares in the aggregate, you properly tender all of these shares at or below the Cash Purchase Price and you complete the section entitled "Odd Lots" in the Letter of Transmittal, we will purchase all of your shares without subjecting them to the proration procedure. See Section 1.

Once I have tendered shares in the Offer, can I withdraw my tender?

Yes. You may withdraw any shares you have tendered at any time before 5:00 p.m., New York City time, on September 19, 2017, unless we extend the Offer, in which case you can withdraw your shares until the expiration of the Offer as extended. If we have not accepted for payment the shares you have tendered to us, you may also withdraw your shares at any time after 12:00 midnight, New York City time, on October 18, 2017. See Section 4.

How do I properly withdraw shares I previously tendered?

To properly withdraw shares, you must deliver a written notice of withdrawal with the required information to the Depositary and Paying Agent while you still have the right to withdraw the shares. Your notice of withdrawal must specify your name, the number of shares to be withdrawn and the name of the registered holder of these shares. Some additional requirements apply if the share certificates to be withdrawn have been delivered to the Depositary and Paying Agent or if your shares have been tendered under the procedure for book-entry transfer set forth in Section 3. See Section 4. If you have tendered your shares by giving instructions to a broker, dealer, commercial bank, trust company or other nominee, you must instruct the nominee to arrange for the withdrawal of your shares.

Has the Company or the Board adopted a position on the Offer?

The Board has unanimously approved the Offer. However, none of Board, the Company, the Depositary and Paying Agent or the Information Agent is making any recommendation to you as to whether you should tender or refrain from tendering your shares or as to the purchase price or purchase prices at which you may choose to tender your shares. You must make your own decision as to whether to tender your shares and, if so, how many

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shares to tender and the purchase price or purchase prices at which your shares should be tendered. In so doing, you should read carefully the information in this Offer to Purchase and in the related Letter of Transmittal, including our reasons for making the Offer. See Section 2.

Do the directors or executive officers of the Company intend to tender their shares in the Offer?

Neither the directors or executive officers of the Company nor any of the Icahn Entities intend to tender shares in the Offer or otherwise sell or dispose of common shares during the pendency of the Offer. See Section 11.

If I decide not to tender, how will the Offer affect my shares?

Shareholders who choose not to tender their shares will own a greater percentage interest in the outstanding common shares following the consummation of the Offer. See Section 2.

When will the Company pay for the shares I tender?

We will pay the Cash Purchase Price, net to the seller in cash, less any applicable tax withholding and without interest, and convey the corresponding CVRs for the shares we accept for purchase promptly after the Expiration Time. We do not expect, however, to announce the results of proration and begin paying for tendered shares until up to five business days after the Expiration Time. See Section 5.

Will I have to pay brokerage commissions if I tender my shares?

If you are the record owner of your shares and you tender your shares directly to the Depository and Paying Agent, you will not have to pay brokerage fees or similar expenses. If you own your shares through a broker, dealer, commercial bank, trust company or other nominee and the nominee tenders your shares on your behalf, the nominee may charge you a fee for doing so. You should consult with your broker, dealer, commercial bank, trust company or other nominee to determine whether any charges will apply. See Section 3.

What are the U.S. federal income tax consequences if I tender my shares?

Generally, if you are a U.S. Holder (as defined in Section 14), the receipt of the Cash Purchase Price and the CVRs for your shares pursuant to the Offer will be a taxable transaction for U.S. federal income tax purposes. The specific U.S. federal income tax consequences of the transaction will depend in part on whether the transaction is treated as sale or exchange of shares or a distribution in respect of your shares for U.S. federal income tax purposes. It will also depend in part on the U.S. federal income tax treatment of the CVRs, with respect to which there is substantial uncertainty. You should consult your tax advisor regarding the tax consequences to you of participating in the Offer in light of your circumstances. See Sections 3 and 14 for a more detailed discussion of certain material U.S. federal income tax consequences of the Offer.

All shareholders should review the discussion in Sections 3 and 14 regarding tax issues and consult their tax advisor with respect to the tax consequences of a tender of shares in their particular circumstances.

Will I have to pay stock transfer tax if I tender my shares?

We will pay all stock transfer taxes unless payment is made to, or if shares not tendered or accepted for payment are to be registered in the name of, someone other than the registered holder, or tendered certificates are registered in the name of someone other than the person signing the Letter of Transmittal. See Section 5.

Does the Company intend to repurchase any shares other than pursuant to the Offer during or after the Offer?

Rule 13e-4(f) under the Exchange Act prohibits the Company and its affiliates from purchasing any shares, other than in the Offer, until at least 10 business days after the Expiration Time. Accordingly, any repurchases outside of the Offer may not be consummated until at least 10 business days after the Expiration Time. See Section 10.

Neither the directors or executive officers of the Company nor any of the Icahn Entities intend to tender their shares in the Offer or otherwise sell or dispose of common shares during the pendency of the Offer. Also, in accordance with Rules 13e-4(f)(6) and 14e-5 under the Exchange Act, from the date of announcement of the Offer until the expiration of 10 business days after the date of termination of the Offer, neither the directors or executive officers of the Company nor any of the Icahn Entities intend to purchase or otherwise acquire any common shares.

Additionally, in connection with the Offer, the Company entered into an agreement with the Icahn Entities on August 21, 2017, which is annexed to and filed with the Schedule TO as Exhibit (d)(1) (the “Icahn Letter Agreement”). Pursuant to the Icahn Letter Agreement, the Icahn Entities agreed, among other things, that for the two years following commencement of the Offer, the Icahn Entities will not purchase or otherwise acquire common shares that would increase their aggregate beneficial ownership above 50% of the outstanding common shares unless they have agreed to acquire 100% of the outstanding common shares. Notwithstanding the foregoing, for the purposes of the Icahn Letter Agreement, the Icahn Entities will be deemed not to have increased their aggregate beneficial ownership above 50% of the outstanding common shares if the increase in their aggregate beneficial ownership percentage occurs as a result of a reduction in the outstanding common shares.

How many shares has the Board authorized to be repurchased and how many shares have been repurchased thus far?

On February 21, 2017, our Board authorized a new three-year \$1.5 billion share repurchase program that will expire on February 21, 2020, which replaced our prior share repurchase authorization that was set to expire on June 30, 2017. As of July 31, 2017, our current share repurchase program had approximately \$1,200.8 million of remaining authorized capacity. This share repurchase program allows the Company, including an indirect, wholly-owned subsidiary to repurchase shares, at such times and prices as determined by the Company’s management as market conditions warrant and to the extent our distributable reserves are available under Cayman Islands law. The Credit Facility permits us to repurchase shares as long as no default or event of default exists and other conditions, such as specified consolidated leverage ratios, are met.

As of July 31, 2017, an indirect, wholly-owned subsidiary of the Company (“HBL Swiss”) had repurchased approximately 4.6 million common shares through open market purchases at an aggregate cost of approximately \$299.2 million, or an average cost of approximately \$65.41 per share. Although these shares are owned by HBL Swiss, they are reflected as treasury shares under U.S. GAAP and therefore reduce the number of common shares outstanding within our condensed consolidated financial statements and the weighted-average number of common shares outstanding used in calculating our earnings per share. The Company’s shares held by HBL Swiss, however, remain outstanding on the books and records of the Company’s transfer agent and therefore still carry voting and other share rights related to ownership of the Company’s common shares.

The shares purchased by the Company in this Offer will be purchased as a part of the Company’s ongoing share repurchase program.

To whom should I direct any questions?

If you have any questions regarding the Offer, please contact Georgeson LLC, the information agent for the Offer, at (888) 505-9118. Additional contact information for the Information Agent is set forth on the back cover of this Offer to Purchase.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

This Offer to Purchase, including any documents incorporated by reference or deemed to be incorporated by reference, contains forward-looking statements. All statements other than statements of historical fact are “forward-looking statements” for purposes of federal and state securities laws, including any projections of earnings, revenue or other financial items; any statements of the plans, strategies and objectives of management for future operations; any statements concerning proposed new services or developments; any statements regarding future economic conditions or performance; any statements of belief; and any statements of assumptions underlying any of the foregoing. Forward-looking statements include, but are not limited to, statements regarding the anticipated effects of the consummation of the Offer, our expectations, hopes or intentions regarding the future, including but not limited to statements regarding the Company’s operating or other strategic plans, including the Company’s competition, financing, revenues, or tax benefits; our beliefs regarding the sufficiency of the Company’s existing cash and credit sources, including the Company’s Credit Facility and cash flows from operating activities to meet our projected expenditures (including operating and maintenance capital expenditures) and costs associated with certain of the Company’s projects over the next twelve months; the Company’s required capital expenditures pursuant to agreements it is party to, and the Company’s anticipated capital expenditures, estimated asset and liability values; risk of counterparty nonperformance; the Company’s legal strategies and the potential effect of pending legal claims on the Company’s business and financial condition; and any financial or other information included herein based upon or otherwise incorporating judgments or estimates based upon future performance or events.

Forward-looking statements may include the words “may,” “will,” “estimate,” “intend,” “continue,” “believe,” “expect” or “anticipate” and any other similar words. Although we believe that the expectations reflected in any of our forward-looking statements are reasonable, actual results could differ materially from those projected or assumed in any of our forward-looking statements. Our future financial condition and results of operations, as well as any forward-looking statements, are subject to change and to inherent risks and uncertainties, such as those disclosed or incorporated by reference in our filings with the SEC. Given these uncertainties, you should not place undue reliance on these forward-looking statements. Forward-looking statements represent our estimates and assumptions only as of the date of this Offer to Purchase. We expressly disclaim any duty to provide updates to forward-looking statements, and the estimates and assumptions associated with them, after the date of this Offer to Purchase, in order to reflect changes in circumstances or expectations or the occurrence of unanticipated events, except to the extent required by applicable securities laws. All forward-looking statements are qualified in their entirety by reference to the factors discussed above and under “Risk Factors” set forth in Part I Item 1A and elsewhere of the Company’s Annual Report on Form 10-K, filed with the SEC on February 23, 2017, and in Part I Item 4 and elsewhere of the Company’s Quarterly Report on Form 10-Q, filed with the SEC on August 1, 2017, as well as the risks and uncertainties discussed in the Company’s other filings with the SEC, including risks resulting from a decrease in the public float of the shares which may result in slightly less liquidity and trading volume of the shares after the consummation of the Offer and could result in an increase in price volatility. We qualify all of our forward-looking statements by these cautionary statements. We caution you that these risks are not exhaustive. We operate in a continually changing business environment and new risks emerge from time to time.

INTRODUCTION

To the holders of common shares of the Company:

We invite the shareholders of the Company to tender their common shares of the Company. Upon the terms and subject to the conditions of this Offer to Purchase and the related Letter of Transmittal, the Company is offering to purchase common shares for an aggregate Cash Purchase Price (as such term is defined below) of up to \$600 million and at a per share price of (i) not greater than \$68.00 nor less than \$60.00, net to the seller in cash, less applicable tax withholding and without interest, plus (ii) a CVR. Upon the terms and subject to the conditions of the Offer, the Company will purchase common shares properly tendered and not properly withdrawn in the Offer for an aggregate Cash Purchase Price of up to \$600 million.

The Offer will expire at 5:00 p.m., New York City time, on September 19, 2017, unless extended.

Upon the terms and subject to the conditions of the Offer, promptly after the Expiration Time we will determine a single per share price, which will be not greater than \$68.00 nor less than \$60.00 per share, net to the seller in cash (the “Cash Purchase Price”), less any applicable tax withholding and without interest, that we will pay for shares properly tendered, for an aggregate Cash Purchase Price of up to \$600 million. The Cash Purchase Price will be the lowest price per share of not greater than \$68.00 nor less than \$60.00 per share (in multiples of \$0.25) at which shares have been properly tendered that will enable us to purchase the maximum number of shares for an aggregate Cash Purchase Price of up to \$600 million. If fewer than such number of shares as would enable us to purchase shares pursuant to the Offer for an aggregate Cash Purchase Price of up to \$600 million are properly tendered, we will select the lowest price that will allow us to buy all the shares that are properly tendered.

All shares we purchase in the Offer will be purchased at the same Cash Purchase Price regardless of whether the shareholder tendered, or is deemed to have tendered, at a lower cash price.

If our purchase of all shares properly tendered at or below the Cash Purchase Price and not properly withdrawn in the Offer would result in an aggregate Cash Purchase Price of more than \$600 million, we will purchase all shares properly tendered at or below the Cash Purchase Price on a pro rata basis, except for “odd lots” (lots held by owners of less than 100 shares), which we will purchase on a priority basis, and except for each conditional tender whose condition was not met, which we will not purchase. Shares tendered but not purchased pursuant to the Offer will be returned to the tendering shareholders at our expense promptly following the Expiration Time. See Section 1.

Tendering shareholders whose shares are registered in their own names and who tender directly to Computershare Trust Company, N.A., the depository and paying agent for the Offer (the “Depository and Paying Agent”), will not be obligated to pay brokerage fees or commissions or, except as set forth in Instruction 7 to the Letter of Transmittal, stock transfer taxes on the purchase of shares by us under the Offer. If you own your shares through a broker, dealer, commercial bank, trust company or other nominee and the nominee tenders your shares on your behalf, the nominee may charge you a fee for doing so. You should consult your broker, dealer, commercial bank, trust company or other nominee to determine whether any charges will apply.

Our obligation to accept, and pay for, shares properly tendered pursuant to the Offer is conditioned upon satisfaction or waiver of the conditions set forth in Section 7 of this Offer to Purchase.

Section 14 describes certain material United States federal income tax consequences to a U.S. Holder (as defined in Section 14) of an exchange of shares pursuant to the Offer.

We will pay the fees and expenses incurred in connection with the Offer by the Depository and Paying Agent and the Information Agent for this Offer. See Section 17.

The Board has unanimously approved the Offer pursuant to the recommendation of the Committee. However, none of the Board, the Committee, the Company, the Depositary and Paying Agent nor the Information Agent is making any recommendation to you as to whether to tender or refrain from tendering your shares or as to the purchase price or purchase prices at which you may choose to tender your shares. You must make your own decision as to whether to tender your shares and, if so, how many shares to tender and the price or prices at which you will tender them. In doing so, you should read carefully the information in this Offer to Purchase and in the related Letter of Transmittal, including our reasons for making the Offer. See Section 2.

As of August 15, 2017, there were 93,966,161 common shares outstanding. The shares are quoted on the NYSE under the symbol “HLF.” On August 18, 2017, the last full trading day before we commenced the Offer, the closing price of the shares as quoted on NYSE was \$61.95 per share, which is greater than the low end of the price range for the Offer of \$60.00 per share. **Shareholders are urged to obtain current market quotations for the shares before deciding whether and at what purchase price or purchase prices to tender their shares. See Section 8.**

THE TENDER OFFER

1. Terms of the Offer

General. Upon the terms and subject to the conditions of this Offer, the Company is offering to purchase common shares for an aggregate Cash Purchase Price of up to \$600 million and at a per share price of (i) not greater than \$68.00 nor less than \$60.00, net to the seller in cash, less applicable tax withholding and without interest, plus (ii) a CVR, upon the terms and subject to the conditions described in this Offer. Upon the terms and subject to the conditions of the Offer, the Company will purchase common shares properly tendered and not properly withdrawn for an aggregate Cash Purchase Price of \$600 million.

The term “Expiration Time” means 5:00 p.m., New York City time, on September 19, 2017. We may, in our sole discretion, choose to extend the period of time during which the Offer will remain open, subject to applicable laws. In the event of an extension of the Offer, the term “Expiration Time” shall refer to the latest time and date at which the Offer, as so extended by us, shall expire. See Section 15 for a description of our right to extend, delay, terminate or amend the Offer.

The proration period and, except as described herein, withdrawal rights, will expire at the Expiration Time.

The Offer is subject to certain conditions. See Section 7.

We are conducting the Offer through a procedure commonly called a “modified Dutch Auction.” This procedure allows shareholders to select the price (in multiples of \$0.25) within a price range specified by us at which they are willing to sell their shares. The price range for the Offer is \$60.00 to \$68.00 per share. If you would like to tender your shares, you must specify the price or prices, not in excess of \$68.00 nor less than \$60.00 (in multiples of \$0.25) per share, at which you are willing to sell their shares to us under the Offer. Alternatively, if you would like to tender your shares, you may choose not to specify a price and, instead, elect to tender your shares at the Cash Purchase Price (as defined herein) ultimately paid for shares properly tendered in the Offer. If you agree to accept the Cash Purchase Price, your shares will be deemed to be tendered at the minimum cash price of \$60.00 per share. See Section 8 for recent market prices for the shares.

Upon the terms and subject to the conditions of the Offer, promptly following the Expiration Time, we will determine a single per share price, which will be not greater than \$68.00 nor less than \$60.00 per share, net to the seller in cash (the “Cash Purchase Price”), less any applicable tax withholding and without interest, that we will pay for shares properly tendered, for an aggregate Cash Purchase Price of up to \$600 million. Once the Cash Purchase Price has been determined, we intend to promptly disclose such price in a manner calculated to inform shareholders of this information, which will include a press release.

The Cash Purchase Price will be the lowest price per share of not greater than \$68.00 nor less than \$60.00 per share (in multiples of \$0.25), at which shares have been properly tendered in the Offer, that will enable us to purchase the maximum number of shares for an aggregate Cash Purchase Price of up to \$600 million. If fewer than such number of shares as would enable us to purchase shares pursuant to the Offer for an aggregate Cash Purchase Price of up to \$600 million are properly tendered, we will select the lowest price that will allow us to buy all the shares that are properly tendered.

If our purchase of all shares properly tendered at or below the Cash Purchase Price and not properly withdrawn in the Offer would result in an aggregate Cash Purchase Price of more than \$600 million, we will purchase all shares properly tendered at or below the Cash Purchase Price on a pro rata basis, except for “odd lots” (lots held by owners of less than 100 shares), which we will purchase on a priority basis, and except for each conditional tender whose condition was not met, which we will not purchase. All shares we acquire in the Offer will be acquired at the same Cash Purchase Price regardless of whether you tendered your shares, or are deemed to have tendered your shares, at a lower cash price. Shares tendered but not purchased pursuant to the Offer will be returned to the tendering shareholders at our expense promptly after the Offer expires.

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You may specify one cash price for a specified portion of your shares and a different cash price for other specified shares, but you must submit a separate Letter of Transmittal for shares tendered at each cash price. See Instruction 5 to the Letter of Transmittal.

You may also specify the order in which we will purchase the specified portions of your shares in the event that, as a result of the proration provisions or otherwise, we purchase some but not all of the tendered shares pursuant to the Offer. In the event you do not designate the order in which we should purchase specified portions of your shares, and fewer than all shares are purchased due to proration, the Depositary and Paying Agent will select the order of shares purchased.

Priority of Purchases. Upon the terms and subject to the conditions of the Offer, of our purchase of all shares properly tendered at or below the Cash Purchase Price and not properly withdrawn prior to the Expiration Time in the Offer would result in an aggregate Cash Purchase Price of more than \$600 million, we will purchase properly tendered shares on the basis set forth below:

- *First*, upon the terms and subject to the conditions of the Offer, we will purchase all shares properly tendered and not properly withdrawn by any Odd Lot Holder (as defined herein) who:
 - properly tenders and does not properly withdraw all shares owned beneficially of record by the Odd Lot Holder at a price at or below the Cash Purchase Price (tenders of less than all of the shares owned by the Odd Lot Holder will not qualify for this preference); and
 - completes the section entitled “Odd Lots” in the Letter of Transmittal.
- *Second*, subject to the conditional tender provisions described in Section 6, we will purchase all other shares properly tendered at prices at or below the Cash Purchase Price on a pro rata basis with appropriate adjustments to avoid purchases of fractional shares, as described below.
- *Third*, if necessary to permit us to purchase shares for an aggregate Cash Purchase Price of up to \$600 million, shares conditionally tendered (for which the condition was not initially satisfied) at or below the Cash Purchase Price, will, to the extent feasible, be selected for purchase by random lot. To be eligible for purchase by random lot, shareholders whose shares are conditionally tendered must have properly tendered all of their shares.

As a result of the foregoing priorities applicable to the purchase of shares tendered, it is possible that all of the shares that a shareholder properly tenders in the Offer may not be purchased even if they are tendered at prices at or below the Cash Purchase Price. In addition, if a tender is conditioned upon the purchase of a specified number of shares, it is possible that none of those shares will be purchased even though those shares were tendered at prices at or below the Cash Purchase Price.

Odd Lots. The term “odd lots” means all shares properly tendered prior to the Expiration Time at prices at or below the Cash Purchase Price by any person (an “Odd Lot Holder”) who owned beneficially or of record a total of fewer than 100 shares and so certified in the appropriate place on the Letter of Transmittal.

To qualify for this preference, an Odd Lot Holder must properly tender all shares owned by the Odd Lot Holder in accordance with the procedures described in Section 3. Odd Lots will be accepted for payment before any proration of the purchase of other tendered shares. This preference is not available to partial tenders or to beneficial or record holders of an aggregate of 100 or more shares, even if these holders have separate accounts or certificates representing fewer than 100 shares. By tendering in the Offer, an Odd Lot Holder who holds shares in its name and tenders its shares directly to the Depositary and Paying Agent would not only avoid the payment of brokerage commissions, but also would avoid any applicable odd lot discounts in a sale of the holder’s shares. Any Odd Lot Holder wishing to tender all of its shares pursuant to the Offer should complete the section entitled “Odd Lots” in the Letter of Transmittal.

Proration. If proration of properly tendered shares is required, we will determine the proration factor promptly following the Expiration Time. Subject to adjustment to avoid the purchase of fractional shares and

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subject to the provisions governing conditional tenders described in Section 6, proration for each shareholder tendering shares, other than Odd Lot Holders, will be based on the ratio of the number of shares properly tendered by the shareholder to the total number of shares properly tendered by all shareholders, other than Odd Lot Holders, at or below the Cash Purchase Price. Because of the difficulty in determining the number of shares properly tendered and not properly withdrawn, and because of the odd lot procedure described above and the conditional tender procedure described in Section 6, we expect that we will not be able to announce the final proration factor or commence payment for any shares purchased pursuant to the Offer until up to five business days after the Expiration Time. The preliminary results of any proration will be announced by press release promptly after the Expiration Time. After the Expiration Time, shareholders may obtain preliminary proration information from the Information Agent and also may be able to obtain the information from their brokers.

As described in Section 14, the number of shares that we will purchase from a shareholder under the Offer may affect the U.S. federal income tax consequences to that shareholder and, therefore, may be relevant to a shareholder's decision whether or not to tender shares and whether to condition any tender upon our purchase of a stated number of Shares held by such shareholder.

This Offer to Purchase and the related Letter of Transmittal will be mailed to record holders of shares and will be furnished to brokers, dealers, commercial banks and trust companies whose names, or the names of whose nominees, appear on the Company's shareholder list or, if applicable, who are listed as participants in a clearing agency's security position listing for subsequent transmittal to beneficial owners of shares.

2. Purpose of the Tender Offer; Certain Effects of the Tender Offer; Other Plans

Purpose of the Tender Offer. On August 17, 2017, the Board unanimously approved this Offer pursuant to the recommendation of the Committee. The Board determined that the Offer is a prudent use of the Company's financial resources and presents an appropriate balance between meeting the needs of the Company's business and delivering value to the Company's shareholders. The Board determined that a tender offer of a combination of cash and a CVR for each share is an appropriate mechanism to return capital to shareholders that seek liquidity under current market conditions while, at the same time, providing such tendering shareholders additional value in the event the Company consummates a Going Private Transaction within two years of the date of commencement of the Offer, subject to the terms and conditions set forth in the CVR Agreement, and allowing shareholders who do not participate in the Offer to share in a higher portion of the Company's future potential. The Board believes that the Offer provides a mechanism to give the Company's shareholders the opportunity to tender all or a portion of their shares and, thereby, receive a return of capital if they so elect. In addition, shareholders who do not participate in the Offer will automatically increase their relative percentage interest in the Company and its future operations at no additional cost to them if the Offer is consummated. As a result, the Board believes that investing in the Company's own shares at this time and in this manner is an attractive use of capital and an efficient means to provide value to the Company's shareholders.

The shares to be purchased by the Company in this Offer will be purchased pursuant to the aggregate authorization of the Company's share repurchase program authorized by the Board on February 21, 2017. The Offer will allow the Company to repurchase a large number of shares at one time. As of July 31, 2017, the Company held approximately 4.6 million of treasury shares for GAAP purposes as a result of the share repurchase program. The remaining authorized capacity under the Company's \$1.5 billion share repurchase program as of July 31, 2017 was approximately \$1,200.8 million. The maximum aggregate Cash Purchase Price the Company would spend to purchase shares properly tendered in the Offer is \$600 million. See Section 8.

If you properly tender all of your shares pursuant to the Offer, and your shares are purchased in the Offer by the Company, you will cease to have any interest in the Company and will not have the opportunity to participate in the future earnings or growth, if any, of the Company or bear the burden and risks of any decrease in value of the Company; however, you will be eligible to receive contractual payments, if any, that may be made in respect of your receipt of a CVR.

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We believe that buying shares in the Offer represents an attractive use of capital. We also believe that the “modified Dutch Auction” tender offer set forth in this Offer to Purchase represents a mechanism to provide all of the shareholders of the Company with the opportunity to tender all or a portion of their shares and, thereby, receive a return of their investment if they so elect. The Offer provides such shareholders (particularly those who, because of the size of their shareholdings, might not be able to sell their shares without potential disruption to the share price) with an opportunity to obtain liquidity with respect to all or a portion of their shares, without potential disruption to the share price or incurring broker’s fees, commissions or other usual transaction costs associated with open market sales and while, at the same time, providing such tendering shareholders additional value in the event the Company engages in a Going Private Transaction (as defined in the CVR Agreement), subject to the terms and conditions set forth in the CVR Agreement.

Furthermore, odd lot holders who hold shares registered in their names and tender their shares directly to the Depository and Paying Agent and whose shares are purchased pursuant to the Offer will avoid any applicable odd lot discounts that might be payable on sales of their shares. See Section 1.

The Board has unanimously approved the Offer pursuant to the recommendation of the Committee. However, none of the Board, the Committee, the Company, the Depository and Paying Agent nor the Information Agent is making any recommendation to any shareholder as to whether to tender or refrain from tendering any shares or as to the purchase price or purchase prices at which shareholders may choose to tender their shares. We have not authorized any person to make any such recommendation. Shareholders should carefully evaluate all information in the Offer. Shareholders are also urged to consult with their tax advisors to determine the consequences to them of participating or not participating in the Offer, and should make their own decisions about whether to tender shares and, if so, how many shares to tender and the cash purchase price or cash purchase prices at which to tender. In doing so, you should read carefully the information in this Offer to Purchase and in the related Letter of Transmittal.

Certain Effects of the Offer. Shareholders who do not tender their shares pursuant to the Offer and shareholders who otherwise retain an equity interest in the Company as a result of a partial tender of shares or proration will continue to be owners of the Company. As a result, those shareholders will realize a proportionate increase in their relative equity interest in the Company and, thus, in the Company’s future earnings and assets, if any, and will bear the attendant risks associated with owning the Company’s equity securities. These risks include risks resulting from a decrease in the public float of the shares which may result in slightly less liquidity and trading volume of the shares after the consummation of the Offer and could potentially result in an increase in price volatility. Shareholders may not be able to sell non-tendered shares in the future on the NYSE or otherwise at a net price higher than the Cash Purchase Price in the Offer. We can give no assurance as to the price at which a shareholder may be able to sell his or her shares in the future.

Shares that the Company purchases pursuant to the Offer will become treasury shares unless cancelled and will be available for it to issue without further shareholder action (except as required by applicable law) for purposes of including, without limitation, acquisitions, raising additional capital and the satisfaction of obligations under existing or future employee benefit or compensation programs or stock plans or compensation programs for directors. There can be no assurance that the Company will issue additional shares or equity interests in the future. Please note that the foregoing description of the treatment of shares following their repurchase differs from the treatment of the shares repurchased and held by one of the Company’s indirect, wholly-owned subsidiaries, which shares have not been cancelled. See Section 8—Share Repurchases.

The Offer will reduce the Company’s public float and is likely to reduce the number of the Company’s shareholders. These reductions may result in lower share prices and slightly less liquidity in the trading market for the Company’s common shares following completion of the Offer.

The making of the Offer may also result in a required increase of the conversion rate in respect of the Company’s outstanding 2% convertible notes due 2019 as a result of the anti-dilution adjustment provisions

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under the indenture for such convertible notes. Whether an increase will be required and the extent of such increase will depend on facts that will not be known until after the Expiration Time. The strike price under the capped call option transactions that the Company entered into in connection with the issuance of the convertible notes will be subject to an adjustment tracking any such adjustment made to the conversion rate for the convertible notes, but the counterparties to such capped call transactions may have the right to further reduce the cap price thereunder as a result of the Offer, and the potential magnitude of such adjustment is not known at this time. In addition, the Company is party to certain forward share repurchase transactions, entered into when the convertible notes were issued, that similarly contain certain adjustment rights of the counterparties thereunder that may be triggered as a result of the Offer, and the potential magnitude of any such adjustment is not known at this time.

In addition, the Offer is conditioned on the continuation and/or consummation of the Offer not resulting in adverse consequences under the terms of (i) the Company's outstanding 2% convertible notes due 2019, (ii) the capped call option transactions that the Company entered into in connection with the issuance of the convertible notes, or (iii) those forward share repurchase transactions the Company entered into when the convertible notes were issued, which in the Board's determination make it inadvisable to proceed with the Offer. See Section 7.

Background and Reasons for Including a CVR in the Offer Consideration. From time to time in the past, the Company has engaged in discussions regarding potential transactions, some of which if consummated would have constituted a Going Private Transaction. At the time of this Offer, however, the Company is not engaged in any such discussions.

In light of the fact that the Company has in the past had discussions with various parties regarding potential transactions that might lead to a Going Private Transaction, the Board determined that it would be appropriate to provide shareholders with some additional value in the event they sold shares in the Offer and subsequently a Going Private Transaction was consummated within two years of the commencement of the Offer, resulting in shareholders receiving a higher price per share than that paid in the Offer. For more details on the Board's determination to include a CVR in the Offer, see Section 16.

Except for the foregoing and as otherwise disclosed in this Offer to Purchase or the documents incorporated by reference herein, the Company does not currently have any plans or proposals and is not currently engaged in any negotiations that relate to or would result in:

- any extraordinary transaction, such as a merger, reorganization or liquidation, involving the Company or any of its subsidiaries;
- any purchase, sale or transfer of an amount of the Company's assets or any of its subsidiaries' assets which is material to the Company and its subsidiaries, taken as a whole;
- any change in the present Board or management of the Company or any plans or proposals to change the number or the term of directors of the Company or to fill any vacancies on the Board of the Company (except that the Board of Directors of the Company may fill vacancies arising on the Board of the Company in the future) or to change any material term of the employment contract of any current executive officer of the Company;
- any material change in the Company's present dividend rate or policy;
- any material change in the Company's indebtedness or capitalization, its corporate structure or its business;
- any class of the Company's equity securities ceasing to be authorized to be quoted on the NYSE;
- any class of the Company's equity securities being voluntarily deregistered under Section 12(g) of the Exchange Act;
- the suspension of the Company's obligation to file reports under Section 15(d) of the Exchange Act;

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- the acquisition or disposition by any person of the Company's securities; or
- any changes in the Company's memorandum and articles of association.

Notwithstanding the foregoing, as part of the Company's long-term corporate goal of increasing shareholder value, the Company has regularly considered alternatives to enhance shareholder value, including open market repurchases of its shares, modifications of its dividend policy, strategic acquisitions and business combinations, and the Company intends to continue to consider alternatives to enhance shareholder value. Except as otherwise disclosed in this Offer (including in the Company's filings incorporated by reference into this Offer to Purchase), as of the date hereof, no agreements, understandings or decisions have been reached and there can be no assurance that the Company, as applicable, will decide to undertake any such alternatives. Additionally, from time to time the Company may liquidate, merge or reorganize its subsidiaries for tax or corporate-related purposes.

3. Procedures for Tendering Shares

Proper Tender. For a shareholder to make a proper tender of shares under the Offer, the Depository and Paying Agent must receive at one of its addresses set forth on the back cover of this Offer to Purchase and prior to the Expiration Time:

- a Letter of Transmittal, properly completed and duly executed, together with any required signature guarantees, or, in the case of a book-entry transfer, an "agent's message" (see "—Book-Entry Transfer" below), and any other required documents; and
- either certificates representing the tendered shares or, in the case of tendered shares delivered in accordance with the procedures for book-entry transfer we describe below, a book-entry confirmation of that delivery (see "—Book-Entry Transfer" below).

If a broker, dealer, commercial bank, trust company or other nominee holds your shares, it is likely the nominee has established an earlier deadline for you to act to instruct the nominee to accept the Offer on your behalf. We urge you to contact your broker, dealer, commercial bank, trust company or other nominee to find out the nominee's applicable deadline.

The valid tender of shares by you by one of the procedures described in this Section 3 will constitute a binding agreement between you and us on the terms of, and subject to the conditions to, the Offer.

In accordance with Instruction 5 of the Letter of Transmittal, each shareholder desiring to tender shares pursuant to the Offer must either (1) check the box in the section of the Letter of Transmittal captioned "Shares Tendered at Cash Price Determined Under the Offer," in which case you will be deemed to have tendered your shares at the minimum price of \$60.00 per share or (2) check one, and only one, of the boxes corresponding to the cash price at which shares are being tendered in the section of the Letter of Transmittal captioned "Cash Price (in Dollars) Per Share at Which Shares Are Being Tendered." A tender of shares will be proper only if one, and only one, of these boxes is checked on the Letter of Transmittal.

If tendering shareholders wish to maximize the chance that their shares will be purchased, they should check the box in the section of the Letter of Transmittal captioned "Shares Tendered at Cash Price Determined Under the Offer." For purposes of determining the cash component of the purchase price, those shares that are tendered by shareholders agreeing to accept the purchase price determined in the Offer will be deemed to be tendered at the minimum price of \$60.00 per share. See Section 8 for recent market prices for the shares.

If tendering shareholders wish to indicate a specific price (in multiples of \$0.25) at which their shares are being tendered, they must check the applicable price box in the section of the Letter of Transmittal captioned "Cash Price

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(in Dollars) per Share at Which Shares Are Being Tendered.” Tendering shareholders should be aware that this election could mean that none of their shares will be purchased if the cash price selected by the shareholder is higher than the cash component of the purchase price we eventually select after the Expiration Time.

A shareholder who wishes to tender shares at more than one cash price must complete a separate Letter of Transmittal for each cash price at which shares are being tendered. The same shares cannot be tendered (unless previously properly withdrawn in accordance with the terms of the Offer) at more than one price. In case of withdrawal, shareholders who tendered multiple prices pursuant to multiple Letters of Transmittal must comply with the procedures set forth in Section 4.

We urge shareholders who hold shares through brokers or banks to consult the brokers or banks to determine whether transaction costs are applicable if they tender shares through the brokers or banks and not directly to the Depository and Paying Agent.

Odd Lot Holders who tender all their shares must also complete the section captioned “Odd Lots” in the Letter of Transmittal to qualify for the preferential treatment available to Odd Lot Holders as set forth in Section 1.

Book-Entry Transfer. For purposes of the Offer, the Depository and Paying Agent will establish an account for the shares at The Depository Trust Company (the “book-entry transfer facility”) within two business days after the date of this Offer to Purchase. Any financial institution that is a participant in the book-entry transfer facility’s system may make book-entry delivery of shares by causing the book-entry transfer facility to transfer those shares into the Depository and Paying Agent’s account in accordance with the book-entry transfer facility’s procedures for that transfer. Although delivery of shares may be effected through book-entry transfer into the Depository and Paying Agent’s account at the book-entry transfer facility, the Letter of Transmittal, properly completed and duly executed, with any required signature guarantees, or an agent’s message, and any other required documents must, in any case, be transmitted to, and received by, the Depository and Paying Agent at one of its addresses set forth on the back cover of this Offer to Purchase prior to the Expiration Time.

The confirmation of a book-entry transfer of shares into the Depository and Paying Agent’s account at the book-entry transfer facility as we describe above is referred to herein as a “book-entry confirmation.” **Delivery of documents to the book-entry transfer facility in accordance with the book-entry transfer facility’s procedures will not constitute delivery to the Depository and Paying Agent.**

The term “agent’s message” means a message transmitted by the book-entry transfer facility to, and received by, the Depository and Paying Agent and forming a part of a book-entry confirmation, stating that the book-entry transfer facility has received an express acknowledgment from the participant tendering shares through the book-entry transfer facility that the participant has received and agrees to be bound by the terms of the Letter of Transmittal and that we may enforce that agreement against that participant.

Method of Delivery. **The method of delivery of shares, the Letter of Transmittal and all other required documents, including delivery through the book-entry transfer facility, is at the election and risk of the tendering shareholder. Shares will be deemed delivered only when actually received by the Depository and Paying Agent (including, in the case of a book-entry transfer, by book-entry confirmation). If you plan to make delivery by mail, we recommend that you deliver by registered mail with return receipt requested and obtain proper insurance. In all cases, sufficient time should be allowed to ensure timely delivery.**

Signature Guarantees. No signature guarantee will be required on a Letter of Transmittal for shares tendered thereby if:

- the “registered holder(s)” of those shares signs the Letter of Transmittal and has not completed the box entitled “Special Payment Instructions” in the Letter of Transmittal; or
- those shares are tendered for the account of an “eligible institution.”

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For purposes hereof, a “registered holder” of tendered shares will include any participant in the book-entry transfer facility’s system whose name appears on a security position listing as the owner of those shares, and an “eligible institution” is a “financial institution,” which term includes most commercial banks, savings and loan associations and brokerage houses, that is a participant in any of the following: (i) the Securities Transfer Agents Medallion Program; (ii) the New York Stock Exchange, Inc. Medallion Signature Program; or (iii) the Stock Exchange Medallion Program.

Except as we describe above, all signatures on any Letter of Transmittal for shares tendered thereby must be guaranteed by an eligible institution. See Instructions 1 and 6 to the Letter of Transmittal. If the certificates for shares are registered in the name of a person other than the signer of the Letter of Transmittal, or if payment is to be made or certificates for shares not tendered or not accepted for payment are to be returned to a person other than the registered holder of the certificates surrendered, then the tendered certificates must be endorsed or accompanied by appropriate stock powers, in either case signed exactly as the name or names of the registered holders or owners appear on the certificates, with the signatures on the certificates or stock powers guaranteed as aforesaid. See Instructions 1 and 6 to the Letter of Transmittal.

Shareholders may contact the Information Agent or their broker for assistance. The contact information for the Information Agent is on the back cover page of this Offer to Purchase.

Return of Unpurchased Shares. The Depositary and Paying Agent will return certificates for unpurchased shares promptly after the expiration or termination of the Offer or the proper withdrawal of the shares, as applicable, or, in the case of shares tendered by book-entry transfer at the book-entry transfer facility, the Depositary and Paying Agent will credit the shares to the appropriate account maintained by the tendering shareholder at the book-entry transfer facility, in each case without expense to the shareholder.

Tendering Shareholders’ Representation and Warranty; Our Acceptance Constitutes an Agreement. It is a violation of Rule 14e-4 promulgated under the Exchange Act for a person acting alone or in concert with others, directly or indirectly, to tender shares for such person’s own account unless at the time of tender and at the Expiration Time such person has a “net long position” in (a) the shares that is equal to or greater than the amount tendered and will deliver or cause to be delivered such shares for the purpose of tendering to us within the period specified in the Offer or (b) other securities immediately convertible into, exercisable for or exchangeable into shares (“Equivalent Securities”) that is equal to or greater than the amount tendered and, upon the acceptance of such tender, will acquire such shares by conversion, exchange or exercise of such Equivalent Securities to the extent required by the terms of the Offer and will deliver or cause to be delivered such shares so acquired for the purpose of tender to us within the period specified in the Offer. Rule 14e-4 also provides a similar restriction applicable to the tender on behalf of another person. A tender of shares made pursuant to any method of delivery set forth herein will constitute the tendering shareholder’s acceptance of the terms and conditions of the Offer, as well as the tendering shareholder’s representation and warranty to us that (a) such shareholder has a “net long position” in shares or Equivalent Securities at least equal to the shares being tendered within the meaning of Rule 14e-4, and (b) such tender of shares complies with Rule 14e-4. Our acceptance for payment of shares tendered pursuant to the Offer will constitute a binding agreement between the tendering shareholder and us upon the terms and subject to the conditions of the Offer.

A tender of shares made pursuant to any method of delivery set forth herein will also constitute a representation and warranty to us that the tendering shareholder has full power and authority to tender, sell, assign and transfer the shares tendered, and that, when the same are accepted for payment by us, we will acquire good, marketable and unencumbered title thereto, free and clear of all security interests, liens, restrictions, claims, encumbrances, conditional sales agreements and other obligations relating to the sale or transfer of the shares, and the same will not be subject to any adverse claim or right. Any such tendering shareholder will, on request by the Depositary and Paying Agent or us, execute and deliver any additional documents deemed by the Depositary and Paying Agent or us to be necessary or desirable to complete the sale, assignment and transfer of the shares tendered, all in accordance with the terms of the Offer.

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A properly completed Letter of Transmittal, and any other documents required by the Letter of Transmittal, must be delivered to the Depository and Paying Agent and not to us or the Information Agent. All authority conferred or agreed to be conferred by delivery of the Letter of Transmittal shall be binding on the successors, assigns, heirs, personal representatives, executors, administrators and other legal representatives of the tendering shareholder and shall not be affected by, and shall survive, the death or incapacity of such tendering shareholder.

Determination of Validity; Rejection of Shares; Waiver of Defects; No Obligation to Give Notice of Defects. All questions as to the number of shares to be accepted, the price to be paid for shares to be accepted and the validity, form, eligibility (including time of receipt) and acceptance for payment of any tender of shares will be determined by us, in our sole discretion, and our determination will be final and binding on all persons participating in the Offer, subject to such Offer participant's disputing such determination in a court of competent jurisdiction. We reserve the absolute right prior to the expiration of the Offer to reject any or all tenders we determine not to be in proper form or the acceptance for payment of or payment for which may, in the opinion of our counsel, be unlawful. We also reserve the absolute right to waive any conditions of the Offer with respect to all shareholders prior to the Expiration Time or any defect or irregularity in any tender with respect to any particular shares or any particular shareholder whether or not we waive similar defects or irregularities in the case of other shareholders. No tender of shares will be deemed to have been validly made until all defects or irregularities relating thereto have been cured or waived. None of us, the Depository and Paying Agent, the Information Agent or any other person will be under any duty to give notification of any defects or irregularities in tenders or incur any liability for failure to give any such notification. Our reasonable interpretation of the terms of and conditions to the Offer, including the Letter of Transmittal and the instructions thereto, will be final and binding on all persons participating in the Offer, subject to such Offer participant's disputing such determination in a court of competent jurisdiction. By tendering shares to us, you agree to accept all decisions we make concerning these matters and waive any right you might otherwise have to challenge those decisions. We strongly encourage shareholders to submit completed tender materials as early as possible after you have properly considered the information in this Offer to Purchase, so that you will have as much time as possible prior the Expiration Time to correct any defects or irregularities in the materials you provide to us.

Backup Withholding. Under the U.S. backup withholding rules, the applicable withholding agent may be required to withhold the applicable statutory percentage (currently 28%) of certain reportable payments payable to a shareholder or other payee pursuant to the Offer, unless the shareholder or other payee provides its taxpayer identification number (employer identification number or social security number) to the Depository and Paying Agent and certifies that such number is correct and that it is not subject to backup withholding or an exemption otherwise applies under applicable Treasury regulations and the shareholder appropriately certifies that it qualifies for such exemption. Therefore, except as provided below, each tendering shareholder that is a U.S. Holder (as defined in Section 14) should complete and sign the IRS Form W-9 included as part of the Letter of Transmittal and available on the IRS website so as to provide the information and certification necessary to avoid backup withholding. Backup withholding is not an additional tax. Rather, the amount of backup withholding can be refunded by the IRS or credited against the U.S. federal income tax liability of the person subject to backup withholding, provided the required information is timely furnished to the IRS. Certain payments made to holder pursuant to the Offer may also be subject to information reporting to the Internal Revenue Service.

Certain shareholders (including, among others, certain corporations and certain foreign individuals and entities) are not subject to backup withholding. In order for an exempt Non-U.S. Holder to qualify as a recipient exempt from backup withholding, that shareholder must submit a statement (generally, an IRS Form W-8BEN or other applicable IRS Form W-8 available on the IRS website), signed under penalties of perjury, attesting to that shareholder's exempt status. Such statements can be obtained from the Depository and Paying Agent or from the IRS at www.irs.gov. In order for an exempt U.S. Holder to qualify as a recipient exempt from backup withholding, that shareholder must submit an IRS Form W-9, signed under penalties of perjury, attesting to that shareholder's exempt status.

Any taxes withheld pursuant to these backup withholding rules or otherwise will be treated for all purposes as having been paid to the persons with respect to whom such amounts were withheld.

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Holders are urged to consult their own tax advisors to determine whether they are exempt from these backup withholding and reporting requirements.

ANY TENDERING SHAREHOLDER OR OTHER PAYEE THAT FAILS TO COMPLETE FULLY AND SIGN THE IRS FORM W-9 INCLUDED IN THE LETTER OF TRANSMITTAL OR APPLICABLE IRS FORM W-8 MAY BE SUBJECT TO REQUIRED U.S. BACKUP WITHHOLDING AT THE APPLICABLE STATUTORY RATE (CURRENTLY EQUAL TO 28%) OF THE GROSS PROCEEDS PAID TO SUCH SHAREHOLDER OR OTHER PAYEE PURSUANT TO THE OFFER.

Lost Certificates. If the share certificates which a registered holder wants to surrender have been lost, destroyed or stolen, the shareholder should promptly notify the Depository and Paying Agent at 1-800-356-2017. The Depository and Paying Agent will instruct the shareholder as to the steps that must be taken in order to replace the certificates.

4. Withdrawal Rights

Except as this Section 4 otherwise provides, tenders of shares are irrevocable. You may withdraw shares that you have previously tendered in the Offer according to the procedures we describe below at any time prior to the Expiration Time. You may also withdraw your previously tendered shares at any time after 12:00 midnight, New York City time, on October 18, 2017, unless such shares have been accepted for payment as provided in the Offer.

For a withdrawal to be effective, a written notice of withdrawal must:

- be received in a timely manner by the Depository and Paying Agent at one of its addresses set forth on the back cover of this Offer to Purchase; and
- specify the name of the person having tendered the shares to be withdrawn, the number of shares to be withdrawn and the name of the registered holder of the shares to be withdrawn, if different from the name of the person who tendered the shares.

If certificates for shares have been delivered or otherwise identified to the Depository and Paying Agent, then, prior to the physical release of those certificates, the serial numbers shown on those certificates must be submitted to the Depository and Paying Agent and, unless an eligible institution has tendered those shares, an eligible institution must guarantee the signatures on the notice of withdrawal.

If a shareholder has used more than one Letter of Transmittal or has otherwise tendered shares in more than one group of shares, the shareholder may withdraw shares using either separate notices of withdrawal or a combined notice of withdrawal, so long as the information specified above is included.

If shares have been delivered in accordance with the procedures for book-entry transfer described in Section 3, any notice of withdrawal must also specify the name and number of the account at the book-entry transfer facility to be credited with the withdrawn shares and otherwise comply with the book-entry transfer facility's procedures.

Withdrawals of tenders of shares may not be rescinded, and any shares properly withdrawn will thereafter be deemed not validly tendered for purposes of the Offer. Withdrawn shares may be retendered at any time prior to the Expiration Time by again following one of the procedures described in Section 3.

We will decide, in our sole discretion, all questions as to the form and validity, including time of receipt, of notices of withdrawal, and each such decision will be final and binding on all person's participating in the Offer, subject to such other participants disputing such determination in a court of competent jurisdiction. We also reserve the absolute right to waive any defect or irregularity in the withdrawal of shares by any shareholder,

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whether or not we waive similar defects or irregularities in the case of any other shareholder. None of the Company, the Depositary and Paying Agent, the Information Agent or any other person will be under any duty to give notification of any defects or irregularities in any notice of withdrawal or incur any liability for failure to give any such notification.

Our reservation of the right to delay payment for shares which we have accepted for payment is limited by Rule 13e-4(f)(5) and Rule 14e-1(c) under the Exchange Act, which require that we must pay the consideration offered or return the shares tendered promptly after termination or withdrawal of a tender offer.

5. Purchase of Shares and Payment of Cash Purchase Price

Upon the terms and subject to the conditions of the Offer, promptly following the Expiration Time, we will accept for payment and pay the Cash Purchase Price, less any applicable withholding and without interest, and a CVR for (and thereby purchase) shares properly tendered and not properly withdrawn for an aggregate cash purchase price of up to \$600 million.

Upon the terms and subject to the conditions of the Offer, promptly after the Expiration Time we will determine a single per share cash price, which will be not greater than \$68.00 nor less than \$60.00 per share, net to the seller in cash, less any applicable tax withholding and without interest, that we will pay for shares properly tendered, along with a CVR, for an aggregate Cash Purchase Price of up to \$600 million. The Cash Purchase Price will be the lowest price per share of not greater than \$68.00 nor less than \$60.00 per share (in multiples of \$0.25), at which shares have been properly tendered in the Offer, that will enable us to purchase the maximum number of shares for an aggregate Cash Purchase Price of up to \$600 million. If fewer than such number of shares as would enable us to purchase shares pursuant to the Offer for an aggregate Cash Purchase Price of up to \$600 million are properly tendered, we will select the lowest price that will allow us to buy all the shares that are properly tendered.

All shares we acquire in the Offer will be acquired at the same Cash Purchase Price regardless of whether you tendered your shares at a lower cash price. Subject to the conditions of the Offer, only shares properly tendered, or deemed properly tendered, at prices at or below the Cash Purchase Price will be eligible for purchase in the Offer. If our purchase of all shares properly tendered at or below the Cash Purchase Price and not properly withdrawn in the Offer would result in aggregate Cash Purchase Price of more than \$600 million, we will purchase all shares properly tendered at or below the Cash Purchase Price on a pro rata basis, except for “odd lots” (lots held by owners of less than 100 shares), which we will purchase on a priority basis, and except for each conditional tender whose condition was not met, which we will not purchase. Shares tendered but not purchased pursuant to the Offer will be returned to the tendering shareholders at our expense promptly after the Expiration Time.

For purposes of the Offer, we will be deemed to have accepted for payment (and therefore purchased), subject to the “odd lot” priority, proration and conditional tender provisions of this Offer, shares that are properly tendered at or below the Cash Purchase Price, only when, as and if we give oral or written notice to the Depositary and Paying Agent of our acceptance of the shares for payment pursuant to the Offer.

Upon the terms and subject to the conditions of the Offer, we will accept for payment and pay the per share cash purchase price plus a CVR for each of the shares accepted for payment pursuant to the Offer promptly after the Expiration Time. In all cases, payment for shares tendered and accepted for payment pursuant to the Offer will be made promptly, subject to possible delay in the event of proration, but only after timely receipt by the Depositary and Paying Agent of:

- certificates for shares, or a timely book-entry confirmation of the deposit of shares into the Depositary and Paying Agent’s account at the book-entry transfer facility,

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- a properly completed and duly executed Letter of Transmittal, or, in the case of a book-entry transfer, an agent's message, and
- any other required documents.

We will respectively pay for shares purchased pursuant to the Offer by (i) depositing the aggregate cash purchase price for the shares with the Depository and Paying Agent, which will act as agent for tendering shareholders for the purpose of receiving payment from us and transmitting payment to the tendering shareholders and (ii) executing and delivering executed counterparts of the CVR Agreement, and providing additional information to the CVR Agent thereunder.

In the event of proration, we will determine the proration factor and pay for those tendered shares accepted for payment promptly after the Expiration Time. However, we expect that we will not be able to announce the final results of any proration or commence payment for any shares purchased pursuant to the Offer until up to five business days after the Expiration Time. Certificates for all shares tendered and not purchased, including all shares tendered at prices in excess of the Cash Purchase Price and shares not purchased due to proration or conditional tender will be returned or, in the case of shares tendered by book-entry transfer, will be credited to the account maintained with the book-entry transfer facility by the participant who delivered the shares, to the tendering shareholder at our expense promptly after the Expiration Time or termination of the Offer.

Under no circumstances will we pay interest on the Cash Purchase Price or any payments due pursuant to a CVR, including but not limited to, by reason of any delay in making payment. In addition, if certain events occur, we may not be obligated to purchase shares pursuant to the Offer. See Section 7.

We will pay all stock transfer taxes, if any, payable on the transfer to us of shares purchased pursuant to the Offer. If, however, payment of the Cash Purchase Price is to be made to, or (in the circumstances permitted by the Offer) if unpurchased shares are to be registered in the name of, any person other than the registered holder, or if tendered certificates are registered in the name of any person other than the person signing the Letter of Transmittal, the amount of all stock transfer taxes, if any (whether imposed on the registered holder or the other person), payable on account of the transfer to the person will be deducted from the cash purchase price unless satisfactory evidence of the payment of the stock transfer taxes, or exemption from payment of the stock transfer taxes, is submitted. See Instruction 7 of the Letter of Transmittal.

6. Conditional Tender of Shares

Subject to the exception for Odd Lot Holders, in the event of an over-subscription of the Offer, shares properly tendered at or below the Cash Purchase Price will be subject to proration. See Section 1. As discussed in Section 14, the number of shares to be purchased from a particular shareholder may affect the tax treatment of the purchase to the shareholder and the shareholder's decision whether to tender. Accordingly, a shareholder may tender shares subject to the condition that a specified minimum number of the shareholder's shares tendered pursuant to a Letter of Transmittal must be purchased if any shares tendered are purchased. Any shareholder desiring to make a conditional tender must so indicate in the box entitled "Conditional Tender" in the Letter of Transmittal.

Any tendering shareholder wishing to make a conditional tender must calculate and appropriately indicate the minimum number of shares that must be purchased if any are to be purchased. After the Offer expires, our purchase of all shares properly tendered at or below the Cash Purchase Price and not properly withdrawn would result in an aggregate Cash Purchase Price of more than \$600 million, so that we must prorate our acceptance of and payment for tendered shares, we will calculate a preliminary proration percentage based upon all shares properly tendered, conditionally or unconditionally. If the effect of this preliminary proration would be to reduce the number of shares to be purchased from any shareholder below the minimum number specified in a conditional tender, the tender will automatically be regarded as withdrawn (except as provided in the next paragraph). All shares tendered by a shareholder subject to a conditional tender and regarded as withdrawn as a result of proration will be returned at our expense, promptly after the Expiration Time.

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After giving effect to these withdrawals, we will accept the remaining shares properly tendered, conditionally or unconditionally, on a pro rata basis, if necessary. If conditional tenders would otherwise be regarded as withdrawn and would cause the aggregate Cash Purchase Price to be paid in the Offer to fall below \$600 million then, to the extent feasible, we will select enough of the conditional tenders that would otherwise have been withdrawn to permit us to purchase common shares for an aggregate Cash Purchase Price of up to \$600 million. In selecting among the conditional tenders, we will select by random lot, treating all tenders by a particular taxpayer as a single lot, and will limit our purchase in each case to the designated minimum number of shares to be purchased. To be eligible for purchase by random lot, shareholders whose shares are conditionally tendered must have tendered all of their shares.

7. Conditions of the Tender Offer

Notwithstanding any other provision of the Offer, we will not be required to accept for payment, purchase or pay for any shares tendered, and may, at any time, terminate or amend the Offer or may postpone the acceptance for payment of, or the purchase of and the payment for shares tendered, subject to the applicable rules under the Exchange Act, if at any time prior to the Expiration Time (whether any shares have theretofore been accepted for payment) any of the following events has occurred (or shall have been reasonably determined by us to have occurred) that, in our reasonable judgment and regardless of the circumstances giving rise to the event or events (other than any such event or events that are proximately caused by our action or failure to act), make it inadvisable to proceed with the Offer or with acceptance for payment:

- there has occurred any change in the general political, market, economic or financial conditions in the United States or abroad that we deem is reasonably likely to materially and adversely affect the Company's business or the trading in the shares, including, but not limited to, the following:
 - any general suspension of, or general limitation on prices for, or trading in, securities on any national securities exchange in the United States or in the over-the-counter market;
 - a declaration of a banking moratorium or any suspension of payments in respect of banks in the United States or any limitation (whether or not mandatory) by any governmental agency or authority on, or any other event that, in our reasonable judgment, could reasonably be expected to adversely affect, the extension of credit by banks or other financial institutions in the United States;
 - the commencement or escalation of a war, armed hostilities, terrorism, or other similar national or international calamity directly or indirectly involving the United States; or
 - in the case of any of the foregoing existing at the time of the commencement of the Offer, in our reasonable judgment, a material acceleration or worsening thereof;
- any increase or decrease in excess of 10% in the market price for the common shares, measured from the close of trading on August 18, 2017, the last full trading day before we commenced the Offer, to the close of trading on any other trading day during the Offer, up to and including the close of trading on the Expiration Time shall have occurred;
- any change (or condition, event or development involving a prospective change) has occurred in the business, properties, assets, liabilities, capitalization, shareholders' equity, financial condition, operations, licenses, results of operations or prospects of the Company or any of its subsidiaries or affiliates, taken as a whole, that, in our reasonable judgment, does or is reasonably likely to have a materially adverse effect on the Company or any of its subsidiaries or affiliates, taken as a whole, or we have become aware of any fact that, in our reasonable judgment, does or is reasonably likely to have a material adverse effect on the value of the shares;
- in the reasonable judgment of the Board, the continuation and/or consummation of the Offer would result in certain adverse consequences under the terms of (i) the Company's outstanding 2% convertible notes due 2019 (due to the anti-dilution adjustment provisions under the indenture for such

- convertible notes), (ii) the capped call option transactions that the Company entered into in connection with the issuance of the convertible notes (including due to the counterparties to such capped call contracts seeking to reduce the cap price thereunder), or (iii) those forward share repurchase transactions the Company entered into when the convertible notes were issued (including due to the adjustments to the terms of such transactions that the counterparties of such transactions may seek thereunder), which in the Board's determination make it inadvisable to proceed with the Offer;
- there has been threatened in writing, instituted, or pending any action, proceeding, application or counterclaim by or before any court or governmental, administrative or regulatory agency or authority, domestic or foreign, or any other person or tribunal, domestic or foreign, which:
 - challenges or seeks to challenge, restrain, prohibit or delay the making of the Offer, the acquisition by us of the shares in the Offer, or any other matter relating to the Offer, or seeks to obtain any material damages or otherwise relating to the transactions contemplated by the Offer;
 - seeks to make the purchase of, or payment for, some or all of the shares pursuant to the Offer illegal or results in a delay in our ability to accept for payment or pay for some or all of the shares;
 - seeks to impose limitations on our ability (or any affiliate of ours) to acquire or hold or to exercise full rights of ownership of the shares, including, but not limited to, the right to vote the shares purchased by us on all matters properly presented to the Company's shareholders; or
 - otherwise could reasonably be expected to materially adversely affect the business, properties, assets, liabilities, capitalization, shareholders' equity, financial condition, operations, licenses, results of operations or prospects of the Company or any of its subsidiaries or affiliates, taken as a whole, or the value of the shares;
 - any action has been taken or any statute, rule, regulation, judgment, decree, injunction or order (preliminary, permanent or otherwise) has been proposed, sought, enacted, entered, promulgated, enforced or deemed to be applicable to the Offer or the Company or any of its subsidiaries or affiliates by any court, government or governmental agency or other regulatory or administrative authority, domestic or foreign, which, in our reasonable judgment:
 - indicates that any approval or other action of any such court, agency or authority may be required in connection with the Offer or the purchase of shares thereunder;
 - could reasonably be expected to prohibit, restrict or delay consummation of the Offer; or
 - otherwise could reasonably be expected to materially adversely affect the business, properties, assets, liabilities, capitalization, shareholders' equity, financial condition, operations, licenses or results of operations of the Company or any of its subsidiaries or affiliates, taken as a whole;
 - we learn that:
 - any person, entity or group has filed a Notification and Report Form under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, reflecting an intent to acquire the Company or any of the shares, or has made a public announcement reflecting an intent to acquire the Company or any of its subsidiaries or any of its or their respective assets or securities; or
 - a tender or exchange offer for any or all of the outstanding shares (other than this Offer), or any merger, acquisition, business combination or other similar transaction with or involving the Company or any subsidiary, has been proposed, announced or made by any person or entity or has been publicly disclosed;
 - any approval, permit, authorization, favorable review or consent of any governmental entity required to be obtained in connection with the Offer has not been obtained on terms satisfactory to us in our reasonable discretion;

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- in the reasonable judgment of the Board, the consummation of the Offer shall be funded from available distributable reserves of the Company pursuant to Section 37 of the Companies Law (2016 Revision) of the Cayman Islands and other applicable Cayman Islands' law, and the Company is able to remain solvent following the consummation of the Offer;
- the Company's acceptance for payment, purchase or payment for any shares tendered in the Offer shall violate or conflict with, or otherwise be contrary to, the Credit Facility or any other existing credit facility of the Company then in place as of the time of this Offer; or
- legislation amending the Internal Revenue Code of 1986, as amended (the "Code"), becomes effective and would, in our respective reasonable judgment, change the tax consequences of the transaction contemplated by the Offer in any manner that would adversely affect either of us or any of our respective affiliates.

The conditions referred to above are for our sole benefit and may be asserted by us regardless of the circumstances giving rise to any of these conditions (other than conditions that are proximately caused by our action or failure to act), and may be waived by us, in whole or in part, at any time and from time to time in our sole discretion prior to the Expiration Time.

Our failure at any time to exercise any of the foregoing rights will not be deemed a waiver of any right, and each such right will be deemed an ongoing right that may be asserted at any time and from time to time prior to the Expiration Time. Any determination by us concerning the events described above will be final and binding on all persons participating in the Offer, subject to such Offer participant's disputing such determination in a court of competent jurisdiction.

All conditions to the Offer must be satisfied or waived prior to the Expiration Time.

8. Price Range of the Shares; Dividends

Price Range of the Shares. The shares are currently quoted on the NYSE under the symbol "HLF."

The following table sets forth the high and low sales prices per share of the Company's common shares on the NYSE for the periods indicated as reported by the NYSE.

	<u>High</u>	<u>Low</u>
Fiscal 2015		
First Quarter	\$48.55	\$27.60
Second Quarter	55.86	39.51
Third Quarter	61.95	47.17
Fourth Quarter	59.50	51.77
Fiscal 2016		
First Quarter	\$63.59	\$42.26
Second Quarter	66.26	54.00
Third Quarter	72.22	57.05
Fourth Quarter	64.38	47.62

	<u>High</u>	<u>Low</u>
Fiscal 2017		
First Quarter	\$62.50	\$ 48.2
Second Quarter	74.49	56.81
Third Quarter (through August 18, 2017)	73.99	60.71

As of August 15, 2017, there were 93,966,161 common shares outstanding. On August 18, 2017, the last full trading day before we commenced the Offer, the last reported sales price of the shares quoted on the NYSE was \$61.95 per share, which is greater than the low end of the price range for the Offer of \$60.00 per share. **We urge shareholders to obtain a current market price for the shares before deciding whether and at what purchase price or purchase prices to tender their shares.**

Dividends. During the second quarter of 2007, our Board adopted a regular quarterly cash dividend program. Our Board authorized a \$0.10 per common share dividend each quarter from the adoption of the program through the second quarter of 2010. On August 2, 2010, our Board approved an increase in the quarterly cash dividend to \$0.13 per common share, an increase of \$0.03 per common share from prior quarters. On May 2, 2011, we announced that our Board approved an increase in the quarterly cash dividend to \$0.20 per common share, an increase of \$0.07 per common share from prior quarters. On February 21, 2012, we announced that our Board approved an increase in the quarterly cash dividend to \$0.30 per common share, an increase of \$0.10 per common share from prior quarters. On April 28, 2014, we announced that our Board approved terminating our quarterly cash dividend and instead utilizing the cash to repurchase additional common shares. There were no dividends paid and declared during fiscal year 2015 or 2016 or through the first two quarters of 2017.

The declaration of future dividends is subject to the discretion of our Board and will depend upon various factors, including our earnings, financial condition, our available distributable reserves under Cayman Islands law, restrictions imposed by the Credit Facility, as amended, and the terms of any other indebtedness that may be outstanding, cash requirements, future prospects and other factors deemed relevant by our Board.

Share Repurchases. On February 21, 2017, our Board authorized a new three-year \$1.5 billion share repurchase program that will expire on February 21, 2020, which replaced our prior share repurchase authorization that was set to expire on June 30, 2017. As of July 31, 2017, the Company had approximately \$1,200.8 million of remaining authorized capacity. This share repurchase program allows the Company and its wholly owned subsidiaries, including HBL Swiss, to repurchase shares, at such times and prices as determined by the Company's management, as market conditions warrant, and to the extent our distributable reserves are available under Cayman Islands law. The Credit Facility permits the Company to repurchase shares as long as no default or event of default exists and other conditions such as specified consolidated leverage ratios are met.

We did not repurchase any common shares in the open market during the year ended December 31, 2016. During the three months ended March 31, 2017, HBL Swiss purchased approximately 1.1 million shares through open market purchases at an aggregate cost of approximately \$60.7 million, or an average cost of \$56.10 per share. During the three months ended June 30, 2017, HBL Swiss purchased approximately 2.7 million shares through open market purchases at an aggregate cost of approximately \$179.8 million, or an average cost of \$67.06 per share. As of July 31, 2017, HBL Swiss had repurchased approximately 4.6 million common shares through open market purchases at an aggregate cost of approximately \$299.2 million, or an average cost of approximately \$65.41 per share. Although these shares are owned by an indirect wholly owned subsidiary of the Company, they are reflected as treasury shares under U.S. GAAP and therefore reduce the number of common shares outstanding within the Company's condensed consolidated financial statements and the weighted-average number of common shares outstanding used in calculating earnings per share. The shares held by HBL Swiss, however, remain outstanding on the books and records of the Company's transfer agent and therefore still carry voting and other share rights related to ownership of the shares, which may be exercised. As of July 31, 2017, the Company held approximately 4.6 million of treasury shares for U.S. GAAP purposes.

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The number of shares issued upon vesting or exercise for certain restricted stock units and SARs granted pursuant to the Company's share-based compensation plans is net of the statutory withholding requirements that the Company pays on behalf of its employees. Although shares withheld are not issued, they are treated as common share repurchases in the Company's condensed consolidated financial statements and reduce the Company's additional paid-in-capital within total shareholders' equity and are reflected as share repurchases on the Company's condensed consolidated statements of cash flows as they reduce the number of shares that would have been issued upon vesting. These shares do not count against the authorized capacity under the Company's share repurchase program described above.

9. Source and Amount of Funds

The maximum aggregate Cash Purchase Price the Company will pay to purchase common shares pursuant to the Offer is \$600 million. The Company anticipates that it will pay for such shares tendered from the proceeds from the \$1,300.0 million term loan under its Credit Facility. As a result, it will have reduced liquidity. Reduced liquidity could have certain material adverse effects on the Company, including, but not limited to, the following: (i) the Company's available liquidity in the future for acquisitions, working capital, capital expenditures, and general corporate or other purposes could be impaired, and additional financing may not be available on terms acceptable to the Company; (ii) the Company's ability to withstand competitive pressures may be decreased; and (iii) the Company's reduced level of liquidity may make it more vulnerable to economic downturns, and reduce its flexibility in responding to changing business, regulatory and economic conditions. However, after the Offer is completed, the Company believes that its then-available cash and cash equivalents, cash flow from operations and investing activities and access to capital will continue to provide it with adequate financial resources to meet its working capital requirements and to fund capital expenditures as well as to engage in strategic activities.

Consummation of the Offer is not subject to any financing condition, but is subject to certain other conditions. See Section 7.

10. Information About the Company

The Company is a global nutrition company founded in 1980 that develops and sells weight management, healthy meals and snacks, sports and fitness, energy and targeted nutritional products as well as personal care products. As of June 30, 2017, the Company sold its products in 94 countries. We believe the enhanced consumer awareness and the demand for our products due to the global obesity epidemic coupled with the effectiveness of network marketing have been the primary reasons for our success throughout our 37-year operating history.

We believe that direct-selling is ideally suited to marketing our products because sales of weight management, targeted nutrition, energy, sports & fitness, and outer nutrition products are strengthened by ongoing personal contact and support, coaching and education between our members and their customers towards a healthy and active lifestyle.

Where You Can Find More Information. The Company is subject to the informational filing requirements of the Exchange Act, and, accordingly, is obligated to file reports, statements and other information with the SEC relating to its business, financial condition and other matters. Information, as of particular dates, concerning directors and officers, their remuneration, the principal holders of the Company's securities and any material interest of these persons in transactions with us is required to be disclosed in proxy statements distributed to the Company's shareholders and filed with the SEC. The Company has also filed the Schedule TO with the SEC that includes additional information relating to the Offer.

These reports, statements and other information can be inspected and copied at the public reference facilities maintained by the SEC at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. Copies of this material may also be obtained by mail, upon payment of the SEC's customary charges, from the Public Reference Section of

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the SEC at 100 F Street, N.E., Washington, D.C. 20549. The SEC also maintains a web site on the Internet at <http://www.sec.gov> that contains reports, proxy and information statements and other information regarding registrants that file electronically with the SEC.

Incorporation by Reference. The rules of the SEC allow us to “incorporate by reference” information into this Offer to Purchase, which means that we can disclose important information to you by referring you to another document filed separately with the SEC. The Offer incorporates by reference the documents listed below, including the financial statements and the notes related thereto contained in those documents that have been previously filed with the SEC. These documents contain important information about the Company.

<u>SEC Filing</u>	<u>Period or Date Filed</u>
<i>Annual Report on Form 10-K</i>	<i>Fiscal Year Ended December 31, 2016, filed February 23, 2017</i>
<i>Definitive Proxy Statement</i>	<i>Filed March 13, 2017</i>
<i>Quarterly Report on Form 10-Q</i>	<i>Quarter Ended March 31, 2017, filed May 4, 2017; Quarter Ended June 30, 2017, filed August 1, 2017</i>
<i>Current Reports on Form 8-K</i>	<i>Filed February 15, 2017; filed February 23, 2018; filed May 2, 2017; filed August 1, 2017</i>

Any statement contained in a document incorporated by reference into this Offer to Purchase shall be deemed to be modified or superseded to the extent such statement is modified or superseded in this Offer to Purchase. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Offer to Purchase.

You can obtain any of the documents incorporated by reference in this Offer to Purchase from us or from the SEC’s web site at the address described above. Documents incorporated by reference are available from us without charge, excluding any exhibits to those documents. You may request a copy of these filings at no cost, by writing or telephoning us at: Herbalife Ltd., Attention: Investor Relations, 800 West Olympic Boulevard, Los Angeles, California 90015, Telephone: (213) 745-0474. Please be sure to include your complete name and address in your request. If you request any incorporated documents, we will mail them to you by first class mail, or another equally prompt means, within one business day after we receive your request. You can find additional information by visiting the Company’s website at: <http://www.herbalife.com>. Information contained on the Company’s website is not part of, and is not incorporated into, this Offer to Purchase.

11. Interest of Directors and Executive Officers; Transactions and Arrangements Concerning the Shares

Our director and executive officers are entitled to participate in the Offer on the same basis as other shareholders. However, neither our directors or executive officers nor any of the Icahn Entities intend to tender any of their shares in the Offer or otherwise sell or dispose of common shares during the pendency of the Offer. Also, in accordance with Rules 13e-4(f)(6) and 14e-5 under the Exchange Act, from the date of announcement of the Offer until the expiration of ten business days after the date of termination of the Offer, neither the directors or executive officers of the Company nor any of the Icahn Entities intend to purchase or otherwise acquire any common shares.

Additionally, in connection with the Offer, the Company entered into the Icahn Letter Agreement with the Icahn Entities. Pursuant to the Icahn Letter Agreement, the Icahn Entities agreed, among other things, that for the two years following commencement of the Offer, the Icahn Entities will not purchase or otherwise acquire common shares that would increase their aggregate beneficial ownership above 50% of the outstanding common shares unless they have agreed to acquire 100% of the outstanding common shares. Notwithstanding the

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foregoing, for the purposes of the Icahn Letter Agreement, the Icahn Entities will be deemed not to have increased their aggregate beneficial ownership above 50% of the outstanding common shares if the increase in their aggregate beneficial ownership percentage occurs as a result of a reduction in the number of outstanding common shares.

The following table shows the beneficial ownership of the common shares as of the date of this Offer to Purchase of each person who we know beneficially owns more than 5% of the common shares, the directors and named executive officers of the Company, and all of the directors and executive officers as a group. Beneficial ownership, which is determined in accordance with the rules and regulations of the SEC, means the sole or shared power to vote or direct the voting or to dispose or direct the disposition of the common shares. The percentage of the common shares beneficially owned by a person assumes that the person has exercised all options, and converted all convertible securities, the person holds that are exercisable or convertible within 60 days of the date of this Offer to Purchase, and that no other persons exercised any of their options or converted any of their convertible securities. Except as otherwise indicated in the footnotes to the table or in cases where community property laws apply, we believe that each person identified in the table possesses sole voting and investment power over all common shares shown as beneficially owned by the person. Except as otherwise indicated, the business address for each of the following persons is 800 West Olympic Boulevard, Suite 406, Los Angeles, California 90015.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class(1)
<i>Non-management Director and Nominees</i>		
Richard P. Birmingham(2)	4,040	*
Pedro Cardoso(3)	17,126	*
Dr. Richard H. Carmona	6,429	*
Jonathan Christodoro	6,429	*
Keith Cozza	6,429	*
Jeffrey T. Dunn(4)	29,998	*
Hunter C. Gary	6,429	*
Jesse A. Lynn	6,429	*
Michael Montelongo	4,429	*
James L. Nelson	6,429	*
Maria Otero	6,429	*
John Tartol(5)	196,342	*
<i>Named Executive Officers</i>		
Michael O. Johnson(6)	2,246,899	2.39%
Richard P. Goudis(7)	433,203	*
Desmond Walsh(8)	510,087	*
John G. DeSimone(9)	236,999	*
Alan L. Hoffman(10)	28,952	*
All directors and executive officers as a group (29 persons)(11)	4,341,298	4.62%

Name and Address of Beneficial Owner <i>Greater than 5% Beneficial Owners</i>	Amount and Nature of Beneficial Ownership	Percent of Class(1)
Capital Research Global Investors(12)	7,787,521	8.29%
Nomura Holdings, Inc.(13)	7,942,823	8.45%
FMR LLC(14)	6,207,054	6.61%
Carl C. Icahn(15)	22,872,324	24.34%
The Vanguard Group—23-1945930(16)	6,119,947	6.51%
Route One Investment Company, L.P.(17)	5,233,542	5.57%
Deccan Value Investors L.P.(18)	7,647,712	8.14%
Credit Suisse AG(19)	4,997,784	5.32%

* Less than 1%

- (1) Based on 93,966,161 common shares outstanding as of August 15, 2017.
- (2) Includes 7,503 stock appreciation rights (“SARs”) equivalent to 2,121 shares which have vested and are exercisable as of August 15, 2017.
- (3) Includes 12,955 SARs equivalent to 2,920 shares which have vested and are exercisable as of August 15, 2017.
- (4) Includes 12,955 SARs equivalent to 2,920 shares which have vested and are exercisable and 511 RSUs with restrictions that may lapse and be paid in shares, in each case, within 60 days of August 15, 2017.
- (5) Includes 12,955 SARs equivalent to 2,920 shares which have vested and are exercisable as of August 15, 2017.
- (6) Includes 1,026,519 SARs equivalent to 298,615 shares which have vested and are exercisable as of August 15, 2017.
- (7) Includes 598,203 SARs equivalent to 266,234 shares which have vested and are exercisable as of August 15, 2017.
- (8) Includes 738,143 SARs equivalent to 374,349 shares which have vested and are exercisable as of August 15, 2017.
- (9) Includes 413,176 SARs equivalent to 202,259 shares which have vested and are exercisable as of August 15, 2017.
- (10) Includes 119,668 SARs equivalent to 28,952 shares which have vested and are exercisable as of August 15, 2017.
- (11) Includes 3,728,121 SARs equivalent to 1,539,952 shares which are vested and exercisable as of August 15, 2017, and 511 Restricted Stock Units (“RSUs”) with restrictions that may lapse and be paid in shares within 60 days of August 15, 2017 and 114,620 vested and deferred RSUs that are convertible to the shares.
- (12) The information regarding the beneficial ownership of Capital Research Global Investors is based on the Schedule 13G/A filed with the SEC by Capital Research Global Investors on February 13, 2017. According to this Schedule 13G/A, Capital Research Global Investors has (i) sole power to vote 7,787,521 shares, (ii) shared power to vote 0 shares, (iii) sole power to dispose of 7,787,521 shares and (iv) shared power to dispose of 0 shares. The address for Capital Research Global Investors is 333 South Hope Street, Los Angeles, CA 90071.
- (13) The information regarding the beneficial ownership of Nomura Holdings, Inc., is based on the Schedule 13G filed jointly with Nomura International PLC with the SEC on February 13, 2015. According to this Schedule 13G, (i) Nomura Holdings, Inc. has (i) sole power to vote 0 shares, (ii) shared power to vote 7,942,823 shares; (iii) sole power to dispose of 0 shares and (iv) shared power to dispose of 7,942,823 shares. Additionally, according to this Schedule 13G, Nomura International PLC has (i) sole power to vote 0 shares; (ii) shared power to vote 7,409,946 shares; (iii) sole power to dispose of 0 shares and (iv) shared power to dispose of 7,409,946 shares. The address for Nomura Holdings, Inc. is 1-9-1 Nihonbashi, Chuo-ku, Tokyo 103-8645 Japan. The address for Nomura International, PLC is 1 Angel Lane, London EC4R 3AB, United Kingdom.

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- (14) The information regarding the beneficial ownership of FMR LLC is based on the Schedule 13G/A filed jointly with the SEC by FMR LLC and Abigail P. Johnson on February 14, 2017. According to this Schedule 13G/A, FMR LLC has (i) sole power to vote 1,126,141 shares, (ii) shared power to vote 0 shares, (iii) sole power to dispose of 6,207,054 shares and (iv) shared power to dispose of 0 shares; and Abigail P. Johnson has (i) sole power to vote 0 shares, (ii) shared power to vote 0 shares, (iii) sole power to dispose of 6,207,054 shares and (iv) shared power to dispose of 0 shares. The address for each of FMR LLC and Abigail P. Johnson is 245 Summer Street, Boston, MA 02210.
- (15) The information regarding the beneficial ownership of Carl C. Icahn is based on the Schedule 13D/A filed jointly with the SEC by High River Limited Partnership (“High River”), Hopper Investments LLC (“Hopper”), Barberry Corp. (“Barberry”), Icahn Partners Master Fund LP (“Icahn Master”), Icahn Offshore LP (“Icahn Offshore”), Icahn Partners LP (“Icahn Partners”), Icahn Onshore LP (“Icahn Onshore”), Icahn Capital LP (“Icahn Capital”), IPH GP LLC (“IPH”), Icahn Enterprises Holdings L.P. (“Icahn Enterprises Holdings”), Icahn Enterprises G.P. Inc. (“Icahn Enterprises GP”), Beckton Corp. (“Beckton”) and Carl C. Icahn on March 13, 2017. According to this Schedule 13D/A, High River has (i) sole power to vote 4,574,465 shares, (ii) shared power to vote 0 shares, (iii) sole power to dispose of 4,574,465 shares, and (iv) shared power to dispose of 0 shares; Hopper has (i) sole power to vote 0 shares, (ii) shared power to vote 4,574,465 shares, (iii) sole power to dispose of 0 shares, and (iv) shared power to dispose of 4,574,465 shares; Barberry has (i) sole power to vote 0 shares, (ii) shared power to vote 4,574,465 shares, (iii) sole power to dispose of 0 shares, and (iv) shared power to dispose of 4,574,465 shares; Icahn Partners Master Fund has (i) sole power to vote 7,446,838 shares, (ii) shared power to vote 0 shares, (iii) sole power to dispose of 7,446,838 shares, and (iv) shared power to dispose of 0 shares; Icahn Offshore has (i) sole power to vote 0 shares, (ii) shared power to vote 7,446,838 shares, (iii) sole power to dispose of 0 shares, and (iv) shared power to dispose of 7,446,838 shares; Icahn Partners has (i) sole power to vote 10,851,021 shares, (ii) shared power to vote 0 shares, (iii) sole power to dispose of 10,851,021 shares, and (iv) shared power to dispose of 0 shares; Icahn Onshore has (i) sole power to vote 0 shares, (ii) shared power to vote 10,851,021 shares, (iii) sole power to dispose of 0 shares, and (iv) shared power to dispose of 10,851,021 shares; Icahn Capital has (i) sole power to vote 0 shares, (ii) shared power to vote 18,297,859 shares; (iii) sole power to dispose of 0 shares, and (iv) shared power to dispose of 18,297,859 shares; IPH has (i) sole power to vote 0 shares, (ii) shared power to vote 18,297,859 shares, (iii) sole power to dispose of 0 shares, and (iv) shared power to dispose of 18,297,859 shares; Icahn Enterprises Holdings has (i) sole power to vote 0 shares, (ii) shared power to vote 18,297,859 shares, (iii) sole power to dispose of 0 shares, and (iv) shared power to dispose of 18,297,859 shares; Icahn Enterprises GP has (i) sole power to vote 0 shares, (ii) shared power to vote 18,297,859 shares, (iii) sole power to dispose of 0 shares, and (iv) shared power to dispose of 18,297,859 shares; and Beckton has (i) sole power to vote 0 shares, (ii) shared power to vote 18,297,859 shares, (iii) sole power to dispose of 0 shares, and (iv) shared power to dispose of 18,297,859 shares; and Carl C. Icahn has (i) sole power to vote 0 shares, (ii) shared power to vote 22,872,324 shares, (iii) sole power to dispose of 0 shares, and (iv) shared power to dispose of 22,872,324 shares. The address for (i) each of High River, Hopper, Barberry, Icahn Offshore, Icahn Partners, Icahn Master, Icahn Onshore, Icahn Capital, IPH, Icahn Enterprises Holdings, Icahn Enterprises GP and Beckton is White Plains Plaza, 445 Hamilton Avenue—Suite 1210, White Plains, NY 10601, and (ii) Mr. Icahn is c/o Icahn Associates Corp., 767 Fifth Avenue, 47th Floor, New York, NY 10153.
- (16) The information regarding the beneficial ownership of The Vanguard Group—23-1945930 (the “Vanguard Group”) is based on the Schedule 13G filed with the SEC by the Vanguard Group on February 13, 2017. According to this Schedule 13G, the Vanguard Group has (i) sole power to vote 41,412 shares, (ii) shared power to vote 7,898 shares, (iii) sole power to dispose of 6,074,074 shares and (iv) shared power to dispose of 45,873 shares. The address for the Vanguard Group is 100 Vanguard Blvd., Malvern, PA 19355.
- (17) The information regarding the beneficial ownership of Route One Investment Company, L.P. is based on the Schedule 13G filed jointly with the SEC by Route One Investment Company, L.P., ROIC, LLC, Route One Investment Company, LLC, William F. Duhamel, Jr., Jason E. Moment, Ashish H. Pant, and Richard H. Voon on February 14, 2017. According to this Schedule 13G, each reporting person has (i) sole power to vote 0 shares, (ii) shared power to vote 5,233,452 shares, (iii) sole power to dispose of 0 shares and

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- (iv) shared power to dispose of 5,233,452 shares. The address for each reporting person is One Letterman Drive, Building D, Suite DM 200, San Francisco, CA 94129.
- (18) The information regarding the beneficial ownership of Deccan Value Investors L.P. is based on the Schedule 13G filed jointly with the SEC by Deccan Value Investors L.P. and Vinit Bodas on February 14, 2017. According to this Schedule 13G, each of Deccan Value Investors L.P. and Vinit Bodas has (i) sole power to vote 0 shares, (ii) shared power to vote 7,647,712 shares, (iii) sole power to dispose of 0 shares and (iv) shared power to dispose of 7,647,712 shares. The address for each of Deccan Value Investors L.P. and Vinit Bodas is One Fawcett Place, Greenwich, CT 06830.
- (19) The information regarding the beneficial ownership of Credit Suisse AG is based on the Schedule 13G filed with the SEC by Credit Suisse AG on February 14, 2017. According to this Schedule 13G, Credit Suisse AG has (i) sole power to vote 0 shares, (ii) shared power to vote 4,997,784 shares, (iii) sole power to dispose of 0 shares and (iv) shared power to dispose of 4,997,784 shares. The address for each of Credit Suisse AG is Uetlibergstrasse 231, P.O. Box 900, CH 8070, Zurich, Switzerland.

12. Effects of the Tender Offer on the Market for Shares; Registration under the Exchange Act

The completion of the Offer in accordance with its terms and conditions will not cause the Company to stop being quoted on the NYSE or to stop being subject to the periodic reporting requirements of the Exchange Act.

However, the purchase by us of shares under the Offer will reduce the number of shares that might otherwise be traded publicly and is likely to reduce the number of shareholders. As a result, trading of a relatively small volume of the shares and limited liquidity after consummation of the Offer may have a greater impact on trading prices than would be the case prior to consummation of the Offer with an increase in price volatility. Shareholders may not be able to sell non-tendered shares in the future on the NYSE or otherwise, at a net price higher than the Cash Purchase Price in the Offer. We can give no assurance as to the price at which a shareholder may be able to sell his or her shares in the future.

13. Legal Matters; Regulatory Approvals

We are not aware of any license or regulatory permit that is material to the Company's business that might be adversely affected by our acquisition of shares as contemplated by the Offer or of any approval or other action by any government or governmental, administrative or regulatory authority or agency, domestic, foreign or supranational, that would be required for the acquisition or ownership of shares by us as contemplated by the Offer that is material to the success of the Offer. Should any such approval or other action be required, we presently contemplate that we will seek that approval or other action where practicable if practicable within the time period contemplated by the Offer. We are unable to predict whether we will be required to delay the acceptance for payment of or payment for shares tendered under the Offer pending the outcome of any such matter. There can be no assurance that any such approval or other action, if needed, would be obtained or would be obtained without substantial cost or conditions or that the failure to obtain the approval or other action might not result in adverse consequences to its business and financial condition. Our obligations under the Offer to accept for payment and pay for shares is subject to certain conditions. See Section 7.

The Offer is currently scheduled to expire during a Company "black-out" period, when our officers and directors would typically be precluded from buying or selling common shares. It is the Company's current intention to either disclose updated information that could be material to a shareholder's decision of whether or not to tender shares in the Offer shortly before the Expiration Time, or extend the scheduled expiration of the Offer to a later date and time.

14 . Certain Material U.S. Federal Income Tax Consequences of the Offer

The following summary describes certain material U.S. federal income tax consequences to U.S. Holders (as defined below) of the exchange of shares for cash and CVRs pursuant to the Offer. This discussion is based upon

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the Code, existing and proposed Treasury Regulations, administrative pronouncements and judicial decisions, all as in effect as of the date hereof and any changes to which could materially affect the tax consequences described herein and could be made on a retroactive basis.

This discussion deals only with U.S. Holders who hold their shares as capital assets for U.S. federal income tax purposes and does not address all tax consequences, including tax consequences that may be relevant to various specified categories of holders (such as dealers in securities or commodities, traders in securities that elect to mark their holdings to market, financial institutions, regulated investment companies, real estate investment trusts, holders whose functional currency is not the U.S. dollar, insurance companies, pass-through entities, tax-exempt organizations, certain former citizens or long-term residents of the United States, holders who beneficially own directly or indirectly more than 5% all the Company's outstanding shares, or holders who hold shares as part of a hedging, integrated, conversion or constructive sale transaction or as a position in a straddle). In particular, different rules may apply to shares acquired as compensation (including shares acquired upon the exercise of employee stock options or otherwise as compensation). This discussion does not address the application of the alternative minimum tax or the state, local or non-U.S. tax consequences of participating in the Offer. Holders of shares should consult their tax advisors as to the particular consequences to them of participation in the Offer.

As used herein, a "U.S. Holder" means a beneficial holder of shares that is for U.S. federal income tax purposes: (a) an individual citizen or resident of the United States, (b) a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia, (c) an estate the income of which is subject to U.S. federal income taxation regardless of its source, or (d) a trust if (i) a court within the United States can exercise primary supervision of the trust's administration and one or more U.S. persons have the authority to control all substantial decisions of the trust or (ii) it has a valid election in effect under applicable regulations to be treated as a U.S. person.

If a partnership (including for this purpose any entity or arrangement, domestic or foreign, treated as a partnership for U.S. federal income tax purposes) beneficially owns shares, the tax treatment of a partner generally will depend upon the status of the partner and the activities of the partnership. Beneficial owners that are partnerships, and partners in such partnerships, should consult their own tax advisors.

This discussion is for general information only and should not be construed as tax advice. It is a summary and does not purport to be a comprehensive analysis or description of all potential U.S. federal income tax consequences of the Offer. We urge you to consult your tax advisor with respect to the particular U.S. federal, state and local or foreign tax consequences of the Offer to you.

General. The receipt of the Cash Purchase Price and the CVRs for the shares pursuant to the Offer will generally be a taxable transaction for U.S. federal income tax purposes. The U.S. federal income tax treatment of the transaction will depend in part on whether the transaction is treated as a sale or exchange of shares or a distribution in respect of shares for U.S. federal income tax purposes. It will also depend in part on the U.S. federal income tax treatment of the CVRs, with respect to which there is substantial uncertainty.

Treatment as Exchange or Distribution. A holder that participates in the Offer will be treated, depending on such holder's particular circumstances, either as recognizing gain or loss from the disposition of the shares or as receiving a distribution in respect of shares.

In general under applicable U.S. federal income tax laws, a holder of corporate stock that receives a payment from the issuer in redemption of all or a portion of such stock will be treated as having received a distribution taxable as a dividend to the extent of the issuer's earnings and profits. However, a holder will recognize gain or loss on an exchange of shares for cash if the exchange (a) results in a "complete termination" of all such holder's equity interest in the Company, (b) results in a "substantially disproportionate" redemption with respect to such holder, or (c) is "not essentially equivalent to a dividend" with respect to the holder.

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If one of these requirements is met then the redemption will not be treated as a dividend but instead as a taxable exchange of the shares by such holders generally resulting in capital gain or loss. In applying the relevant test, a holder must take into account shares that such holder constructively owns under certain attribution rules, pursuant to which the holder will be treated as owning shares owned by certain family members (except that in the case of a “complete termination” a holder may waive, under certain circumstances, attribution from family members) and related entities and shares that the holder has the right to acquire by exercise of an option.

The exchange of shares for cash by a holder pursuant to the Offer will result in a complete termination of the holder’s stock interest in the Company if either (a) all of the shares actually and constructively owned by the holder are exchanged for cash pursuant to the Offer or (b) all of the shares actually owned by the holder are exchanged for cash pursuant to the Offer and the holder is eligible to waive, and effectively waives the attribution of shares constructively owned by the holder in accordance with the rules described in section 302(c)(2) of the Internal Revenue Code.

An exchange of shares for cash will be a substantially disproportionate redemption with respect to a holder if the percentage of the then-outstanding shares owned by such holder in the Company immediately after the exchange is less than 80% of the percentage of the shares owned by such holder in the Company immediately before the exchange. If an exchange of shares for cash fails to satisfy the “substantially disproportionate” test, the holder nonetheless may satisfy the “not essentially equivalent to a dividend” test. An exchange of shares for cash will satisfy the “not essentially equivalent to a dividend” test if it results in a “meaningful reduction” of the holder’s equity interest in the Company. Whether an exchange results in a “meaningful reduction” of the holder’s equity interest in the Company will depend on the holder’s particular facts and circumstances. However, the Internal Revenue Service (“IRS”) has indicated in published rulings that even a small reduction in the proportionate interest of a small minority shareholder in a publicly held corporation who does not exercise any control over or participate in the management of corporate affairs may constitute such a meaningful reduction.

We cannot predict whether, or the extent to which, the Offer will be over-subscribed. If the Offer is over-subscribed, proration of tenders pursuant to the Offer will cause us to accept fewer shares than are tendered. Therefore, a beneficial holder can be given no assurance that a sufficient number of such beneficial holder’s shares will be purchased pursuant to the Offer to ensure that such purchase will be treated as a sale or exchange, rather than as a distribution, for U.S. federal income tax purposes pursuant to the rules discussed above.

Treatment of CVRs . There is no legal authority directly addressing the U.S. federal income tax treatment of the receipt of the CVRs in connection with the Offer. As a result of the receipt of the CVRs as part of the Offer consideration, the transaction might be treated as a “closed transaction” or as an “open transaction” for U.S. federal income tax purposes. In general, if the fair market value of the CVRs is “reasonably ascertainable,” the transaction is treated as a “closed transaction.” In that case, the fair market value of the CVRs is treated as part of the consideration received in the Offer for purposes of determining income, gain or loss, as applicable. On the other hand, if the fair market value of the CVRs cannot be reasonably ascertained, a holder could treat the transaction as an open transaction for purposes of determining income, gain or loss, as applicable. It is the position of the IRS, as reflected in Treasury Regulations, that only in “rare and extraordinary cases” is the value of property so uncertain as to warrant “open transaction” treatment. The question of whether this is a “rare and extraordinary” case where the fair market value of the CVRs is not “reasonably ascertainable” is an inherently factual question. Holders should consult their own tax advisors regarding this issue. For financial accounting and requirements under the Company’s debt obligations, the Company is required to value the CVRs as of the date of the consummation of the Offer. Therefore, the availability of the “open transaction” method may be limited as a result of this determination, which implies that the value is “reasonably ascertainable”. In addition, our determination as to the fair market value of the CVRs is not binding on the IRS. The IRS may take a contrary position. **Due to the legal and factual uncertainty regarding the valuation and tax treatment of the CVRs, holders are strongly urged to consult your tax advisors concerning the tax consequences resulting from the receipt of the CVRs in the Offer.**

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Exchange Treatment. Assuming that no portion of the amount that a U.S. Holder receives pursuant to this Offer is treated as a distribution, the exchange of shares pursuant to the Offer will be treated as sale or exchange for U.S. federal income tax purposes. The installment method of reporting any gain attributable to the receipt of CVRs will not be available because the Company's common shares are traded on an established securities market.

Treatment as Open Transaction. Subject to the discussion below regarding the passive foreign investment company rules, if the transaction is treated as an "open transaction" for U.S. federal income tax purposes, a U.S. Holder generally will recognize capital gain or loss upon consummation of the Offer in an amount equal to the difference, if any, between the amount of cash received and such U.S. holder's adjusted tax basis in the shares tendered pursuant the Offer. Gain or loss recognized in the transaction must be determined separately for each identifiable block of shares tendered pursuant the Offer (i.e., shares acquired at the same cost in a single transaction). Any such gain or loss will be long-term capital gain if the shares were held for more than one year prior to such disposition. The deductibility of capital losses is subject to certain limitations.

The CVRs will not be taken into account in determining the U.S. Holder's taxable gain upon receipt of the Offer Price and a U.S. Holder will take no tax basis in the CVRs. Payments in the future in respect of CVRs to a U.S. Holder would be treated as a payment under a contract for the sale or exchange of shares to which Section 483 of the Code applies. Under Section 483, a portion of the payment made pursuant to a CVR will be treated as interest, which will be ordinary income to the U.S. Holder of a CVR. The interest amount will equal the excess of the amount received over its present value at the consummation of the Offer, calculated using the applicable federal rate as the discount rate. The applicable federal rate is published monthly by the IRS. The relevant applicable federal rate will be the lowest applicable federal rate in effect during the three month period ending with the month that includes the date of the consummation of the Offer. The maturity range of the relevant applicable federal rate will correspond to the period from the date of the disposition of shares in the Offer to the date the amount is received or deemed received. The U.S. Holder of a CVR must include in its gross income interest pursuant to Section 483 of the Code using such U.S. holder's regular method of accounting (such amount being taken into account when paid, in the case of a cash method holder, and, when fixed, in the case of an accrual method holder). The portion of the payment pursuant to a CVR that is not treated as interest under Section 483 of the Code will be treated as gain from the sale of a capital asset, as discussed above.

Treatment as Closed Transaction. If the transaction treated as a "closed transaction" for U.S. federal income tax purposes, any gain or loss would be determined upon consummation of the Offer in the same manner as if the transaction were an "open transaction," except that a U.S. Holder would take into account the fair market value of the CVRs, determined on the date of the consummation of the Offer as an additional amount realized for purposes of calculating gain or loss with respect to the disposition of Shares. A U.S. Holder's initial tax basis in the CVRs will equal the fair market value of the CVRs on the date of the consummation of the Offer. The holding period of the CVRs will begin on the day following the date of the consummation of the Offer.

Under characterization as a "closed transaction," a portion of one or more payments with respect to each CVR could be treated as a non-taxable return of a U.S. Holder's adjusted tax basis in the CVR. To the extent that payments are not treated as such, payments may be treated as either (i) payments with respect to a sale of a capital asset, (ii) income taxed at ordinary rates or (iii) dividends. Additionally, it is possible that, were a payment to be treated as in connection with the sale of a capital asset, a portion of such payment would constitute imputed interest under Section 483 of the Code (as described directly above under "Treatment as Open Transaction").

The fact that the Company will determine the value of the CVRs creates significant risks that the open transaction treatment will not be available to the holders. There is no authority directly addressing the treatment of contingent payment rights payments similar to the contingent payments payable pursuant to the CVRs. You should therefore consult your tax advisor as to the taxation of such payments.

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Distribution Treatment . If a U.S. Holder's exchange of shares for cash and CVRs pursuant to the Offer does not constitute a sale or exchange for U.S. federal income tax purposes, the receipt of cash and CVRs by such U.S. Holder pursuant to the Offer will generally be treated as a distribution, and the U.S. Holder's tax basis in the shares exchanged generally will be added to any shares retained by the U.S. Holder.

Subject to the discussion of the passive foreign investment company rules, the distribution will be treated as a dividend to the extent of the Company's current and accumulated earnings and profits, as determined under United States federal income tax principles. Such dividends will not be eligible for the dividends received deduction allowed to corporations in respect of dividends received from other U.S. corporations under the Code. With respect to non-corporate U.S. Holders, certain dividends received from a qualified foreign corporation may be subject to reduced rates of taxation. A foreign corporation is treated as a qualified foreign corporation with respect to dividends paid by that corporation on shares that are readily tradable on an established securities market in the United States. We expect our common shares to be considered readily tradable on an established securities market, though there can be no assurances. However, even if our common shares are readily tradable on an established securities market in the United States, we will not be treated as a qualified foreign corporation if we are a PFIC (as such term is defined below) for the taxable year in which we pay the dividend or were a PFIC for the preceding taxable year. Non-corporate holders that do not meet a minimum holding period requirement during which they are not protected from a risk of loss or that elect to treat the dividend income as "investment income" pursuant to Section 163(d)(4) (B) of the Code will not be eligible for the reduced rates of taxation regardless of our status as a qualified foreign corporation. For this purpose, the minimum holding period requirement will not be met if a share has been held by a holder for 60 days or less during the 121-day period beginning on the date which is 60 days before the date on which such share becomes ex-dividend with respect to such dividend, appropriately reduced by any period in which such holder is protected from risk of loss. In addition, the rate reduction will not apply to dividends if the recipient of a dividend is obligated to make related payments with respect to positions in substantially similar or related property. This disallowance applies even if the minimum holding period has been met. You should consult your own tax advisors regarding the availability of the reduced tax rate on dividends in light of your particular circumstances.

To the extent that the amount of the distribution exceeds the Company's current and accumulated earnings and profits, the excess first will be treated as a return of capital that will reduce the U.S. Holder's adjusted tax basis in its shares (but not below zero), and any remaining portion will be taxable as capital gain. Any such capital gain will be long-term capital gain if the U.S. Holder's holding period for the shares at the time of the exchange exceeds one year.

The amount of the distribution received by the U.S. Holder on the date of the consummation of the Offer depends on whether the transaction is treated as an "open transaction" or a "closed transaction" for U.S. federal income tax purposes. If the transaction is treated as an "open transaction" for U.S. federal income tax purposes, it is possible that the CVRs may not be taken into account in determining the amount of the distribution. If the transaction is, on the other hand, treated as a "closed transaction" for U.S. federal income tax purposes, the amount of the distribution will include the fair market value of the CVRs determined on the date of the consummation of the Offer.

There is no authority directly addressing payments in the future in respect of CVRs to a U.S. Holder if the exchange of shares for cash and CVRs pursuant to the Offer is treated as a distribution for U.S. federal income tax purposes. You should therefore consult your tax advisor as to the taxation of such payments. Under characterization as an "open transaction," such amounts may be treated as future additional distributions from the Company for U.S. federal income tax purposes. Under characterization as a "closed transaction," a portion of one or more payments could be treated as a non-taxable return of a U.S. Holder's adjusted tax basis in the CVR. To the extent that payments are not treated as such, payments may be treated as additional distributions from the Company or income taxed at ordinary rates.

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Passive Foreign Investment Company Rules. We believe that we will not be considered a passive foreign investment company (“PFIC”) for U.S. federal income tax purposes for our current taxable year and that we have not been a PFIC for prior taxable years. However, since PFIC status depends upon the composition of a company’s income and assets and the market value of its assets from time to time, there can be no assurance that we will not be considered a PFIC for the current taxable year. If we are treated as a PFIC for any taxable year during which a U.S. Holder held shares purchased pursuant to the Offer, certain adverse consequences could apply to such U.S. Holder. If we are a PFIC for the current taxable year (or were a PFIC for the prior taxable year), the 20% dividend rate discussed above with respect to dividends paid to non-corporate holders would not apply to any dividend income resulting from the Offer. In addition, if we were a PFIC for any taxable year during which a U.S. Holder held shares purchased pursuant to the Offer, the U.S. Holder would be subject to special rules with respect to any gain, and any distribution if it is treated as an excess distribution, resulting from the purchase of shares pursuant to the Offer, unless the U.S. Holder makes a “mark-to-market” election as discussed below. If the amount received by a U.S. Holder pursuant to the Offer is treated as a distribution and such amount, together with any other distributions received from us during the current year, is greater than 125% of the average annual distributions the U.S. Holder received with respect to the shares during the shorter of the three preceding taxable years or the U.S. Holder’s holding period for the Shares, the distribution resulting from the Offer will be treated as an excess distribution. Under these special tax rules:

- the excess distribution or gain will be allocated ratably over the U.S. Holder’s holding period for the shares;
- the amount allocated to the current taxable year, and any taxable year prior to the first taxable year in which the company became a PFIC, will be taxed as ordinary income; and
- the amount allocated to each other year will be subject to the highest tax rate in effect for individuals, or corporations, as appropriate, for that year and the interest charge generally applicable to underpayments of tax will be imposed on the resulting tax attributable to each such year.

The tax liability for amounts allocated to years prior to the current taxable year cannot be offset by any net operating losses for such years, and gains (but not losses) realized with respect to the Offer cannot be treated as capital, even if a U.S. Holder holds the shares purchased pursuant to the Offer as a capital asset.

An election to mark-to-market our shares would mitigate the adverse consequences resulting from PFIC status. An election to treat us as a qualifying electing fund, however, would not be available to a U.S. Holder because we would not provide the information a U.S. Holder would need to make the election.

Backup Withholding. U.S. Holders should see Section 3 for a discussion of the application of U.S. backup withholding.

Non-Participation in the Offer. U.S. Holders of shares who do not participate in the tender offer should not incur any United States federal income tax liability in respect of holding such shares as a result of the Offer.

THE U.S. FEDERAL INCOME TAX DISCUSSION SET FORTH ABOVE MAY NOT BE APPLICABLE DEPENDING UPON A U.S. HOLDER’S PARTICULAR SITUATION. HOLDERS SHOULD CONSULT THEIR OWN TAX ADVISORS CONCERNING THE TAX IMPLICATIONS OF THE OFFER UNDER APPLICABLE FEDERAL, STATE OR LOCAL LAWS. NON-U.S. HOLDERS SHOULD ALSO CONSULT THEIR OWN TAX ADVISORS REGARDING THE TAX CONSEQUENCES TO HOLDERS WHO ARE NOT U.S. PERSONS.

15. Extension of the Tender Offer; Termination; Amendment

We expressly reserve the right, in our sole discretion, at any time prior to the Expiration Time and from time to time, and regardless of whether or not any of the events set forth in Section 7 shall have occurred or shall be

deemed by us to have occurred, to extend the period of time during which the Offer is open and thereby delay acceptance for payment of, and payment for, any shares by giving oral or written notice of such extension to the Depositary and Paying Agent and making a public announcement of such extension. We also expressly reserve the right, in our sole discretion, if any of the conditions set forth in Section 7 has occurred or is deemed by us to have occurred, to terminate the Offer prior to the Expiration Time and reject for payment and not pay for any shares not theretofore accepted for payment or paid for or, subject to applicable law, to postpone payment for shares by giving oral or written notice of such termination or postponement to the Depositary and Paying Agent and making a public announcement of such termination or postponement.

Our reservation of the right to delay payment for shares which we have accepted for payment is limited by Rule 13e-4(f)(5) under the Exchange Act, which requires that we must pay the consideration offered or return the shares tendered promptly after termination or withdrawal of a tender offer. Subject to compliance with applicable law, we further reserve the right, in our sole discretion, and regardless of whether any of the events set forth in Section 7 shall have occurred or shall be deemed by us to have occurred, to amend the Offer in any respect, including, without limitation, by decreasing or increasing the consideration offered in the Offer to holders of shares or by decreasing or increasing the number of shares being sought in the Offer.

Amendments to the Offer may be made at any time and from time to time effected by public announcement, such announcement, in the case of an extension, to be issued no later than 9:00 a.m., New York City time, on the next business day after the last previously scheduled or announced Expiration Time. Any public announcement made under the Offer will be disseminated promptly to shareholders in a manner reasonably designed to inform shareholders of such change. Without limiting the manner in which we may choose to make a public announcement, except as required by applicable law, we shall have no obligation to publish, advertise or otherwise communicate any such public announcement other than by issuing a press release. In addition, we would file such press release as an exhibit to the Schedule TO.

If we materially change the terms of the Offer or the information concerning the Offer, we will extend the Offer to the extent required by the rules promulgated under the Exchange Act. These rules and certain related releases and interpretations of the SEC provide that the minimum period during which a tender offer must remain open following material changes in the terms of the Offer or information concerning the Offer (other than a change in price or a change in percentage of securities sought) will depend on the facts and circumstances, including the relative materiality of such terms or information; however, in no event will the Offer remain open for fewer than five business days following such a material change in the terms of, or information concerning, the Offer.

If (i)(a) we increase or decrease the price to be paid for shares beyond the price range, (b) decrease the number of shares being sought in the Offer, or (c) increase the number of shares being sought in the Offer and (ii) the Offer is scheduled to expire at any time earlier than the expiration of a period ending on the tenth business day from, and including, the date that such notice of an increase or decrease is first published, sent or given to shareholders in the manner specified in this Section 15, the Offer will be extended until the expiration of such period of ten business days.

16. Background of the Offer; Contacts; Certain Past Discussions

Background of the Offer

In the second quarter of 2007, the Board adopted a regular quarterly cash dividend program and authorized a \$0.10 per common share quarterly dividend. Following this authorization, the Company paid its shareholders a regular quarterly cash dividend from the second quarter of 2007 through the first quarter of 2014, and the Board steadily increased the authorized quarterly dividend from \$0.10 per common share to \$0.30 per common share during this period.

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Subsequently, after examining the Company's financial performance and the market valuation of its shares, on April 28, 2014, the Board, as part of its goal to accelerate cash returns to the Company's shareholders, approved terminating such cash dividend program and instead utilize the Company's cash to repurchase additional shares of the Company's outstanding common shares pursuant to the Company's \$1.5 billion share repurchase program that it had previously authorized.

On February 21, 2017, at its telephonic meeting, the Board authorized a new three-year \$1.5 billion share repurchase program that will expire on February 21, 2020, which replaced the Company's prior share repurchase authorization that was set to expire on June 30, 2017. The current share repurchase program allows the Company and its wholly owned subsidiaries, including HBL Swiss, to repurchase common shares, at such times and prices as determined by the Company's management, as market conditions warrant, and to the extent our distributable reserves are available under Cayman Islands law. During this meeting, the Company's management and the Board evaluated various alternative strategies to execute the share repurchase program, including among other things by means of a tender offer and through open market purchases.

The Company did not repurchase any common shares in the open market during the year ended December 31, 2016. However, during the three months ended March 31, 2017, HBL Swiss purchased approximately 1.1 million shares through open market purchases at an aggregate cost of approximately \$60.7 million, or an average cost of \$56.10 per share, and during the three months ended June 30, 2017, HBL Swiss purchased approximately 2.7 million shares through open market purchases at an aggregate cost of approximately \$179.8 million, or an average cost of \$67.06 per share. By July 31, 2017, the Company had acquired approximately 4.6 million shares through open market purchases at an aggregate cost of approximately \$299.2 million, or an average cost of approximately \$65.41 per share.

The Company's management and the Board have continued to evaluate the effectiveness of the share repurchase program and potential alternative methods to repurchase common shares, including among other things by means of a tender offer. Also from time to time, shareholders of the Company have inquired about additional opportunities for liquidity.

In mid-July 2017, in light of the then-recent trading prices of the Company's common shares and the desire of the Company to purchase additional shares, management began to reconsider alternative strategies to repurchase common shares that had previously been discussed with the Board, including by means of a self-tender offer, and evaluate whether such strategies would be more efficient in repurchasing common shares under the current share repurchase program. The Company's management further considered including, as part of the consideration for a self-tender offer, a contingent value right in order to provide tendering shareholders some additional consideration in the event a Going Private Transaction were to occur within a certain period of time.

From mid-July through mid-August, the Company's management and the Board further investigated, and engaged in discussions with its financial and legal advisors regarding, the advantages and disadvantages of conducting a self-tender offer.

On July 25 and July 26, 2017, the Board held its regular quarterly meeting, at which members of the Company's management and representatives from Gibson, Dunn & Crutcher LLP, the Company's outside counsel ("Gibson Dunn"), Morgan, Lewis & Bockius LLP, outside legal counsel to the Board ("Morgan Lewis"), M. Klein & Company, financial advisor to the Board ("M. Klein"), and Moelis & Company, financial advisor to the Company ("Moelis"), were present. Moelis presented considerations related to the Company's share repurchase program, including a discussion related to the use of contingent value rights as a form of additional consideration in a self-tender offer for common shares.

On July 26, 2017, the Board unanimously voted to establish a committee that is composed of Keith Cozza, who also serves as the Chair of the Committee, James L. Nelson and Richard P. Birmingham, each of whom the

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Board has determined to be an independent director under Section 303A.02 of the NYSE Listed Company Manual (the “Committee”). The Committee was delegated the power and authority to review, evaluate and make recommendations to the Board regarding terms of a potential self-tender offer to repurchase common shares of the Company.

On August 9, 2017, the Committee met telephonically to evaluate the merits of the potential tender offer and to review documentation and analysis related thereto prepared by Moelis. Management and representatives from Gibson Dunn, Morgan Lewis, Moelis and M. Klein were present. Management and representatives from Moelis and M. Klein discussed with the Board their recommendations with respect to the possible purchase by the Company of common shares by means of a self-tender offer that included a contingent value right as an additional form of consideration. Further, a representative from Moelis discussed the considerations related to executing a tender offer with a fixed price versus a Dutch auction pricing mechanism, along with other potential terms of a self-tender offer.

On August 17, 2017, the Committee met telephonically with Company’s management and representatives from Moelis, M. Klein, Gibson Dunn, Morgan Lewis and Maples and Calder, the Company’s Cayman Islands legal counsel, to discuss the proposed tender offer and offering documents. Immediately following the Committee’s telephonic meeting, the full Board met telephonically to evaluate the Committee’s recommendation with respect to a potential tender offer. After considering the proposed terms of the potential tender offer, the views of management, the advice of each of the financial advisors to the Company and the Board of Directors and the advice of the legal counsel, the Board determined it was in the best interests of the Company and its shareholders to pursue the Offer and authorized management to commence the Offer. The Board further determined it would not make any recommendation to the Company’s shareholders regarding whether or not they should participate in the Offer.

On August 21, 2017, the Company commenced the Offer.

Background and Reasons for Including a CVR in the Offer Consideration .

From time to time in the past, the Company has engaged in discussions regarding potential transactions, some of which if consummated would have constituted a Going Private Transaction. At the time of this Offer, however, the Company is not engaged in any such discussions.

In light of the fact the Company has in the past had discussions with various parties regarding potential transactions that might lead to a Going Private Transaction, the Board determined it would be appropriate to provide shareholders with some protection in the event they sold shares in the Offer and within a two-year period following the commencement of the Offer, a Going Private Transaction was consummated, resulting in shareholders receiving a higher price per share than paid in the Offer. Specifically, in approving the making of the Offer, the Board was mindful of the fact that prior discussions have occurred over the past few years. Set forth below is a representative overview of the nature of the discussions that transpired between the Company and a third party which, in part, formed the basis for inclusion of a CVR component as part of the Offer consideration.

Starting on or about November 16, 2016, representatives of the Company began discussing a potential business combination transaction with a prospective financial investor (“Party A”). The Company entered into a non-disclosure agreement with Party A on December 23, 2016. After entering into the non-disclosure agreement, from mid-January to mid-May in 2017, representatives of the Company provided representatives of Party A with information regarding its business and engaged in discussions regarding the information exchanged and a potential business combination. These discussions were formally terminated on August 16, 2017.

17. Fees and Expenses

We have retained Computershare Trust Company, N.A. to act as the Depositary and Paying Agent and CVR Agent and Georgeson LLC to act as the Information Agent in connection with the Offer. Each of the Depositary and Paying Agent and the Information Agent will receive customary compensation, reimbursement for out-of-pocket expenses, and indemnification against certain liabilities in connection with the Offer, including liabilities under the federal securities laws. As part of the services included in such retention, the Information Agent may contact holders of shares by personal interview, mail, electronic mail, telephone, and other methods of electronic communication and may request brokers, dealers, commercial banks, trust companies and other nominees to forward the Offer materials to beneficial holders of shares.

We will not pay any fees or commissions to any broker, dealer, commercial bank, trust company or any other person (other than the Information Agent and the Depositary and Paying Agent) for soliciting tenders of shares pursuant to the Offer. Brokers, dealers, commercial banks, trust companies and other nominees will, upon request, be reimbursed by us for reasonable and necessary costs and expenses incurred by them in forwarding materials to their customers. No broker, dealer, commercial bank or trust company has been authorized to act as our agent or the agent of the Information Agent, CVR Agent or the Depositary and Paying Agent for purposes of the Offer. We will pay or cause to be paid all stock transfer taxes, if any, on our purchase of shares, except as otherwise provided in Instruction 7 in the Letter of Transmittal.

18. Miscellaneous

The Company has filed with the SEC a Tender Offer Statement on Schedule TO, which contains additional information with respect to the Offer. The Schedule TO, including the exhibits and any amendments and supplements thereto, may be examined, and copies may be obtained, at the same places and in the same manner as is set forth in Section 10 with respect to information concerning the Company.

This Offer to Purchase and accompanying Letter of Transmittal do not constitute an offer to purchase securities in any jurisdiction in which such offer is not permitted or would not be permitted. If we become aware of any jurisdiction where the making of the Offer or the acceptance of shares pursuant thereto is not in compliance with applicable law, we will make a good faith effort to comply with the applicable law where practicable. If, after such good faith effort, we cannot comply with the applicable law, the Offer will not be made to (nor will tenders be accepted from or on behalf of) the holders of shares in such jurisdiction.

You should only rely on the information contained in this Offer to Purchase or to which we have referred to you. We have not authorized any person to make any recommendation on behalf of us as to whether you should tender or refrain from tendering your shares in the Offer. We have not authorized any person to give any information or to make any representation in connection with the Offer other than those contained in this Offer to the Purchase or in the related Letter of Transmittal. If given or made, any recommendation or any such information or representation must not be relied upon as having been authorized by us, the Depositary and Paying Agent or the Information Agent.

August 21, 2017

The Information Agent for the Offer is:

Georgeson

1290 Avenue of the Americas, 9th Floor

New York, NY 10104

Shareholders, Banks and Brokers Call Toll-Free: (888) 505-9118

Letter of Transmittal
To Tender Common Shares
Pursuant to the Offer to Purchase for Cash and a Contingent Value Right
Dated August 21, 2017
by
HERBALIFE LTD.
of
Common Shares
of
Herbalife Ltd.
for
an Aggregate Cash Purchase Price of Up to \$600 Million
at
a Cash Purchase Price Not Greater Than \$68.00 nor Less Than \$60.00 Per Share plus a
Contingent Value Right, which Represents the Contractual Right to Receive Certain
Consideration upon the Occurrence of Certain Events, as Described in and Under
Conditions Set Forth in the Contingent Value Rights Agreement

THE OFFER, PRORATION PERIOD AND WITHDRAWAL RIGHTS WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON SEPTEMBER 19, 2017, UNLESS THE OFFER IS EXTENDED (SUCH DATE AND TIME, AS THEY MAY BE EXTENDED, THE “ EXPIRATION TIME ”)

Mail or deliver this Letter of Transmittal, together with the certificate(s) representing your shares, to Computershare Trust Company, N.A. (the “Depository and Paying Agent”) as follows:

Computershare Trust Company, N.A.

By Mail :
Computershare Trust
Company, N.A.
c/o Voluntary Corporate
Actions, P.O. Box 43011
Providence, RI 02940-3011

By Facsimile Transmission :
(For Eligible Institutions Only)
(617) 360-6810

*By Registered, Certified or
Express Mail or Overnight
Courier :*
Computershare Trust
Company, N.A.
c/o Voluntary Corporate
Actions,
250 Royall Street, Suite V
Canton, MA 02021

Delivery of this Letter of Transmittal to an address other than as set forth above does not constitute a valid delivery. The instructions set forth in this Letter of Transmittal should be read carefully before this Letter of Transmittal is completed.

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Your attention is directed in particular to the following:

1. If you want to retain your shares, you do not need to take any action.

2. If you want to participate in the Offer (as defined below) and wish to maximize the chance of having the Company accept for payment all the shares you are tendering hereby, you should check the box marked "Shares Tendered at Cash Price Determined Under the Offer" below and complete the other portions of this Letter of Transmittal as appropriate. If you agree to accept the Cash Purchase Price (as defined in Section 1 of the Offer to Purchase) determined in the Offer, your shares will be deemed to be tendered at the minimum price of \$60.00 per share.

3. If you wish to select a specific cash price at which you will be tendering your shares, you should select one of the boxes in the section captioned "Shares Tendered at Cash Price Determined by Shareholder" below and complete the other portions of this Letter of Transmittal as appropriate.

DELIVERY OF DOCUMENTS TO THE BOOK-ENTRY TRANSFER FACILITY DOES NOT CONSTITUTE DELIVERY TO THE DEPOSITARY AND PAYING AGENT.

CHECK HERE IF TENDERED SHARES ARE BEING DELIVERED BY BOOK-ENTRY TRANSFER MADE TO AN ACCOUNT MAINTAINED BY THE DEPOSITARY AND PAYING AGENT WITH THE BOOK-ENTRY TRANSFER FACILITY AND COMPLETE THE FOLLOWING (ONLY PARTICIPANTS IN THE BOOK-ENTRY TRANSFER FACILITY MAY DELIVER SHARES BY BOOK-ENTRY TRANSFER):

Name of Tendering Institution: _____

Account Number: _____

Transaction Code Number: _____

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**THE UNDERSIGNED IS TENDERING SHARES AS FOLLOWS
(CHECK ONLY ONE BOX):**

**(1) SHARES TENDERED AT CASH PRICE DETERMINED BY SHAREHOLDER
(SEE INSTRUCTION 5)**

By checking ONE of the following boxes below INSTEAD OF THE BOX BELOW UNDER “(2) Shares Tendered at Cash Price Determined Under the Offer,” the undersigned hereby tenders shares at the price checked. This action could result in none of the shares being purchased if the Cash Purchase Price determined by the Company for the shares is less than the price checked below. **A SHAREHOLDER WHO DESIRES TO TENDER SHARES AT MORE THAN ONE PRICE MUST COMPLETE A SEPARATE LETTER OF TRANSMITTAL FOR EACH PRICE AT WHICH SHARES ARE TENDERED**. The same shares cannot be tendered, unless previously properly withdrawn as provided in Section 4 of the Offer to Purchase, at more than one price.

**CASH PRICE (IN DOLLARS) PER SHARE AT WHICH SHARES
ARE BEING TENDERED**

- | | | |
|----------------------------------|----------------------------------|----------------------------------|
| <input type="checkbox"/> \$60.00 | <input type="checkbox"/> \$62.75 | <input type="checkbox"/> \$65.50 |
| <input type="checkbox"/> \$60.25 | <input type="checkbox"/> \$63.00 | <input type="checkbox"/> \$65.75 |
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| <input type="checkbox"/> \$62.00 | <input type="checkbox"/> \$64.75 | <input type="checkbox"/> \$67.50 |
| <input type="checkbox"/> \$62.25 | <input type="checkbox"/> \$65.00 | <input type="checkbox"/> \$67.75 |
| <input type="checkbox"/> \$62.50 | <input type="checkbox"/> \$65.25 | <input type="checkbox"/> \$68.00 |

OR

(2) SHARES TENDERED AT CASH PRICE DETERMINED UNDER THE OFFER (SEE INSTRUCTION 5)

By checking the box below INSTEAD OF ONE OF THE BOXES ABOVE UNDER “(1) Shares Tendered at Cash Price Determined by Shareholder,” the undersigned hereby tenders shares at the Cash Purchase Price, as the same shall be determined by the Company in accordance with the terms of the Offer. For purposes of determining the Cash Purchase Price, those shares that are tendered by the undersigned agreeing to accept the Cash Purchase Price determined in the Offer will be deemed to be tendered at the minimum price of \$60.00 per share.

The undersigned wants to maximize the chance of having the Company purchase all of the shares the undersigned is tendering (subject to the possibility of proration). Accordingly, by checking this box instead of one of the cash price boxes above, the undersigned hereby tenders shares at, and is willing to accept, the Cash Purchase Price determined by the Company in accordance with the terms of the Offer. **THE UNDERSIGNED SHOULD UNDERSTAND THAT THIS ELECTION MAY LOWER THE CASH PURCHASE PRICE AND COULD RESULT IN THE TENDERED SHARES BEING PURCHASED AT THE MINIMUM PRICE OF \$60.00 PER SHARE.**

CHECK ONLY ONE BOX UNDER (1) OR (2) ABOVE. IF MORE THAN ONE BOX IS CHECKED ABOVE, OR IF NO BOX IS CHECKED, THERE IS NO VALID TENDER OF SHARES.

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ODD LOTS
(See Instruction 14)

To be completed only if shares are being tendered by or on behalf of a person owning, beneficially or of record, an aggregate of fewer than 100 shares. The undersigned either (check one box):

is the beneficial or record owner of an aggregate of fewer than 100 shares, all of which are being tendered; or

is a broker, dealer, commercial bank, trust company, or other nominee that (a) is tendering for the beneficial owner(s), shares with respect to which it is the record holder, and (b) believes, based upon representations made to it by the beneficial owner(s), that each such person is the beneficial owner of an aggregate of fewer than 100 shares and is tendering all of the shares.

In addition, the undersigned is tendering either (check one box):

at the Cash Purchase Price, as the same will be determined by the Company in accordance with the terms of the Offer (persons checking this box need not indicate the cash price per share above); or

at the cash price per share indicated above in the section captioned "Cash Price (In Dollars) per Share at Which Shares Are Being Tendered."

CONDITIONAL TENDER
(See Instruction 13)

A tendering shareholder may condition his, her or its tender of shares upon the Company purchasing a specified minimum number of the shares tendered, all as described in Section 6 of the Offer to Purchase. Unless at least the minimum number of shares you indicate below is purchased by the Company pursuant to the terms of the Offer, none of the shares tendered by you will be purchased. **It is the tendering shareholder's responsibility to calculate the minimum number of shares that must be purchased if any are purchased, and each shareholder is urged to consult his or her own tax advisor before completing this section .** Unless this box has been checked and a minimum specified, your tender will be deemed unconditional.

The minimum number of shares that must be purchased from me, if any are purchased from me, is:

shares.

If, because of proration, the minimum number of shares designated will not be purchased, the Company may accept conditional tenders by random lot, if necessary. However, to be eligible for purchase by random lot, the tendering shareholder must have tendered all of his, her or its shares and checked this box:

The tendered shares represent all shares held by the undersigned.

Ladies and Gentlemen:

The undersigned hereby tenders to Herbalife Ltd., a Cayman Islands exempted company incorporated with limited liability (the "Company") the above-described common shares, par value \$0.001 per share in the capital (the "shares"), of the Company, at the price of (i) the cash per share indicated in this Letter of Transmittal, net to the seller in cash, less any applicable tax withholding and without interest, and (ii) a non-transferable contractual contingent value right (a "CVR") pursuant to the Contingent Value Rights Agreement, to be entered into by the Company substantially in the form which is annexed to and filed with the Tender Offer Statement on Schedule TO the Company filed with the SEC on August 21, 2017 (the "Schedule TO"), as Exhibit (a)(1)(F) (the "CVR Agreement"), to receive a contingent payment upon the occurrence of a

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Going Private Transaction (as such term is defined in the CVR Agreement) within the time period specified in the CVR Agreement, without interest and less any applicable tax withholding, each on the terms and subject to the conditions set forth in the Company's Offer to Purchase dated August 21, 2017 (the "Offer to Purchase") and this Letter of Transmittal (which, collectively with the Offer to Purchase and together with any amendments or supplements thereto or hereto, constitute the "Offer"), receipt of which is hereby acknowledged. Unless the context otherwise requires, all references to the shares shall refer to the shares of common shares of the Company and all references to "shares properly tendered" shall refer to "shares properly tendered and not properly withdrawn in the Offer."

Subject to and effective on acceptance for payment of, and payment for, the shares tendered with this Letter of Transmittal in accordance with the terms and subject to the conditions of the Offer, the undersigned hereby sells, assigns and transfers to, or upon the order of, the Company, all right, title and interest in and to all the shares that are being tendered hereby and irrevocably constitutes and appoints Computershare Trust Company, N.A., (the "Depository and Paying Agent"), the true and lawful agent and attorney-in-fact of the undersigned, with full power of substitution (such power of attorney being deemed to be an irrevocable power coupled with an interest), to the full extent of the undersigned's rights with respect to such shares, to (a) deliver certificates for such shares or transfer ownership of such shares on the account books maintained by the book-entry transfer facility, together, in any such case, with all accompanying evidences of transfer and authenticity to, or upon the order of the Company, (b) present such shares for cancellation and transfer on the Company's books and (c) receive all benefits and otherwise exercise all rights of beneficial ownership of such shares, all in accordance with the terms and subject to the conditions of the Offer.

The undersigned hereby represents and warrants that the undersigned has full power and authority to tender, sell, assign and transfer the shares tendered hereby and that, when the same are accepted for purchase by the Company, the Company will acquire good title thereto, free and clear of all security interests, liens, restrictions, claims and encumbrances, and the same will not be subject to any adverse claim or right. The undersigned will, on request by the Depository and Paying Agent or the Company, execute and deliver any additional documents deemed by the Depository and Paying Agent or the Company to be necessary or desirable to complete the sale, assignment and transfer of the shares tendered hereby, all in accordance with the terms of the Offer.

All authority conferred or agreed to be conferred pursuant to this Letter of Transmittal shall be binding on the successors, assigns, heirs, personal representatives, executors, administrators and other legal representatives of the undersigned and shall not be affected by, and shall survive, the death or incapacity of the undersigned. Except as stated in the Offer to Purchase, this tender is irrevocable.

The undersigned understands that the valid tender of shares pursuant to any of the procedures described in Section 3 of the Offer to Purchase and in the instructions to this Letter of Transmittal will constitute a binding agreement between the undersigned and the Company on the terms and subject to the conditions of the Offer.

It is a violation of Rule 14e-4 promulgated under the Exchange Act (as defined in the Offer to Purchase) for a person acting alone or in concert with others, directly or indirectly, to tender shares for such person's own account unless at the time of tender and at the Expiration Time such person has a "net long position" in (a) the shares that is equal to or greater than the amount tendered and will deliver or cause to be delivered such shares for the purpose of tender to the Company within the period specified in the Offer, or (b) other securities immediately convertible into, exercisable for or exchangeable into shares ("Equivalent Securities") that is equal to or greater than the amount tendered and, upon the acceptance of such tender, will acquire such shares by conversion, exchange or exercise of such Equivalent Securities to the extent required by the terms of the Offer and will deliver or cause to be delivered such shares so acquired for the purpose of tender to the Company within the period specified in the Offer. Rule 14e-4 also provides a similar restriction applicable to the tender or guarantee of a tender on behalf of another person. A tender of shares made pursuant to any method of delivery set forth in this Letter of Transmittal will constitute the undersigned's representation and warranty to the Company that (a) the undersigned has a "net long position" in shares or Equivalent Securities at least equal to the shares being tendered within the meaning of Rule 14e-4, and (b) such tender of shares complies with Rule 14e-4.

The undersigned understands that the Company is offering to purchase shares of common shares for an aggregate Cash Purchase Price of up to \$600 million and at a per share price (i) not greater than \$68.00 nor less than \$60.00, net to the seller

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in cash, less any applicable tax withholding and without interest, plus (ii) a non-transferable CVR, each upon the terms and subject to the conditions described in this Offer. The undersigned understands that the Offer is being made by the Company, and upon the terms and subject to the conditions of the Offer, the Company will purchase shares of common shares properly tendered and not properly withdrawn for an aggregate Cash Purchase Price of up to \$600 million. The undersigned understands that, upon the terms and subject to the conditions of the Offer, the Company will determine a single per share cash price, which will be not greater than \$68.00 nor less than \$60.00 per share (in multiples of \$0.25), net to the seller in cash, less any applicable tax withholding and without interest, that it will pay for shares properly tendered, that will allow it to purchase the maximum number of shares properly tendered for an aggregate Cash Purchase Price of up to \$600 million. If fewer than such number of shares as would enable the Company to purchase shares pursuant to the Offer for an aggregate Cash Purchase Price of up to \$600 million shares are properly tendered, the undersigned understands that the Company will select the lowest price that will allow them to buy all the shares that are properly tendered. The undersigned understands that all shares the Company acquires in the Offer will be acquired at the same Cash Purchase Price regardless of whether the shareholder tendered at a lower price. The undersigned understands that if the Company's purchase of all shares properly tendered at or below the Cash Purchase Price would result in an aggregate Cash Purchase Price of more than \$600 million, the Company will purchase all shares properly tendered at or below the Cash Purchase Price on a pro rata basis, except for "odd lots" (lots held by owners of less than 100 shares), which the Company will purchase on a priority basis, and except for each conditional tender whose condition was not met, which the Company will not purchase. The undersigned understands that shares properly tendered, but not purchased pursuant to the Offer will be returned to the tendering shareholders at the Company's expense promptly after the Offer expires.

In participating in the Offer, the undersigned acknowledges that: (1) the Offer is established voluntarily by the Company, and it may be extended, modified, suspended or terminated by the Company as provided in the Offer; (2) the undersigned is voluntarily participating in the Offer; (3) the future value of the shares is unknown and cannot be predicted with certainty; (4) any foreign exchange obligations triggered by the undersigned's tender of shares or the recipient of proceeds are solely his or her responsibility; and (5) regardless of any action that the Company takes with respect to any or all income/capital gains tax, social security or insurance, transfer tax or other tax-related items ("Tax Items") related to the offer and the disposition of shares, the undersigned acknowledges that the ultimate liability for all Tax Items is and remains his or her sole responsibility. In that regard, the undersigned authorizes the Company to withhold all applicable Tax Items legally payable by the undersigned.

The undersigned consents to the collection, use and transfer, in electronic or other form, of the undersigned's personal data as described in this document by and among, as applicable, the Company, its subsidiaries, and third party administrators for the exclusive purpose of implementing, administering and managing his or her participation in the Offer.

The undersigned understands that the Company may hold certain personal information about him or her, including, as applicable, but not limited to, the undersigned's name, home address and telephone number, date of birth, social security or insurance number or other identification number, nationality and any common shares held in the Company, for the purpose of implementing, administering and managing his or her share ownership ("Data"). The undersigned understands that Data may be transferred to any third parties assisting in the implementation, administration and management of the Offer, that these recipients may be located in his or her country or elsewhere, and that the recipient's country may have different data privacy laws and protections than his or her country. The undersigned understands that he or she may request a list with the names and addresses of any potential recipients of the Data by contacting the Company. The undersigned authorizes the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purposes of implementing, administering and managing his or her participation in the Offer, including any requisite transfer of such Data as may be required to a broker or other third party with whom held any common shares. The undersigned understands that Data will be held only as long as is necessary to implement, administer and manage his or her participation in the Offer. The undersigned understands that he or she may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting the Company in writing. The undersigned understands, however, that refusing or withdrawing his or her consent may affect his or her ability to participate in the Offer. For more information on the consequences of his or her refusal to consent or withdrawal of consent, the undersigned understands that he or she may contact the Company.

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Unless otherwise indicated herein under “Special Payment Instructions,” please issue the check for payment of the Cash Purchase Price or any cash payment due pursuant to a CVR and/or return any certificates for shares not tendered or accepted for payment in the name(s) of the registered holder(s) appearing under “Description of Shares Tendered.” Similarly, unless otherwise indicated under “Special Delivery Instructions,” please mail the check for payment of the Cash Purchase Price and/or return any certificate for shares not tendered or accepted for payment (and accompanying documents, as appropriate) to the address(es) of the registered holder(s) appearing under “Description of Shares Tendered.” In the event that both the “Special Delivery Instructions” and the “Special Payment Instructions” are completed, please issue the check for payment of the Cash Purchase Price or any cash payment due pursuant to a CVR and/or return any certificates for shares not tendered or accepted for payment (and any accompanying documents, as appropriate) in the name(s) of, and deliver such check and/or return such certificates (and any accompanying documents, as appropriate) to, the person or persons so indicated. Please credit any shares tendered herewith by book-entry transfer that are not accepted for payment by crediting the account at the book-entry transfer facility designated above. The undersigned recognizes that the Company has no obligation pursuant to the “Special Payment Instructions” to transfer any shares from the name of the registered holder(s) thereof if the Company does not accept for payment any of the shares so tendered.

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NOTE: SIGNATURE MUST BE PROVIDED BELOW.

SPECIAL PAYMENT INSTRUCTIONS (See Instructions 1, 6, 7 and 8)

To be completed ONLY if certificates for shares not tendered or not accepted for payment and the checks for payment of the Cash Purchase Price of shares accepted for payment or any cash payment due pursuant to a CVR are to be issued in the name of someone other than the undersigned, or if shares tendered hereby and delivered by book-entry transfer which are not purchased are to be returned by crediting them to an account at the book-entry transfer facility other than the account designated above.

Issue:

Name

(Please Print)

(Taxpayer Identification or Social Security Number)

Address

(Include Zip Code)

(See IRS Form W-9 Included Herewith and available on the IRS website)

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SPECIAL DELIVERY INSTRUCTIONS (See Instructions 1, 6 and 7)

To be completed ONLY if certificates for shares not tendered or not accepted for payment and the checks for payment of the Cash Purchase Price of shares accepted for payment or any cash payment due pursuant to a CVR are to be sent to someone other than the undersigned or to the undersigned at an address other than that above.

Issue:

Name

(Please Print)

Address

(Include Zip Code)

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SIGN HERE

(Also Complete IRS Form W-9 Attached Hereto or Applicable IRS Form W-8)

Form W-9 and Form W-8 are also available on the IRS website

(Signature(s) of Shareholder(s))

(Must be signed by registered holder(s) exactly as name(s) appear(s) on certificate(s) for the shares or on a security position listing or by person(s) authorized to become registered holder(s) by certificates and documents transmitted herewith. If signature is by a trustee, executor, administrator, guardian, attorney-in-fact, officer of a corporation or other person acting in a fiduciary or representative capacity, please provide the following information and see Instruction 6.)

Name: Sign Here: _____
(Signature(s) of Holders(s) of Shares on the line above)

Name: Sign Here: _____
(Signature(s) of Holders(s) of Shares on the line above)

Dated: _____

Name: Sign Here: _____
(Please Print on the line above)

Capacity (full title) _____

Address _____

(Include Zip Code)

(Complete Accompanying IRS Form W-9 or Applicable IRS Form W-8)

**GUARANTEE OF SIGNATURE(S)
APPLY MEDALLION GUARANTEE STAMP BELOW
(If Required-See Instructions 1 and 6)**

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INSTRUCTIONS

Forming Part of the Terms and Conditions of the Offer

1. *Guarantee of Signatures.* No signature guarantee is required on this Letter of Transmittal if either (a) this Letter of Transmittal is signed by the registered holder(s) (which term, for purposes of this Instruction 1, includes any participant in the book-entry transfer facility's system whose name appears on a security position listing as the owner of the shares) of shares tendered herewith, unless such registered holder(s) has completed either the box entitled "Special Payment Instructions" on this Letter of Transmittal or (b) such shares are tendered for the account of a firm that is a member in good standing of a recognized Medallion Program approved by the Securities Transfer Association, Inc., including the Securities Transfer Agents Medallion Program, the New York Stock Exchange, Inc. Medallion Signature Program or the Stock Exchange Medallion Program, or is otherwise an "eligible guarantor institution," as that term is defined in Rule 17Ad-15 under the Securities Exchange Act of 1934, as amended (each, an "eligible institution"). In all other cases, all signatures on this Letter of Transmittal must be guaranteed by an eligible institution. Shareholders may also need to have any certificates they deliver endorsed or accompanied by a stock power, and the signatures on these documents also may need to be guaranteed. See Instruction 6.

2. *Requirements of Tender.* This Letter of Transmittal is to be completed by shareholders either if certificates are to be forwarded herewith or, unless an agent's message (as defined below) is utilized, if delivery of shares is to be made pursuant to the procedures for book-entry transfer set forth in Section 3 of the Offer to Purchase. For a shareholder validly to tender shares pursuant to the Offer, a Letter of Transmittal, properly completed and duly executed, together with any required signature guarantees, or, in the case of a book-entry transfer, an agent's message, and any other required documents, must be received by the Depository and Paying Agent at one of its addresses set forth on the back of this Letter of Transmittal prior to the Expiration Time and either certificates for tendered shares must be received by the Depository and Paying Agent at one of such addresses or shares must be delivered pursuant to the procedures for book-entry transfer set forth herein (and a book-entry confirmation must be received by the Depository and Paying Agent), in each case prior to the Expiration Time.

The term "agent's message" means a message transmitted by the book-entry transfer facility to, and received by, the Depository and forming a part of a book-entry confirmation, which states that such book-entry transfer facility has received an express acknowledgment from the participant in the book-entry transfer facility tendering the shares that such participant has received and agrees to be bound by the terms of the Letter of Transmittal and that the Company may enforce such agreement against such participant.

The method of delivery of shares, this Letter of Transmittal and all other required documents, including delivery through the book-entry transfer facility, is at the sole election and risk of the tendering shareholder. Shares will be deemed delivered only when actually received by the Depository and Paying Agent (including, in the case of a book-entry transfer, by book-entry confirmation). If delivery is by mail, registered mail with return receipt requested, properly insured, is recommended. In all cases, sufficient time should be allowed to ensure timely delivery.

Except as specifically provided by the Offer to Purchase, no alternative, conditional or contingent tenders will be accepted. No fractional shares will be purchased. All tendering shareholders, by execution of this Letter of Transmittal, waive any right to receive any notice of the acceptance for payment of their shares.

3. *Inadequate Space.* If the space provided in the box entitled "Description of Shares Tendered" in this Letter of Transmittal is inadequate, the certificate numbers and/or the number of shares of common shares should be listed on a separate signed schedule attached hereto.

4. *Partial Tenders.* If fewer than all the shares represented by any certificate/book entry submitted to the Depository and Paying Agent are to be tendered, fill in the number of shares that are to be tendered in the box entitled "Number of Shares Tendered." In that case, if any tendered shares are purchased, a book-entry statement for the remainder of the shares that were evidenced by the old certificate(s) will be sent to the registered holder(s), unless otherwise provided in the appropriate box on this Letter of Transmittal, promptly after the acceptance for payment of, and payment for, the shares tendered

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herewith. All shares represented by certificates delivered to the Depository and Paying Agent will be deemed to have been tendered unless otherwise indicated.

5. *Indication of Cash Price at Which Shares are Being Tendered.* For shares to be properly tendered, the shareholder MUST either (1) check the box indicating the cash price per share at which such shareholder is tendering shares under the section captioned “Cash Price (in Dollars) per Share at Which Shares Are Being Tendered” (shareholders should understand that this election may lower the Cash Purchase Price and could result in the tendered shares being purchased at the minimum cash price of \$60.00 per share) or (2) check the box in the section captioned “Shares Tendered at Cash Price Determined Under the Offer” in order to maximize the chance of having the Company purchase all of the shares tendered (subject to the possibility of proration). For purposes of determining the Cash Purchase Price, those shares that are tendered by shareholders agreeing to accept the Cash Purchase Price determined in the Offer will be deemed to be tendered at the minimum cash price. Selecting option (1) could result in none of the shareholder’s tendered shares being purchased if the Cash Purchase Price for the shares turns out to be less than the cash price selected by the shareholder. Selecting option (2) may lower the Cash Purchase Price and could result in the shareholder receiving the minimum price of \$60.00 per share. **Only one box under (1) or (2) may be checked. If more than one box is checked, or if no box is checked, there is no proper tender of shares. A shareholder wishing to tender portions of such shareholder’s share holdings at different cash prices must complete a separate Letter of Transmittal for each cash price at which such shareholder wishes to tender each such portion of such shareholder’s shares.** The same shares cannot be tendered unless previously properly withdrawn as provided in Section 4 of the Offer to Purchase, at more than one price.

6. *Signatures on Letter of Transmittal, Stock Powers and Endorsements.* If this Letter of Transmittal is signed by the registered holder(s) of the shares tendered hereby, the signature(s) must correspond exactly with the name(s) as written on the face of the certificate(s) without any change whatsoever.

If any of the shares tendered hereby are owned of record by two or more joint owners, all such persons must sign this Letter of Transmittal.

If any shares tendered hereby are registered in different names on several certificates, it will be necessary to complete, sign and submit as many separate Letters of Transmittal as there are different registrations of certificates.

If this Letter of Transmittal or any certificate or stock power is signed by a trustee, executor, administrator, guardian, attorney-in-fact, officer of a corporation or other person acting in a fiduciary or representative capacity, he or she should so indicate when signing, and proper evidence satisfactory to the Company of his or her authority to so act must be submitted with this Letter of Transmittal. Signatures on any such certificates or stock powers must be guaranteed by an eligible institution.

If this Letter of Transmittal is signed by the registered owner(s) of the shares tendered hereby, no endorsements of certificates or separate stock powers are required unless payment of the Cash Purchase Price or any cash payment due pursuant to a CVR are to be made, or certificates for shares not tendered or accepted for payment are to be issued, to a person other than the registered owner(s). Signatures on any such certificates or stock powers must be guaranteed by an eligible institution.

If this Letter of Transmittal is signed by a person other than the registered owner(s) of the shares tendered hereby, or if payment is to be made or certificate(s) for shares not tendered or not purchased are to be issued to a person other than the registered owner(s), the certificate(s) representing such shares must be properly endorsed for transfer or accompanied by appropriate stock powers, in either case signed exactly as the name(s) of the registered owner(s) appear(s) on the certificates(s). The signature(s) on any such certificate(s) or stock power(s) must be guaranteed by an eligible institution. See Instruction 1.

7. *Stock Transfer Taxes.* The Company will pay any stock transfer taxes with respect to the transfer and sale of shares to it pursuant to the Offer. If, however, payment of the Cash Purchase Price or any cash payment due pursuant to a CVR is to be made to, or if shares not tendered or accepted for payment are to be registered in the name of, any person(s) other than the

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registered owner(s), or if shares tendered hereby are registered in the name(s) of any person(s) other than the person(s) signing this Letter of Transmittal, the amount of any stock transfer taxes (whether imposed on the registered owner(s) or such person(s)) payable on account of the transfer to such person(s) will be deducted from the Cash Purchase Price or any such cash payment due pursuant to a CVR, as applicable, unless satisfactory evidence of the payment of such taxes or exemption therefrom is submitted with this Letter of Transmittal.

Except as provided in this Instruction 7, it will not be necessary for transfer tax stamps to be affixed to the certificates listed in this Letter of Transmittal.

8. *Special Payment.* If a check for the Cash Purchase Price of any shares accepted for payment or any cash payment due pursuant to a CVR is to be issued in the name of, and certificates for any shares not accepted for payment or not tendered are to be issued in the name of a person other than the signer of this Letter of Transmittal the appropriate boxes on this Letter of Transmittal should be completed and signatures must be guaranteed as described in Instructions 1 and 6.

9. *Irregularities.* The Company will, subject to the terms and conditions of the Offer, determine in its discretion all questions as to the number of shares to be accepted, the price to be paid for shares to be accepted and the validity, form, eligibility (including time of receipt) and acceptance for payment of any tender of shares, and the Company's determinations will be final and binding on all persons participating in the Offer, subject to such participant's disputing such determination in a court of competent jurisdiction. The Company reserves the absolute right prior to the expiration of the Offer to reject any or all tenders of shares the Company determines not to be in proper form or the acceptance for payment of or payment for which may, in the Company's counsel's opinion, be unlawful. The Company also reserves the absolute right to waive any conditions of the Offer with respect to all shareholders prior to the Expiration Time or any defect or irregularity in any tender with respect to any particular shares or any particular shareholder whether or not the Company waives similar defects or irregularities in the case of other shareholders. No tender of shares will be deemed to have been validly made until all defects and irregularities have been cured or waived. Unless waived, any defects or irregularities in connection with tenders must be cured within such time as the Company shall determine. None of the Company, the Depository and Paying Agent, the Information Agent (as defined in the Offer to Purchase) or any other person will be under any duty to give notification of any defects or irregularities in tenders or incur any liability for failure to give any such notification. The Company's reasonable interpretation of the terms of and conditions to the Offer, including the Letter of Transmittal and the instructions thereto, will be final and binding on all persons participating in the Offer, subject to such Offer participant's disputing such determination in a court of competent jurisdiction. By tendering shares to the Company, you agree to accept all decisions the Purchasers make concerning these matters and waive any right you might otherwise have to challenge those decisions. The Company strongly encourages shareholders to submit completed tender materials as early as possible after you have properly considered the information in this Offer to Purchase, so that you will have as much time as possible prior the Expiration Time to correct any defects or irregularities in the materials you provide to the Company.

10. *Backup Withholding.* In order to avoid United States backup withholding at a rate of 28% on payments of cash pursuant to the Offer, a shareholder surrendering shares in the Offer must, unless an exemption applies, provide the Depository and Paying Agent with such shareholder's correct taxpayer identification number ("TIN") and certify on the Internal Revenue Service (the "IRS") Form W-9 attached to this Letter of Transmittal and available on the IRS website that such TIN is correct, that the shareholder is not subject to backup withholding and that the shareholder is a U.S. person. If a shareholder does not provide a correct TIN or fails to provide the certifications described above, the IRS may impose a \$50 penalty on such shareholder, and payment of cash to such shareholder pursuant to the Offer may be subject to backup withholding of 28%.

Backup withholding is not an additional tax. Rather, the amount of the backup withholding can be refunded or credited against the U.S. federal income tax liability of the person subject to the backup withholding, provided that the required information is provided to the IRS. Payments of sale proceeds to U.S. shareholders by a broker and payments of dividends generally will be subject to information reporting to the IRS.

A tendering shareholder is required to give the Depository and Paying Agent the TIN (*i.e.* , taxpayer identification number or social security number) of the record owner of the shares being tendered. If the shares are held in more than one

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name or are not in the name of the actual owner, consult the instructions to the IRS Form W-9 for additional guidance on which number to report.

If the tendering shareholder has not been issued a TIN and has applied for a TIN or intends to apply for a TIN in the near future, such shareholder should write “Applied For” in the space for the TIN on the IRS Form W-9. Notwithstanding that “Applied For” is written in the space for the TIN, the Depository and Paying Agent will withhold 28% on all payments made prior to the time a properly certified TIN is provided to the Depository and Paying Agent. However, these amounts will be refunded to such shareholder if a TIN is provided to the Depository and Paying Agent within 60 days.

In order to establish an exemption from backup withholding, a Non-U.S. Holder must deliver to the Depository and Paying Agent before the payment is made a properly completed and executed IRS Form W-8BEN (or other applicable IRS Form W-8 available on the IRS website) claiming such exemption. Such forms can be obtained from the Depository and Paying Agent or the IRS at www.irs.gov.

11. *Requests for Assistance or Additional Copies.* Questions and requests for assistance may be directed to the Information Agent at the address set forth below. Additional copies of the Offer to Purchase and this Letter of Transmittal may be obtained from the Information Agent. You may also contact your broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Offer.

12. *Lost, Destroyed or Stolen Certificates.* If any stock certificate representing shares that you own have been lost, stolen or destroyed, please contact Computershare Trust Company, N.A., in its capacity as transfer agent (the “Transfer Agent”), at (800) 356-2017 to promptly obtain instructions as to the steps that must be taken in order to replace the certificate. **You are urged to contact the Transfer Agent immediately in order to receive further instructions, for a determination of whether you will need to post a bond and to permit timely processing of this documentation**. This Letter of Transmittal and related documents cannot be processed until the procedures for replacing lost or destroyed certificates have been followed. Please contact the Transfer Agent immediately to permit timely processing of the replacement documentation. You may be asked to post a bond to secure against the risk that the certificate may be subsequently recirculated. There may be a fee and additional documents may be required to replace lost certificates. You are urged to send the properly completed Letter of Transmittal to the Depository and Paying Agent immediately to ensure timely processing of documentation.

13. *Conditional Tenders.* As described in Sections 1 and 6 of the Offer to Purchase, shareholders may condition their tenders on all or a minimum number of their tendered shares being purchased.

If you wish to make a conditional tender, you must indicate this in the box captioned “Conditional Tender” in this Letter of Transmittal. In the box in this Letter of Transmittal, you must calculate and appropriately indicate the minimum number of shares that must be purchased from you if any are to be purchased from you.

As discussed in Sections 1 and 6 of the Offer to Purchase, proration may affect whether the Company accepts conditional tenders and may result in shares tendered pursuant to a conditional tender being deemed withdrawn if the required minimum number of shares would not be purchased. If, because of proration, the minimum number of shares that you designate will not be purchased, the Company may accept conditional tenders by random lot, if necessary. However, to be eligible for purchase by random lot, you must have tendered all your shares of common shares and checked the box so indicating. Upon selection by lot, if any, the Company will limit its purchase in each case to the designated minimum number of shares of common shares.

All tendered shares of common shares will be deemed unconditionally tendered unless the “Conditional Tender” box is completed.

The conditional tender alternative is made available so that a shareholder may seek to structure the purchase of shares of common shares pursuant to the Offer in such a manner that the purchase will be treated as a sale of such shares of common shares by the shareholder, rather than the payment of a dividend to the shareholder, for U.S. federal income tax purposes. If

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you are an odd lot holder and you tender all of your shares of common shares, you cannot conditionally tender, since your shares of common shares will not be subject to proration. It is the tendering shareholder's responsibility to calculate the minimum number of shares of common shares that must be purchased from the shareholder in order for the shareholder to qualify for sale rather than dividend treatment. Each shareholder is urged to consult his or her own tax advisor. See Section 14 of the Offer to Purchase.

14. *Odd Lots.* As described in Section 1 of the Offer to Purchase, if the Company is to purchase fewer than all shares properly tendered before the Expiration Time and not properly withdrawn, the shares purchased first will consist of all shares properly tendered by any shareholder who owned, beneficially or of record, an aggregate of fewer than 100 shares, and who tenders all of the holder's shares at or below the purchase price. This preference will not be available to you unless you complete the section captioned "Odd Lots" in this Letter of Transmittal.

15. *Order of Purchase in Event of Proration.* As described in Section 1 of the Offer to Purchase, shareholders may designate the order in which their shares are to be purchased in the event of proration. The order of purchase may have an effect on the U.S. federal income tax classification of any gain or loss on the shares purchased. See Sections 1 and 14 of the Offer to Purchase.

***IMPORTANT.* This Letter of Transmittal, together with any required signature guarantees, or, in the case of a book-entry transfer, an agent's message, and any other required documents, must be received by the Depository and Paying Agent prior to the Expiration Time and either certificates for tendered shares must be received by the Depository and Paying Agent or shares must be delivered pursuant to the procedures for book-entry transfer, in each case prior to the Expiration Time, or the tendering shareholder must comply with the procedures for guaranteed delivery.**

The Letter of Transmittal, certificates for shares and any other required documents should be sent or delivered by each shareholder of the Company or such shareholder's broker, dealer, commercial bank, trust company or other nominee to the Depository and Paying Agent at one of its addresses set forth below.

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The Depository and Paying Agent for the Offer is:

Computershare Trust Company, N.A.

If delivering by mail:

Computershare Trust Company, N.A.
c/o Voluntary Corporate Actions,
P.O. Box 43011
Providence, RI 02940-3011

*If delivering by Registered, Certified or
Express Mail or Overnight Courier:*

Computershare Trust Company, N.A.
c/o Voluntary Corporate Actions,
250 Royall Street, Suite V
Canton, MA 02021

Delivery of the letter of transmittal to an address other than as set forth above will not constitute a valid delivery to the Depository and Paying Agent.

Questions and requests for assistance may be directed to the Information Agent at the address set forth below. Additional copies of the Offer to Purchase and this Letter of Transmittal may be obtained from the Information Agent. You may also contact your broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Offer.

The Information Agent for the Offer is:

Georgeson LLC
1290 Avenue of the Americas, 9th Floor
New York, NY 10104
All Holders Call Toll Free: (888) 505-9118

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Offer to Purchase for Cash
by
HERBALIFE LTD.
of
Common Shares
of
Herbalife Ltd.
for
an Aggregate Cash Purchase Price of Up to \$600 Million
at
a Cash Purchase Price Not Greater Than \$68.00 nor Less Than \$60.00 Per Share plus a Contingent Value Right, which Represents the Contractual Right to Receive Certain Consideration upon the Occurrence of Certain Events, as Described in and Under Conditions Set Forth in the Contingent Value Rights Agreement

THE OFFER, PRORATION PERIOD AND WITHDRAWAL RIGHTS WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON SEPTEMBER 19, 2017, UNLESS THE OFFER IS EXTENDED (SUCH DATE AND TIME, AS THEY MAY BE EXTENDED, THE "EXPIRATION TIME")

August 21, 2017

To Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees:

Whereas Herbalife Ltd., a Cayman Islands exempted company incorporated with limited liability (the "Company," "we," or "us"), is offering to purchase common shares, par value \$0.001 per share in the capital, of the Company (the "common shares"), for an aggregate cash purchase price of up to \$600 million and at a per share price (i) not greater than \$68.00 nor less than \$60.00, net to the seller in cash, less any applicable tax withholding and without interest, plus (ii) a non-transferable contractual contingent value right (a "CVR") pursuant to a Contingent Value Rights Agreement, to be entered into by the Company substantially in the form which is annexed to and filed with the Tender Offer Statement on Schedule TO we filed with the Securities and Exchange Commission on August 21, 2017 (the "Schedule TO") as Exhibit (a)(1)(F) (the "CVR Agreement"), to receive a contingent payment upon the occurrence of a Going Private Transaction (as such term is defined in the CVR Agreement) within the time period specified in the CVR Agreement, without interest and less any applicable tax withholding, each upon the terms and subject to the conditions described in the Offer to Purchase dated August 21, 2017 (the "Offer to Purchase") and the related Letter of Transmittal (which together, with any supplements or amendments thereto, collectively, constitute the "Offer").

Upon the terms and subject to the conditions of the Offer, we will purchase common shares properly tendered and not properly withdrawn for an aggregate Cash Purchase Price (as defined in the Offer to Purchase) of up to \$600 million, constituting approximately 10.64% of the total number of outstanding common shares as of the close of trading on August 15, 2017 (assuming the Company acquires common shares pursuant to this Offer at the lowest possible cash purchase price of \$60.00 per share). The Cash Purchase Price will be the lowest price per share not greater than \$68.00 nor less than \$60.00 per share (in multiples of \$0.25) at which shares have been properly tendered in the Offer that will enable us to purchase the maximum number of shares for an aggregate Cash Purchase Price of up to \$600 million. If fewer than such number of shares as would enable us to purchase shares pursuant to the Offer for an aggregate Cash Purchase Price of up to \$600 million are properly tendered, we will select the lowest price that will allow us to purchase all the shares that are properly tendered.

Please furnish copies of the enclosed materials to those of your clients for whom you hold shares registered in your name or in the name of your nominee. Unless the context otherwise requires, all references to “shares” shall refer to the common shares and all references to “shares properly tendered” shall refer to “shares properly tendered and not properly withdrawn in the Offer.”

Enclosed with this letter are copies of the following documents:

1. Offer to Purchase dated August 21, 2017;
2. Letter of Transmittal, for your use in accepting the Offer and tendering shares of and for the information of your clients;
3. Form of letter that you may send to your clients for whose account you hold shares registered in your name or in the name of a nominee, with an Instruction Form provided for obtaining such client’s instructions with regard to the Offer; and

The Offer is not conditioned upon the receipt of financing. The Offer is, however, subject to certain other conditions. See Section 7 of the Offer to Purchase.

We urge you to contact your clients promptly. Please note that the Offer, proration period and withdrawal rights will expire at 5:00 p.m., New York City time, on September 19, 2017, unless the offer is extended.

Under no circumstances will we pay interest on the Cash Purchase Price of the shares or any payments due pursuant to any CVR, including but not limited to, by reason of any extension of, or amendment to the Offer or any delay in making payment. In addition, if certain events occur, we may not be obligated to purchase shares pursuant to the Offer. See Section 7 of the Offer to Purchase.

The Company will not pay any fees or commissions to any broker, dealer, commercial bank, trust company or any other person (other than the Information Agent and the Depositary and Paying Agent, as described in the Offer to Purchase) for soliciting tenders of shares pursuant to the Offer. However, the Company will, on request, reimburse you for reasonable and necessary costs and expenses, such as customary mailing and handling expenses, incurred by you in forwarding copies of the enclosed Offer materials to your clients. The Company will pay or cause to be paid all stock transfer taxes, if any, to its purchase of shares pursuant to the Offer, except as otherwise provided in Instruction 7 in the Letter of Transmittal.

Questions and requests for additional copies of the enclosed material may be directed to us at our address and telephone number set forth on the back cover of the Offer to Purchase.

Very truly yours,

Georgeson LLC

Nothing contained in this letter or in the enclosed documents shall render you or any other person the agent of the Company, the Depositary and Paying Agent, the Information Agent or any affiliate of any of them or authorize you or any other person to give any information or use any document or make any statement on behalf of any of them with respect to the Offer other than the enclosed documents and the statements contained therein.

Offer to Purchase for Cash
by
HERBALIFE LTD.
of
Common Shares
of
Herbalife Ltd.
for
an Aggregate Cash Purchase Price of Up to \$600 Million
at
a Cash Purchase Price Not Greater Than \$68.00 nor Less Than \$60.00 Per Share plus a Contingent
Value Right, which Represents the Contractual Right to Receive Certain Consideration upon the
Occurrence of Certain Events, as Described in and Under Conditions Set Forth in the Contingent Value
Rights Agreement

THE OFFER, PRORATION PERIOD AND WITHDRAWAL RIGHTS WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON SEPTEMBER 19, 2017, UNLESS THE OFFER IS EXTENDED (SUCH DATE AND TIME, AS THEY MAY BE EXTENDED, THE “EXPIRATION TIME”)

August 21, 2017

To Our Clients:

Enclosed for your consideration are the Offer to Purchase, dated August 21, 2017 (the “Offer to Purchase”), and the related Letter of Transmittal (which, together with any amendments or supplements thereto, collectively constitute the “Offer”), in connection with the offer by Herbalife Ltd., a Cayman Islands exempted company incorporated with limited liability, (the “Company”) to purchase common shares, par value \$0.001 per share in the capital of the Company (the “common shares”), for an aggregate cash purchase price of up to \$600 million and at a per share price (i) not greater than \$68.00 nor less than \$60.00, net to the seller in cash, less any applicable tax withholding and without interest, plus (ii) a non-transferable contractual contingent value right (a “CVR”) pursuant to the Contingent Value Rights Agreement, to be entered into by the Company substantially in the form which is annexed to and filed with the Tender Offer Statement on Schedule TO the Company filed with the Securities and Exchange Commission on August 21, 2017 (the “Schedule TO”), as Exhibit (a)(1)(F) (the “CVR Agreement”), to receive a contingent payment upon the occurrence of a Going Private Transaction (as such term is defined in the CVR Agreement) within the time period specified in the CVR Agreement, without interest and less any applicable tax withholding, each upon the terms and subject to the conditions described in this Offer to Purchase and the related Letter of Transmittal (which together, as they may be amended and supplemented from time to time, constitute the “Offer”)

Upon the terms and subject to the conditions of the Offer the Company will purchase common shares properly tendered and not properly withdrawn for an aggregate Cash Purchase Price (as such term is defined below) of up to \$600 million, constituting approximately 10.64% of the total number of outstanding common shares as of the close of trading on August 15, 2017 (assuming the Company acquires common shares pursuant to this Offer at the lowest possible cash purchase price of \$60.00 per share). Unless the context otherwise requires, all references to “shares” shall refer to the common shares and all references to “shares properly tendered” shall refer to “shares properly tendered and not properly withdrawn in the Offer.”

Upon the terms and subject to the conditions of the Offer, promptly following the Expiration Time, the Company will determine a single per share price, which will be not greater than \$68.00 nor less than \$60.00 per

share, net to the seller in cash (the “Cash Purchase Price”), less any applicable tax withholding and without interest, that the Company will pay for shares properly tendered, together with a CVR, for an aggregate Cash Purchase Price up to \$600 million. The Cash Purchase Price will be the lowest price per share not greater than \$68.00 nor less than \$60.000 per share (in multiples of \$0.25) at which shares have been properly tendered in the Offer that will enable the Company to purchase the maximum number of shares for an aggregate Cash Purchase Price of up to \$600 million. If fewer than such number of shares as would enable the Company to purchase shares pursuant to the Offer for an aggregate Cash Purchase Price of up to \$600 million are properly tendered, the Company will select the lowest price that will allow the Company to purchase all the shares that are properly tendered.

All shares the Company purchases in the Offer will be purchased at the same Cash Purchase Price, regardless of whether the shareholder tendered, or was deemed to have tendered, at a lower price. If the Company’s purchase of all shares properly tendered at or below the Cash Purchase Price and not properly withdrawn in the Offer would result in an aggregate Cash Purchase Price of more than \$600 million, the Company will purchase all shares properly tendered at or below the Cash Purchase Price on a pro rata basis, except for “odd lots” (lots held by owners of less than 100 shares), which the Company will purchase on a priority basis, and except for each conditional tender whose condition was not met, which the Company will not purchase. Shares properly tendered, but not purchased pursuant to the Offer will be returned to the tendering shareholders at our expense promptly after the Offer expires. See Sections 1 and 3 of the Offer to Purchase.

Upon the terms and subject to the conditions of the Offer, if at the Expiration Time, the Company’s purchase of all shares properly tendered at or below the Cash Purchase Price in the Offer would result in an aggregate Cash Purchase Price of more than \$600 million, the Company will purchase shares *first*, from all holders of “odd lots” of less than 100 shares who properly tender all of their shares at or below the Cash Purchase Price and do not properly withdraw them before the Expiration Time, *second*, from all other shareholders who properly tender shares at or below the Cash Purchase Price and do not properly withdraw them before the Expiration Time, on a pro rata basis (except for shareholders who tendered shares conditionally for which the condition was not satisfied), and *third*, only if necessary to permit the Company to purchase shares for an aggregate Cash Purchase Price of up to \$600 million, from holders who have properly tendered shares at or below the Cash Purchase Price conditionally (for which the condition was not initially satisfied) and do not properly withdraw them before the Expiration Time, by random lot, to the extent feasible. To be eligible for purchase by random lot, shareholders whose shares are conditionally tendered must have properly tendered and not properly withdrawn all of their shares. See Sections 1, 3 and 6 of the Offer to Purchase.

We are the owner of record of shares held for your account. As such, we are the only ones who can tender your shares, and then only pursuant to your instructions. We are sending you the Letter of Transmittal for your information only; you cannot use it to tender shares we hold for your account.

Please instruct us as to whether you wish us to tender any or all of the shares we hold for your account on the terms and subject to the conditions of the Offer.

Please note the following:

1. You may tender your shares at cash prices not greater than \$68.00 nor less than \$60.00 per share (in multiples of \$0.25), as indicated in the attached Instruction Form, net to you in cash, less any applicable tax withholding and without interest. If you want to maximize the chance of having the Company purchase all of your shares, you may also agree to accept the Cash Purchase Price determined in the Offer.
2. **You should consult with your broker or other financial or tax advisor on the possibility of designating the priority in which your shares will be purchased in the event of proration.**
3. The Offer is subject to certain conditions set forth in Section 7 of the Offer to Purchase.
4. The Offer, withdrawal rights and proration period will expire at 5:00 p.m., New York City time, on September 19, 2017, unless the Company extends the Offer.

5. The Offer is for a number of shares that will enable the Company to purchase shares for an aggregate Cash Purchase Price of up to \$600 million, constituting approximately 10.64% of the total number of outstanding shares of the Company's common shares as of the date of the Offer to Purchase (assuming the Company acquires common shares pursuant to this Offer at the lowest possible cash purchase price of \$60.00 per share).

6. Tendering shareholders who are registered shareholders or who tender their shares directly to Computershare Trust Company, N.A., the Depositary and Paying Agent for the Offer, will not be obligated to pay any brokerage commissions or fees to the Company, solicitation fees, or, except as set forth in the Offer to Purchase and the Letter of Transmittal, stock transfer taxes on the Company's purchase of shares under the Offer.

7. If you wish to tender portions of your shares at different prices, you must complete a separate Instruction Form for each price at which you wish to tender each such portion of your shares. We must submit separate Letters of Transmittal on your behalf for each price at which you are tendering shares.

8. If you are an Odd Lot Holder and you instruct us to tender on your behalf all of the shares that you own at or below the Cash Purchase Price before the expiration of the Offer and check the box captioned "Odd Lots" on the attached Instruction Form, the Company, on the terms and subject to the conditions of the Offer, will accept all such shares for purchase before proration, if any, of the purchase of other shares properly tendered at or below the Cash Purchase Price and not properly withdrawn.

9. If you wish to condition your tender upon the purchase of all shares tendered or upon the Company's purchase of a specified minimum number of the shares which you tender, you may elect to do so and thereby avoid possible proration of your tender. The Company's purchase of shares from all tenders which are so conditioned, to the extent necessary, will be determined by random lot. To elect such a condition, complete the section captioned "Conditional Tender" in the attached Instruction Form.

If you wish to have us tender any or all of your shares, please so instruct us by completing, executing, detaching and returning to us the attached Instruction Form. If you authorize us to tender your shares, we will tender all your shares unless you specify otherwise on the attached Instruction Form.

Your prompt action is requested. Your Instruction Form should be forwarded to us in ample time to permit us to submit a tender on your behalf before the Expiration Time of the Offer. Please note that the Offer, proration period and withdrawal rights will expire at 5:00 p.m., New York City time, on September 19, 2017, unless the Offer is extended.

The Offer is being made solely under the Offer to Purchase and the related Letter of Transmittal and is being made to all record holders of shares of the Company's common shares. The Offer is not being made to, nor will tenders be accepted from or on behalf of, holders of shares residing in any jurisdiction in which the making of the Offer or acceptance thereof would not be in compliance with the securities, blue sky or other laws of such jurisdiction.

The Board of Directors of the Company (the "Board") has unanimously approved the Offer pursuant to the recommendation of a committee of the Board, which is comprised solely of individuals, each of whom the Board has determined to be an independent director under Section 303A.02 of the NYSE Listed Company Manual (the "Committee"). However, none of the Board, the Committee, the Depositary and Paying Agent, nor Georgeson LLC, the Information Agent for the Offer, is making any recommendation to you as to whether to tender or refrain from tendering your shares or as to the purchase price or purchase prices at which you may choose to tender your shares. You must make your own decision as to whether to tender and, if so, how many shares to tender and the price or prices at which you will tender them. In doing so, you should read carefully the information in the Offer to Purchase and in the related Letter of Transmittal, including the Company's reasons for making the Offer. See Section 2 of the Offer to Purchase. You should discuss whether to tender your shares with your broker or other financial or tax advisor.

INSTRUCTION FORM WITH RESPECT TO

Offer to Purchase for Cash

by

HERBALIFE LTD.

of

Common Shares

of

Herbalife Ltd.

for

an Aggregate Cash Purchase Price of Up to \$600 Million

at

a Cash Purchase Price Not Greater Than \$68.00 nor Less Than \$60.00 Per Share plus a Contingent Value Right, which Represents the Contractual Right to Receive Certain Consideration upon the Occurrence of Certain Events, as Described in and Under Conditions Set Forth in the Contingent Value Rights Agreement

THE OFFER, PRORATION PERIOD AND WITHDRAWAL RIGHTS WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON SEPTEMBER 19, 2017 UNLESS THE OFFER IS EXTENDED (SUCH DATE AND TIME, AS THEY MAY BE EXTENDED, THE “EXPIRATION TIME”)

The undersigned acknowledge(s) receipt of your letter and the enclosed Offer to Purchase, dated August 21, 2017 (the “Offer to Purchase”), and the related Letter of Transmittal (which, together with any amendments or supplements thereto, collectively constitute the “Offer”), in connection with the offer by Herbalife Ltd., a Cayman Islands exempt company incorporated with limited liability (the “Company”), to purchase common shares, par value \$0.001 per share in the capital of the Company (the “common shares”), for an aggregate cash purchase price up to \$600 million and at a per share price (i) not greater than \$68.00 nor less than \$60.00, net to the seller in cash, less any applicable tax withholding and without interest, as specified by the undersigned, plus (ii) a non-transferable contractual contingent value right (a “CVR”) pursuant to the Contingent Value Rights Agreement, to be entered into by the Company substantially in the form which is annexed to and filed with the Tender Offer Statement on Schedule TO the Company filed with the Securities and Exchange Commission on August 21, 2017 (the “Schedule TO”), as Exhibit (a)(1)(F) (the “CVR Agreement”), to receive a contingent payment upon the occurrence of a Going Private Transaction (as such term is defined in the CVR Agreement) within the time period specified in the CVR Agreement, without interest and less any applicable tax withholding, each upon on the terms and subject to the conditions of the Offer.

The undersigned hereby instruct(s) you to tender to the Company the number of shares indicated below or, if no number is indicated, all shares you hold for the account of the undersigned, at the price per share indicated below, on the terms and subject to the conditions of the Offer.

The undersigned understands that upon the terms and subject to the conditions of the Offer, the Company will determine a single per share price, which will be not greater than \$68.00 nor less than \$60.00 per share, net to the seller in cash, less any applicable tax withholding and without interest that they will pay for shares properly tendered. The undersigned understands that such cash purchase price will be the lowest price per share not greater than \$68.00 nor less than \$60.00 per share (in multiples of \$0.25) at which shares have been properly tendered in the Offer that will enable the Company to purchase the maximum number of shares for an aggregate Cash Purchase Price (as defined in the Offer to Purchase) up to \$600 million. If fewer than such number of shares as would enable the Company to purchase shares pursuant to the Offer for an aggregate Cash Purchase Price of up to \$600 million shares are properly tendered, the undersigned understands that the Company will select the

lowest price that will allow them to buy all the shares that are properly tendered. The undersigned understands that all shares the Company acquires in the Offer will be acquired at the same Cash Purchase Price regardless of whether the shareholder tendered, or is deemed to have tendered, at a lower cash price. The undersigned understands that if the Company's purchase of all shares properly tendered at or below the Cash Purchase Price and not properly withdrawn would result in an aggregate Cash Purchase Price of more than \$600 million, the Company will purchase all shares properly tendered at or below the Cash Purchase Price on a pro rata basis, except for "odd lots" (lots held by owners of less than 100 shares), which the Company will purchase on a priority basis, and except for each conditional tender whose condition was not met, which the Company will not purchase. The undersigned understands that the Company will return shares tendered at cash prices in excess of the Cash Purchase Price and shares that it does not purchase because of proration or conditional tenders to the tendering shareholders at the Company's expense promptly after the Offer expires.

In participating in the Offer to purchase for cash, the undersigned acknowledges that: (1) the Offer is established voluntarily by the Company, and it may be extended, modified, suspended or terminated by the Company as provided in the Offer; (2) the undersigned is voluntarily participating in the Offer; (3) the future value of the Company's common shares is unknown and cannot be predicted with certainty; (4) any foreign exchange obligations triggered by the undersigned's tender of shares or the recipient of proceeds are solely his or her responsibility; and (5) regardless of any action that the Company takes with respect to any or all income/capital gains tax, social security or insurance, transfer tax or other tax-related items ("Tax Items") related to the offer and the disposition of shares, the undersigned acknowledges that the ultimate liability for all Tax Items is and remains his or her sole responsibility. In that regard, the undersigned authorizes the Company to withhold all applicable Tax Items legally payable by the undersigned.

The undersigned consents to the collection, use and transfer, in electronic or other form, of the undersigned's personal data as described in this document by and among, as applicable, the Company, its respective subsidiaries, and third party administrators for the exclusive purpose of implementing, administering and managing his or her participation in the Offer.

The undersigned understands that the Company may hold certain personal information about him or her, including, as applicable, but not limited to, the undersigned's name, home address and telephone number, date of birth, social security or insurance number or other identification number, nationality, any common shares held in the Company, details of all options or any other entitlement to shares outstanding in the undersigned's favor, for the purpose of implementing, administering and managing his or her share ownership ("Data"). The undersigned understands that Data may be transferred to any third parties assisting in the implementation, administration and management of the offer, that these recipients may be located in his or her country or elsewhere, and that the recipient's country may have different data privacy laws and protections than his or her country. The undersigned understands that he or she may request a list with the names and addresses of any potential recipients of the Data by contacting the Company. The undersigned authorizes the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purposes of implementing, administering and managing his or her participation in the offer, including any requisite transfer of such Data as may be required to a broker or other third party with whom held any common shares. The undersigned understands that Data will be held only as long as is necessary to implement, administer and manage his or her participation in the Offer. The undersigned understands that he or she may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting the Company in writing. The undersigned understands, however, that refusing or withdrawing his or her consent may affect his or her ability to participate in the Offer. For more information on the consequences of his or her refusal to consent or withdrawal of consent, the undersigned understands that he or she may contact the Company.

Number of shares to be tendered by you for the account of the undersigned: shares*

* Unless otherwise indicated, it will be assumed that all shares held by us for your account are to be tendered.

CHECK ONLY ONE BOX:

(1) SHARES TENDERED AT CASH PRICE DETERMINED BY SHAREHOLDER (SEE INSTRUCTION 5 OF THE LETTER OF TRANSMITTAL)

By checking ONE of the following boxes below INSTEAD OF THE BOX BELOW UNDER “(2) Shares Tendered at Cash Price Determined Under the Offer,” the undersigned hereby tenders shares at the cash price checked. This action could result in none of the shares being purchased if the Cash Purchase Price determined by the Company for the shares is less than the cash price checked below. A SHAREHOLDER WHO DESIRES TO TENDER SHARES AT MORE THAN ONE CASH PRICE MUST COMPLETE A SEPARATE INSTRUCTION FORM FOR EACH CASH PRICE AT WHICH SHARES ARE TENDERED. The same shares cannot be tendered, unless previously properly withdrawn as provided in Section 4 of the Offer to Purchase, at more than one cash price.

PRICE (IN DOLLARS) PER SHARE AT WHICH SHARES ARE BEING TENDERED

- | | | |
|----------------------------------|----------------------------------|----------------------------------|
| <input type="checkbox"/> \$60.00 | <input type="checkbox"/> \$62.75 | <input type="checkbox"/> \$65.50 |
| <input type="checkbox"/> \$60.25 | <input type="checkbox"/> \$63.00 | <input type="checkbox"/> \$65.75 |
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| <input type="checkbox"/> \$62.25 | <input type="checkbox"/> \$65.00 | <input type="checkbox"/> \$67.75 |
| <input type="checkbox"/> \$62.50 | <input type="checkbox"/> \$65.25 | <input type="checkbox"/> \$68.00 |

OR

(2) SHARES TENDERED AT CASH PRICE DETERMINED UNDER THE OFFER (SEE INSTRUCTION 5 OF THE LETTER OF TRANSMITTAL)

By checking the box below INSTEAD OF ONE OF THE BOXES ABOVE UNDER “(1) Shares Tendered at Cash Price Determined by Shareholder,” the undersigned hereby tenders shares at the Cash Purchase Price, as the same shall be determined by the Company in accordance with the terms of the Offer. For purposes of determining the Cash Purchase Price, those shares that are tendered by the undersigned agreeing to accept the Cash Purchase Price determined in the Offer will be deemed to be tendered at the minimum price of \$60.00 per share.

The undersigned wants to maximize the chance of having the Company purchase all of the shares the undersigned is tendering (subject to the possibility of proration). Accordingly, by checking this box instead of one of the cash price boxes above, the undersigned hereby tenders shares at, and is willing to accept, the Cash Purchase Price determined by the Company in accordance with the terms of the Offer. THE UNDERSIGNED SHOULD UNDERSTAND THAT THIS ELECTION MAY LOWER THE CASH PURCHASE PRICE AND COULD RESULT IN THE TENDERED SHARES BEING PURCHASED AT THE MINIMUM PRICE OF \$60.00 PER SHARE.

CHECK ONLY ONE BOX UNDER (1) OR (2) ABOVE. IF MORE THAN ONE BOX IS CHECKED ABOVE, OR IF NO BOX IS CHECKED, THERE IS NO VALID TENDER OF SHARES.

ODD LOTS
(see instruction 14 of the letter of transmittal)

To be completed only if shares are being tendered by or on behalf of a person owning, beneficially or of record, an aggregate of fewer than 100 shares.

By checking this box, the undersigned represents that the undersigned owns, beneficially or of record, an aggregate of fewer than 100 shares and is tendering all of those shares.

In addition, the undersigned is tendering shares either (check one box):

at the Cash Purchase Price, as the same will be determined by the Company in accordance with the terms of the Offer (persons checking this box need not indicate the cash price per share above); or

at the cash price per share indicated above in the section captioned "Cash Price (In Dollars) per Share at Which Shares Are Being Tendered."

CONDITIONAL TENDER
(see instruction 13 of the letter of transmittal)

A tendering shareholder may condition his or her tender of shares upon the Company purchasing a specified minimum number of the shares tendered, all as described in Section 6 of the Offer to Purchase. Unless at least the minimum number of shares you indicate below is purchased by the Company pursuant to the terms of the Offer, none of the shares tendered by you will be purchased. It is the tendering shareholder's responsibility to calculate the minimum number of shares that must be purchased if any are purchased, and you are urged to consult your own tax advisor before completing this section. Unless this box has been checked and a minimum specified, the tender will be deemed unconditional.

The minimum number of shares that must be purchased from me, if any are purchased from me, is: _____ shares.

If, because of proration, the minimum number of shares designated will not be purchased, the Company may accept conditional tenders by random lot, if necessary. However, to be eligible for purchase by random lot, the tendering shareholder must have tendered all of his or her shares and checked this box:

The tendered shares represent all shares held by the undersigned.

The method of delivery of this document is at the election and risk of the tendering shareholder. If delivery is by mail, then registered mail with return receipt requested, properly insured, is recommended. In all cases, sufficient time should be allowed to ensure timely delivery.

Signature: _____

Name(s): _____
(Please Type or Print)

Taxpayer Identification or Social Security Number: _____

Address(es): _____
(Including Zip Code)

Area Code/Phone Number: _____

Dated: _____, 2017

HERBALIFE ANNOUNCES SELF-TENDER OFFER SEEKING TO PURCHASE UP TO
\$600 MILLION OF ITS OUTSTANDING COMMON SHARES

LOS ANGELES, (August 21, 2017) — Herbalife Ltd. (NYSE: HLF) (“Herbalife” or “the Company”) announced today it has commenced a “modified Dutch auction” self-tender offer to purchase for cash up to an aggregate of \$600 million of shares of its common stock at a per share price not less than \$60.00 nor greater than \$68.00. For each share tendered, shareholders will also receive a non-transferable contractual contingent value right (“CVR”) allowing participants in the tender offer to receive a contingent cash payment should Herbalife be acquired in a going-private transaction within two years of today’s commencement of the tender offer.

The closing price of Herbalife’s common shares on the New York Stock Exchange on August 18, 2017, the last full trading day before the commencement of the tender offer, was \$61.95 per share. The tender offer is scheduled to expire at 5:00 P.M., New York City time, on September 19, 2017, unless the offer is extended.

The Herbalife Board of Directors has determined the tender offer, which includes a combination of a cash payment and a CVR for each share, is an appropriate way to return capital to shareholders that seek liquidity under current market conditions while, at the same time, providing such tendering shareholders potential additional value in the event Herbalife is taken private within two years.

Specifically, the Company was recently in discussions with a prospective financial investor regarding a potential transaction that could have led to the Company being taken private. While these conversations were formally terminated on August 16, 2017, because these discussions contemplated the possibility of the Company being taken private, the Board of Directors decided to provide tendering shareholders with some protection in the event the Company is taken private within two years resulting in remaining shareholders possibly receiving a higher price than paid in the self-tender.

“Our Board and management team are committed to enhancing shareholder value and we believe today’s action is just one more step in meeting this goal,” said John DeSimone, Chief Financial Officer. “We have already acquired during 2017 approximately \$299 million of our shares on the open market under our current \$1.5 billion share repurchase plan, and we believe this tender offer provides us an efficient way to buy back additional shares at an attractive price.”

In connection with the tender offer, Carl Icahn and his controlled affiliates that own Herbalife shares (the “Icahn Entities”) and Herbalife entered into an agreement with the Icahn Entities on August 21, 2017 pursuant to which the Icahn Entities agreed, among other things and for the two years following commencement of the tender offer, to not increase their aggregate beneficial ownership above 50% of Herbalife’s outstanding common shares unless they have agreed to acquire 100% of its outstanding common shares.

Demonstrating their commitment and belief in the long-term success of Herbalife, members of the Board of Directors, Herbalife executive officers and Carl Icahn, the Company's largest shareholder, have all advised that they do not intend to tender shares into this tender offer.

The full terms and conditions of the tender offer are discussed in the Offer to Purchase, dated August 21, 2017 ("Offer to Purchase"), and the associated Letter of Transmittal and other materials relating to the tender offer that Herbalife is filing today with the Securities and Exchange Commission ("SEC").

The tender offer is not contingent upon obtaining any financing. However, the tender offer is subject to a number of other terms and conditions, which are described in detail in the Offer to Purchase.

Neither Herbalife, its Board of Directors or its affiliates, nor the information agent or the depositary and paying agent, are making any recommendation to shareholders as to whether to tender or refrain from tendering their shares into the tender offer. Shareholders must decide how many shares they will tender, if any, and the cash price within the stated range at which they will offer their shares for purchase by Herbalife. In doing so, shareholders should read carefully the information in the Offer to Purchase and the other offer documents.

For more information about a "modified Dutch auction" tender offer, CVR, and other details, please visit our investor website (<http://ir.herbalife.com>) or refer to the Offer to Purchase.

Georgeson LLC is the information agent for the tender offer and shareholders seeking additional information about the tender offer and process should contact them toll free at (888) 505-9118. Computershare Trust Company, N.A. is the depositary and paying agent for the tender offer.

Copies of the Offer to Purchase, Letter of Transmittal, and other related materials are available free of charge from Georgeson LLC, or on the SEC's website, at www.sec.gov. Herbalife's other public filings with the SEC, including annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K, are also available for free on the SEC's website at www.sec.gov.

THIS PRESS RELEASE DOES NOT CONSTITUTE AN OFFER TO PURCHASE, OR A SOLICITATION OF AN OFFER TO SELL, ANY SECURITIES. THIS PRESS RELEASE IS FOR INFORMATIONAL PURPOSES ONLY. THE TENDER OFFER IS MADE ONLY PURSUANT TO AN OFFER TO PURCHASE, LETTER OF TRANSMITTAL AND RELATED MATERIALS THAT HERBALIFE INTENDS TO DISTRIBUTE TO ITS SHAREHOLDERS. HERBALIFE WILL FILE A TENDER OFFER STATEMENT ON SCHEDULE TO WITH THE SEC. HERBALIFE'S SHAREHOLDERS SHOULD READ THESE MATERIALS AND THE DOCUMENTS INCORPORATED THEREIN BY REFERENCE CAREFULLY AND IN THEIR ENTIRETY BEFORE MAKING ANY DECISION WITH RESPECT TO THE TENDER OFFER.

About Herbalife Ltd.

Herbalife Nutrition is a global nutrition company whose purpose is to make the world healthier and happier. We have been on a mission for nutrition - changing people's lives with great nutrition products & programs - since 1980. Together with our Herbalife Nutrition independent distributors, we are committed to providing solutions to the worldwide problems of poor nutrition and obesity, an aging population, sky-rocketing public healthcare costs and a rise in entrepreneurs of all ages. We offer high-quality, science-backed products, most of which are produced in Company-operated facilities, one-on-one coaching with an Herbalife Nutrition independent distributor, and a supportive community approach that inspires customers to embrace a healthier, more active lifestyle.

Our targeted nutrition, weight management, energy and fitness and personal care products are available exclusively to and through dedicated Herbalife Nutrition distributors in more than 90 countries.

Through our corporate social responsibility efforts, Herbalife Nutrition supports the Herbalife Family Foundation (HFF) and our Casa Herbalife programs to help bring good nutrition to children in need. We are also proud to sponsor more than 190 world-class athletes, teams and events around the globe, including Cristiano Ronaldo, the LA Galaxy, and numerous Olympic teams.

Herbalife Nutrition has over 8,000 employees worldwide, and is traded on the New York Stock Exchange (NYSE: HLF) with net sales of approximately \$4.5 billion in 2016. To learn more, visit Herbalife.com or IAmHerbalife.com. Financial information is available on ir.herbalife.com.

Cautionary Statement Regarding Forward-Looking Statements

This press release may contain "forward-looking statements." All statements other than statements of historical fact are "forward-looking statements" for purposes of federal and state securities laws. Forward-looking statements include, but are not limited to, statements regarding the anticipated effects of the consummation of the tender offer described herein, the satisfaction of the tender conditions described in the Offer to Purchase, and our expectations, hopes or intentions regarding the future. Forward-looking statements may include the words "may," "will," "estimate," "intend," "continue," "believe," "expect" or "anticipate" and any other similar words. Although we believe that the expectations reflected in any of our forward-looking statements are reasonable, actual results could differ materially from those projected or assumed in any of our forward-looking statements. Our future financial condition and results of operations, as well as any forward-looking statements, are subject to change and to inherent risks and uncertainties, such as those disclosed or incorporated by reference in our filings with the SEC. Given these uncertainties, you should not place undue reliance on these forward-looking statements. Forward-looking statements represent our estimates and assumptions only as of the date of this press release. No assurances can be given the Company will engage in any discussions or negotiations with any party regarding a possible "going private" transaction or that any "going private" or other transaction with respect to the Company will be consummated. We expressly disclaim any duty to provide updates to forward-looking statements, and the estimates and assumptions associated with them, after the date of this press release, in order to reflect changes in circumstances or expectations or the occurrence of unanticipated events, except to the extent required by applicable securities laws. All forward-looking statements are qualified in their entirety by reference to the factors discussed above and under "Risk Factors" set forth in Part I Item 1A and elsewhere of the Company's Annual Report on Form 10-K, filed with the SEC on February 23, 2017, and in Part I Item 4 and elsewhere of the Company's Quarterly Report on Form 10-Q, filed with the SEC on August 1, 2017, as well as the risks and uncertainties discussed in the Company's other filings with the SEC, including risks resulting from a decrease in the public float of the shares which may result in slightly less liquidity and trading volume of the shares after the consummation of the tender offer described herein and could result in an increase in price volatility. We qualify all of our forward-looking statements by these cautionary statements. We caution you that these risks are not exhaustive.

We operate in a continually changing business environment and new risks emerge from time to time.

Contact:

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Gary Kishner
Director, Media Relations
Garyki@herbalife.com
213.745.0456

FORM OF CONTINGENT VALUE RIGHTS AGREEMENT

This CONTINGENT VALUE RIGHTS AGREEMENT, dated as of _____, 2017 (this "Agreement"), is entered into by and among Herbalife Ltd., a Cayman Islands exempted company incorporated with limited liability (the "Company"), Computershare Inc. ("Computershare") and its wholly-owned subsidiary, Computershare Trust Company, N.A., together as agent with respect to the Contingent Value Rights (as defined herein) (the "CVR Agent").

WITNESSETH:

WHEREAS, the Company has commenced a tender offer (the "Tender Offer") seeking to purchase up to an aggregate amount of \$600 million in outstanding Shares (as defined below) pursuant to a Schedule TO filed with the Securities and Exchange Commission on August _____, 2017, as amended (together with all exhibits and related documents ancillary thereto, including without limitation the Offer to Purchase, all as amended, the "Tender Offer Documents");

WHEREAS, pursuant to the Tender Offer, the Company has agreed to pay to tendering holders of Shares for each Share so tendered and accepted for purchase in accordance with the Tender Offer Documents (i) an amount of cash determined in accordance with the Tender Offer Documents, plus (ii) one contingent value right (the "Contingent Value Rights") as hereinafter described;

WHEREAS, the Contingent Value Right is a contract right, providing Holders (as hereinafter defined) with the right to receive an additional cash payment per Contingent Value Right for a specified period of time, subject to and upon the terms and conditions set forth herein;

WHEREAS, the Company desires to appoint CVR Agent as its agent with respect to the Contingent Value Rights pursuant to the terms of this Agreement, and CVR Agent desires to accept such appointment; and

WHEREAS, the CVR Agent has agreed to provide specified services covered by this Agreement.

NOW, THEREFORE, for and in consideration of the agreements contained herein and the consummation of the Tender Offer referred to above, it is mutually covenanted and agreed, for the benefit of all Holders, as follows:

**ARTICLE I
DEFINITIONS**

Section 1.1 Definitions.

(a) For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

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- (i) the terms defined in this Article I have the meanings assigned to them in this Article I, and include the plural as well as the singular;
 - (ii) the words “herein,” “hereof” and “hereunder” and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or other subdivision;
 - (iii) unless the context otherwise requires, words describing the singular number shall include the plural and vice versa, words denoting any gender shall include all genders and words denoting natural Persons shall include corporations, partnerships and other Persons and vice versa;
 - (iv) references to any Person shall include such Person’s successors and permitted assigns; and
 - (v) whenever the words “include,” “includes” or “including” are used in this Agreement, they shall be deemed to be followed by “without limitation”.

(b) The following terms shall have the meanings ascribed to them as follows:

“Adjusted Going Private Price Per Share” has the meaning set forth in Section 2.4(a).

“Affiliate” of any Person means any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such first Person. The term “Affiliate” when used with respect to the Company shall include the Company and its Subsidiaries and other Affiliates.

“Agreement” has the meaning set forth in the Preamble.

“Business Day” means any day other than a Saturday or Sunday or a day on which banks are required or authorized to close in the City of New York.

“Code” means the Internal Revenue Code of 1986, as amended.

“Company” has the meaning set forth in the Preamble.

“Computershare” has the meaning set forth in the Preamble.

“Contingent Value End Date” shall mean the two-year anniversary of the date upon which the Tender Offer was commenced.

“Contingent Value Rights” means the contingent value rights issued by the Company pursuant to the Tender Offer Documents and this Agreement.

“control” (including the terms “controlled,” “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

“CVR Agent” means the CVR Agent named in the Preamble, until a successor CVR Agent shall have become such pursuant to the applicable provisions of this Agreement, and thereafter “CVR Agent” shall mean such successor CVR Agent.

“CVR Payment Amount” has the meaning set forth in Section 2.4(c).

“CVR Payment Date” has the meaning set forth in Section 2.4(b).

“CVR Register” has the meaning set forth in Section 2.3(b).

“CVR Registrar” has the meaning set forth in Section 2.3(b).

“Distributable Proceeds” means the positive difference, if any, between the Adjusted Going Private Price Per Share (determined in accordance with Section 2.4(a)) and the Tender Offer Price Per Share, multiplied by the number of Contingent Value Rights outstanding at the Going Private Date.

“Distributable Proceeds Notice” has the meaning set forth in Section 2.4(b) hereof.

“Effective Time” means the time and date of the consummation of the Tender Offer.

“Exchange Act” means the Securities Exchange Act of 1934, as amended.

“Funds” has the meaning set forth in Section 2.4(g).

“Going Private Date” means the date upon which the Going Private Transaction is consummated.

“Going Private Price Per Share” means the value per Share of the consideration paid to holders of Shares in the Going Private Transaction, determined by the Company pursuant to Section 2.4(a).

“Going Private Transaction” means any consummated merger, tender offer, exchange offer, reorganization, recapitalization or similar transaction or series of transactions (including but not limited to any such transaction(s) with any Icahn Affiliate(s)) resulting in the delisting of the Company’s equity securities from all national securities exchanges, or as a result of which such delisting is required pursuant to applicable law, SEC regulations and/or the regulations of any such national securities exchanges.

“Governmental Entity” means United States or non-United States national, federal, state or local governmental, regulatory or administrative authority, agency or commission or any judicial or arbitral body.

“Holder” means a Person in whose name a Contingent Value Right is registered in the CVR Register.

“Icahn Affiliates” means, collectively, Mr. Carl Icahn and Mr. Icahn’s controlled Affiliates (other than the Company).

“Indemnitees” has the meaning set forth in Section 3.2(e).

“Losses” has the meaning as set forth in Section 3.2(e).

“Officer’s Certificate” means a certificate signed by the chief executive officer, president, chief financial officer, any vice president, the controller, the treasurer or the secretary, in each case of the Company, in his or her capacity as such an officer, and delivered to the CVR Agent.

“Permitted Transfer” means: (i) the transfer (upon the death of the Holder) by will or intestacy; (ii) a transfer by instrument to an inter vivos or testamentary trust in which the Contingent Value Rights are to be passed to beneficiaries upon the death of the trustee; (iii) transfers made pursuant to a court order of a court of competent jurisdiction (including in connection with divorce, bankruptcy or liquidation); or (iv) a transfer made by operation of law (including a consolidation or merger) or without consideration in connection with the dissolution, liquidation or termination of any corporation, limited liability company, partnership or other entity.

“Permitted Transferee” means a Person who receives a Contingent Value Right pursuant to a Permitted Transfer and otherwise in accordance with this Agreement.

“Person” means any individual, corporation (including not-for-profit), general or limited partnership, limited liability company, joint venture, estate, trust, association, organization, Governmental Entity or other entity of any kind or nature.

“SEC” means the United States Securities and Exchange Commission.

“Securities Act” means the Securities Act of 1933, as amended.

“Shares” means the common shares, par value \$0.001 per share, of the Company.

“Subsidiary” means, with respect to any Person, any corporation, partnership, limited liability company or other organization, whether incorporated or unincorporated, of which the securities or other ownership interests having more than 50% of the ordinary voting power in electing the board of directors or other governing body are, at the time of such determination, owned by such Person or another Subsidiary of such Person.

“Tax” means all federal, state, local and foreign income, profits, franchise, gross receipts, environmental, customs duty, capital stock, severances, stamp, payroll, sales, employment, unemployment, disability, use, property, withholding, excise, production, value added, occupancy and other taxes, together with all interest, penalties and additions imposed with respect to such amounts and any interest in respect of such penalties and additions, in each case, imposed by a Governmental Entity.

“Tender Offer” has the meaning set forth in the Recitals.

“Tender Offer Documents” has the meaning set forth in the Recitals.

“Tender Offer Price Per Share” means the per Share clearing price paid by the Company to holders of Shares that are tendered and accepted for purchase in the Tender Offer in accordance with the Tender Offer Documents.

ARTICLE II CONTINGENT VALUE RIGHTS

Section 2.1 Issuance of Contingent Value Rights; Appointment of CVR Agent.

(a) The Company shall issue the Contingent Value Rights pursuant to the terms of the Tender Offer Documents and this Agreement at the time and in the manner set forth in the Tender Offer Documents. Each Holder shall be entitled to one Contingent Value Right for each Share that is validly tendered and purchased by the Company in the Tender Offer. The Contingent Value Rights shall represent the contractual right of the Holders to receive, in respect of each Contingent Value Right held by such Holder, the amounts payable (if any), if and when payable pursuant to this Agreement. The registration on the books and records of the Company and administration of the Contingent Value Rights shall be determined pursuant to the terms and conditions of this Agreement. The Company shall notify the CVR Agent in writing of the Effective Time promptly after the occurrence thereof.

(b) The Company shall furnish or cause to be furnished to the CVR Agent in such form as the Company receives from the Company’s transfer agent or depository prior to the Effective Time (or other agent performing similar services for the Company or its Affiliates), the names, addresses, shareholdings, tax certification (*e.g.*, tax identification number (“TIN”)) and any other information reasonably requested by the CVR Agent of the record holders of Shares eligible to receive Contingent Value Rights pursuant to the Tender Offer, reasonably promptly following the Effective Time.

(c) The Company hereby appoints the CVR Agent to act as agent for the Company with respect to the Contingent Value Rights in accordance with the express terms and conditions set forth in this Agreement (and no implied terms and conditions), and the CVR Agent hereby accepts such appointment.

Section 2.2 Non-transferability; Expiration.

(a) The Contingent Value Rights are non-transferable and shall not be sold, assigned, transferred, pledged, encumbered or in any other manner transferred or disposed of, in whole or in part, other than to a Permitted Transferee. Any final determination regarding whether a proposed transferee is a Permitted Transferee shall be made by the Company, in its discretion, pursuant to Section 2.3(c) below. Any purported transfer of a Contingent Value Right to anyone other than a Permitted Transferee shall be null and void *ab initio* .

(b) The Contingent Value Rights shall expire on the Contingent Value End Date and shall thereafter be of no force or effect; provided that, subject to Section 2.4(e), if a Going Private Transaction is consummated prior to the Contingent Value End Date and any CVR Payment Amount is payable under this Agreement at such time, the passage of the Contingent Value End Date shall not terminate the obligation to pay the CVR Payment Amount, if any, to the Holders pursuant to Section 2.4(c) and Section 4.2 and otherwise in accordance with this Agreement.

Section 2.3 No Certificate; Registration; Registration of Transfer; Change of Address.

(a) The Contingent Value Rights shall not be evidenced by a certificate or other instrument.

(b) The CVR Agent shall keep a register (the “CVR Register”) for the registration of Contingent Value Rights in a book-entry position for each Holder. The CVR Register shall set forth the name and address of each Holder, and the number of Contingent Value Rights held by such Holder and the TIN of each Holder. The CVR Register will be updated as necessary by the CVR Agent to reflect the addition or removal of Holders (including pursuant to any Permitted Transfers), upon receipt of such information by the CVR Agent. The Company or the Company’s designated Affiliates or representatives may receive and inspect a copy of the CVR Register, from time to time, upon request made to the CVR Registrar. The CVR Agent is hereby initially appointed “CVR Registrar” for the purpose of registering Contingent Value Rights and transfers of Contingent Value Rights as herein provided. Any successor CVR Agent appointed pursuant to the terms of this Agreement shall automatically be deemed to be the successor CVR Registrar.

(c) Subject to the restrictions set forth in Section 2.2, every request made to transfer a Contingent Value Right must be in writing and set forth in reasonable detail the circumstances related to the proposed transfer, and must be accompanied by a written instrument or instruments of transfer and any other requested information or documentation in a form reasonably satisfactory to the Company and the CVR Registrar, duly executed by the registered Holder or Holders thereof or by the duly appointed legal representative thereof or by a duly authorized attorney, with such signature to be guaranteed by a participant in a recognized signature guarantee medallion program. A request for a transfer of a Contingent Value Right shall be accompanied by documentation establishing the transfer is to a Permitted Transferee and any other information as may be reasonably requested by the Company or the CVR Registrar (including opinions of counsel, if requested by the Company or the CVR Registrar). Upon receipt of such a written transfer request, the Company shall, subject to its reasonable determination that the transfer instrument is in proper form and the transfer otherwise complies with the other terms and conditions herein, instruct the CVR Registrar in writing to register the transfer of the Contingent Value Rights in the CVR Register. All duly transferred Contingent Value Rights registered in the CVR Register shall be the valid obligations of the Company, evidencing the same rights and entitling the transferee to the same benefits and rights under this Agreement as those held immediately prior to the transfer by the transferor. No transfer of a Contingent Value Right shall be valid until registered in the CVR Register, and any transfer not duly registered in the CVR Register will be void *ab initio* (unless the transfer was permissible hereunder and such failure to be duly registered is attributable to the fault of the CVR Registrar to be established by clear and convincing evidence). Any transfer or assignment of the Contingent Value Rights shall be without charge to the Holder; provided that the Company and the CVR Registrar may require (i) payment of a sum sufficient to cover any Tax or charge that is imposed in connection with such transfer or (ii) that the transferor establish to the reasonable

satisfaction of the CVR Registrar that such Taxes have been paid. The CVR Registrar shall have no obligation to pay any such Taxes or charges and the CVR Registrar shall have no duty or obligation to take any action under any section of this Agreement that requires the payment by a Holder of such Taxes or charges unless and until the CVR Registrar is satisfied that all such Taxes or charges have been paid. Additionally, the fees and costs related to any legal opinion requested under this Section 2.3(c) shall be the responsibility of the transferor.

(d) A Holder may make a written request to the CVR Registrar to change such Holder's address of record in the CVR Register. The written request must be duly executed by the Holder. Upon receipt of such written notice, the CVR Registrar shall promptly record the change of address in the CVR Register.

Section 2.4 Payment Amounts and Procedures.

(a) In connection with a Going Private Transaction, the Company shall calculate the Going Private Price Per Share and the Adjusted Going Private Price Per Share as set forth herein. The Company shall determine the Going Private Price Per Share with reference to the consideration payable in a Going Private Transaction on a per Share basis, taking into account such factors as the Company may deem relevant, including without limitation in the event of a Going Private Transaction that involves the payment of any non-cash consideration to holders of Shares, the Company shall in good faith (with the advice of legal and financial advisors to the extent it deems such advice necessary or appropriate) determine a valuation of such non-cash consideration, all in a manner which is consistent with the intent and purpose of this Agreement. The Adjusted Going Private Price Per Share shall be determined by the Company in good faith by, to the extent applicable, making equitable adjustments to the Going Private Price Per Share to account for such matters as the Company may deem relevant, including without limitation (i) the following that may occur after the Effective Time and prior to the Going Private Date: the outstanding Shares as a class are increased, decreased or exchanged for or converted into cash, property and/or a different number or kind of securities, or cash, property and/or securities are distributed by the Company in respect of such outstanding Shares, in any case as a result of a reorganization, merger, consolidation, recapitalization, reclassification, dividend (other than a regular, quarterly cash dividend) or other distribution, stock split, reverse stock split or the like, or in the event that all or substantially all of the assets of the Company are sold, in a single or a series of related transactions, and (ii) such other matters as the Company may deem relevant, all in a manner which is consistent with the intent and purpose of this Agreement. Notwithstanding the foregoing, the Company shall not include in its determination of the Adjusted Going Private Price Per Share adjustments for open market share repurchase transactions (that are not tender offers or exchange offers) that may occur after the Effective Time and prior to the Going Private Date, pursuant to a share repurchase program approved by the Company's Board of Directors. Any determinations made by the Company in arriving at the appropriate Going Private Price Per Share and adjustments thereto to reach the "Adjusted Going Private Price Per Share," shall be approved by the Company's Board of Directors whose determinations shall be final and binding on the Company and on the Holders; provided that if the counterparty in a Going Private Transaction is affiliated with any director(s) of the Company, any such determinations by the Company's Board of Directors shall be made by the directors who are independent of such counterparty at the time.

(b) If the Going Private Date shall occur prior to the Contingent Value End Date, then prior to the Going Private Date, the Company shall notify the CVR Agent in writing of the anticipated Going Private Date and deliver to the CVR Agent the calculation of the Distributable Proceeds (the “Distributable Proceeds Notice”) establishing a payment date (the “CVR Payment Date”) with respect to the Distributable Proceeds which shall be the date of the consummation of the Going Private Transaction, or as soon thereafter as practicable. The CVR Agent shall then distribute the Distributable Proceeds Notice to the Holders as promptly as practicable thereafter. Any determinations made by the Company in arriving at the amount of Distributable Proceeds shall be approved by the Company’s Board of Directors whose determinations shall be final and binding on the Company and on the Holders; provided that if the counterparty in a Going Private Transaction is affiliated with any director(s) of the Company, any such determinations by the Company’s Board of Directors shall be made by the directors who are independent of such counterparty at the time.

(c) In connection with the consummation of a Going Private Transaction prior to the Contingent Value End Date, and in any event on or before the CVR Payment Date, the Company shall, or shall coordinate with the buyer in the Going Private Transaction to, cause an amount of cash equal to the Distributable Proceeds to be deposited with the CVR Agent. On the CVR Payment Date or as promptly as practicable thereafter, in furtherance of the provisions of Section 4.2, the CVR Agent shall pay the applicable amount to each of the Holders as instructed by the Company, at the Company’s election, (i) by check mailed to the address of each Holder as reflected in the CVR Register or (ii) by wire, in immediately available funds, in each case as of the close of business on the last Business Day prior to such payment date. The amount paid in respect of each Contingent Value Right shall be equal to the quotient obtained by dividing the Distributable Proceeds by the number of Contingent Value Rights outstanding as reflected on the CVR Register (the “CVR Payment Amount”). Each CVR Payment Amount shall be calculated by the Company and delivered to the CVR Agent. In calculating the amount to be paid in respect of each Contingent Value Right, the Company shall round down to six (6) decimal places. The CVR Agent shall have no duty or obligation to calculate, verify or confirm the accuracy, validity or sufficiency of any applicable CVR Payment Amount.

(d) The Company’s and CVR Agent’s obligation to pay the Distributable Proceeds to the Holders shall be conditioned on no court or other Governmental Entity of competent jurisdiction having enacted, issued, promulgated, enforced or entered any order (whether temporary, preliminary or permanent) that is in effect and restrains, enjoins or otherwise prohibits or imposes any penalty upon the payment of the Distributable Proceeds and the payment being otherwise lawful.

(e) If the Company requests in writing, any funds comprising the cash deposited with the CVR Agent under Section 2.4(c) that remain undistributed to the Holders twelve (12) months after the CVR Payment Date shall be delivered to the Company by the CVR Agent and any Holders who have not theretofore received payment in respect of such Contingent Value Rights shall thereafter look only to the Company for payment of such amounts; upon delivery of such funds to the Company, the escheatment obligations of the CVR Agent with respect to such funds shall terminate. Notwithstanding any other provisions of this Agreement, any portion of the funds provided by or on behalf of the Company to the CVR Agent that remains unclaimed 180 days after termination of this Agreement in accordance with Section 6.8 (or such earlier date

immediately prior to such time as such amounts would otherwise escheat to, or become property of, any Governmental Entity) shall, to the extent permitted by law, become the property of the Company free and clear of any claims or interest of any person previously entitled thereto, subject to any applicable escheatment laws in effect at the time.

(f) Notwithstanding anything to the contrary in this Agreement, the CVR Agent (or, if the Company is making payment under this Agreement directly to the Holders, the Company) shall deduct and withhold, or cause to be deducted or withheld, from each CVR Payment Amount otherwise payable pursuant to this Agreement, the amounts, if any, that it (or, if otherwise directed by the Company, the Company) determines may be required (or as otherwise may be required in connection with a Going Private Transaction as determined by the Company) to be deducted and withheld with respect to the making of such payment under the Code or any other Tax law. To the extent that amounts are so withheld or paid over to or deposited with the relevant Governmental Entity, such withheld amounts shall be treated for all purposes of this Agreement as having been paid to the Holder in respect of which such deduction and withholding was made.

(g) All funds received by the CVR Agent under this Agreement that are to be distributed or applied by the CVR Agent in the performance of services hereunder (the “Funds”) shall be held by the CVR Agent as agent for the Company and deposited in one or more bank accounts to be maintained by the CVR Agent in its name as agent for the Company. Until paid pursuant to the terms of this Agreement, the CVR Agent will hold the Funds through such accounts in: deposit accounts of commercial banks with Tier 1 capital exceeding \$1 billion or with an average rating above investment grade by S&P (LT Local Issuer Credit Rating), Moody’s (Long Term Rating) and Fitch Ratings, Inc. (LT Issuer Default Rating) (each as reported by Bloomberg Finance L.P.). The CVR Agent shall have no responsibility or liability for any diminution of the Funds that may result from any deposit made by the CVR Agent in accordance with this paragraph, including any losses resulting from a default by any bank, financial institution or other third party. Computershare confirms that the Funds shall accrue interest for the benefit of the Company at a rate of 60% of the 1-month US Treasury bill rate on the daily balance of the Funds for 90 days, or until such balance falls to less than \$500,000, after which time all interest shall accrue to Computershare.

(h) For avoidance of doubt and notwithstanding anything to the contrary in this Agreement (i) unless and until a Going Private Date occurs prior to the Contingent Value End Date and the Company notifies the CVR Agent of same pursuant to Section 2.4(b), no amounts are payable hereunder to the Holders and (ii) in furtherance and not in limitation of the foregoing, this Agreement does not recognize any so-called partial Going Private Transaction and such partial Going Private Transaction shall have no force or effect with respect to this Agreement.

Section 2.5 No Voting, Dividends or Interest; No Equity or Ownership Interest in the Company.

(a) The Contingent Value Rights shall not have any voting or dividend rights, and interest shall not accrue on any amounts payable regarding any Contingent Value Rights to any Holder.

(b) The Contingent Value Rights shall not represent any equity, stock or other ownership interest in the Company, any Subsidiary or any Affiliate of the Company or any other Person.

Section 2.6 Ability to Abandon the Contingent Value Right.

The Holder of a Contingent Value Right may at any time, at such Holder's option, abandon all of such Holder's remaining rights in a Contingent Value Right by relinquishing such Contingent Value Right to the Company without consideration therefor, in which case such Contingent Value Right shall be deemed canceled and no longer outstanding, and in such event the Company shall notify the CVR Registrar thereof in writing whereupon the CVR Registrar shall amend the CVR Register accordingly.

**ARTICLE III
THE CVR AGENT**

Section 3.1 Certain Duties and Responsibilities.

The CVR Agent shall not have any liability for any actions taken, suffered or omitted to be taken in connection with this Agreement, except to the extent of its willful misconduct, bad faith or gross negligence (each as determined by a final, non-appealable judgment of a court of competent jurisdiction). Anything to the contrary notwithstanding, in no event shall the CVR Agent be liable for any special, punitive, indirect, consequential or incidental loss or damage of any kind whatsoever (including but not limited to lost profits) arising out of any act or failure to act hereunder, even if the CVR Agent has been advised of the likelihood of such loss or damage. The aggregate liability of the CVR Agent with respect to, arising from, or arising in connection with this Agreement, or from all services provided or omitted to be provided under this Agreement, whether in contract, or in tort, or otherwise, is limited to, and shall not exceed, the amounts paid hereunder by the Company to the CVR Agent as fees, but not including reimbursable expenses, during the twelve (12) months immediately preceding the event for which recovery from the CVR Agent is being sought. No provision of this Agreement shall require the CVR Agent to expend or risk its own funds, take any action that it believes would expose or subject it to expense or liability, or otherwise incur any financial liability in the performance of any of its duties hereunder or in the exercise of any of its rights or powers.

Section 3.2 Certain Rights of CVR Agent.

The CVR Agent undertakes to perform such duties and only such duties as are specifically set forth in this Agreement, and no implied duties, covenants or obligations shall be read into this Agreement against the CVR Agent. In addition:

(a) the CVR Agent may rely on and shall be protected and shall incur no liability for or in respect of any action taken, suffered or omitted to be taken by it in reliance upon any resolution, certificate, statement, instrument, opinion, report, notice, request, instruction, direction, consent, order or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties;

(b) the CVR Agent may consult with, and obtain advice from, legal counsel and the CVR Agent shall incur no liability for or in respect of any action taken, suffered or omitted by it absent willful misconduct, bad faith or gross negligence (each as determined by a final, non-appealable judgment of a court of competent jurisdiction) in accordance with such advice or opinion. The CVR Agent may perform any and all of its duties (i) itself (through its directors, officers, or employees) or (ii) upon the Company's reasonable advance written approval, through its agents, representatives, attorneys, custodians and/or nominees;

(c) the permissive rights of the CVR Agent to do things enumerated in this Agreement shall not be construed as a duty;

(d) the CVR Agent shall not be required to give any note or surety in respect of the execution of such powers or otherwise in respect of the premises;

(e) the Company agrees to indemnify, defend, protect, save and keep harmless the CVR Agent and its affiliates and their respective successors, assigns, directors, officers, managers, employees, agents, attorneys, accountants and experts (collectively, the "Indemnitees"), against any and all loss, liability, obligation, damage, fine, settlement, penalty, action, judgment, suit, cost, disbursement, proceeding, investigation, claim, demand or expense of any kind or nature whatsoever (including, without limitation, the reasonable fees and expenses of legal counsel and the costs and expenses of defending the Indemnitee against any claim of liability arising therefrom) (collectively, "Losses") that may be imposed on, incurred by, or asserted against any Indemnitee, at any time, and in any way relating to, arising out of or in connection with the execution, delivery or performance of this Agreement, the enforcement of any rights or remedies in connection with this Agreement, and the payment, transfer or other application of funds pursuant to this Agreement, or as may arise by reason of any act, omission or error of the Indemnitee; provided, however, that no Indemnitee shall be entitled to be so indemnified, defended, protected, saved or kept harmless to the extent such Loss was caused by its own willful misconduct, bad faith or gross negligence (each as determined by a final, non-appealable judgment of a court of competent jurisdiction);

(f) in addition to the indemnification provided under Section 3.2(e), the Company agrees (i) to pay the fees of the CVR Agent in connection with the CVR Agent's performance of its obligations hereunder, as set forth on Schedule I attached hereto, and (ii) to reimburse the CVR Agent promptly upon demand for all reasonable and documented out-of-pocket expenses, including all Taxes (other than income, receipt, franchise or similar Taxes) and charges, incurred by the CVR Agent in the performance of its obligations under this Agreement;

(g) in the event the CVR Agent reasonably believes any ambiguity or uncertainty exists hereunder or in any notice, instruction, direction, request or other communication, paper or document received by the CVR Agent hereunder, the CVR Agent may, in its sole discretion, refrain from taking any action, and shall be fully protected and shall not be liable in any way to the Company or other Person or entity for refraining from taking such action, unless the CVR Agent receives written instructions signed by the Company which eliminate such ambiguity or uncertainty to the reasonable satisfaction of the CVR Agent;

(h) the CVR Agent and any stockholder, affiliate, director, officer, agent or employee of the CVR Agent may buy, sell or deal in any securities of the Company or hold a pecuniary interest in any transaction in which the Company may be interested, or contract with or lend money to the Company. Nothing herein shall preclude the CVR Agent from acting in any other capacity for the Company or for any other Person;

(i) the CVR Agent shall not incur any liability for not performing any act, duty, obligation or responsibility by reason of any occurrence beyond the control of the CVR Agent (including, without limitation, any act or provision of any present or future law or regulation or governmental authority, any act of God, terrorist acts, shortage of supply, breakdowns or malfunctions, interruptions or malfunction of computer facilities, or loss of data due to power failures or mechanical difficulties with information storage or retrieval systems or failure of any means of communication, labor difficulties, war, or civil disorder);

(j) whenever the CVR Agent shall deem it necessary or desirable that a fact or matter be proved or established prior to taking, suffering or omitting any action hereunder (including, without limitation, the identity of a Holder), the CVR Agent may rely upon an Officer's Certificate, and such Officer's Certificate shall be full and complete authorization and protection to the CVR Agent. The CVR Agent shall incur no liability for or in respect of any action taken, suffered or omitted by it absent willful misconduct, bad faith or gross negligence (each as determined by a final, non-appealable judgment of a court of competent jurisdiction) under the provisions of this Agreement in reliance on such Officer's Certificate. The CVR Agent is hereby authorized and directed to accept instructions with respect to the performance of its duties and obligations hereunder from the chief executive officer, president, chief financial officer, any vice president, the controller, the treasurer or the secretary of the Company, and to apply to such officer for advice or instructions in connection with its duties, and it shall not be liable and shall be indemnified for any action taken or suffered to be taken by it in accordance with instructions from such officer. The CVR Agent shall not be held to have notice of any change of authority of any person, until receipt of written notice thereof from the Company;

(k) the CVR Agent shall not be subject to, nor be required to comply with, or determine if any person or entity has complied with, the Tender Offer Documents or any other agreement between or among the parties hereto, even though reference thereto may be made in this Agreement, or to comply with any notice, instruction, direction, request or other communication, paper or document other than as expressly set forth in this Agreement; and

(l) the Company agrees that it shall perform, execute, acknowledge and deliver or cause to be performed, executed, acknowledged or delivered all such further and other acts, instruments and assurances as may reasonably be required by the CVR Agent for the carrying out or performing by the CVR Agent of the provisions of this Agreement.

Section 3.3 Resignation and Removal; Appointment of Successor.

(a) The CVR Agent may resign and be discharged from its duties under this Agreement at any time by giving written notice thereof to the Company specifying a date when such resignation shall take effect, which notice shall be sent at least thirty (30) days prior to the date so specified, and such resignation shall take effect on such specified date.

(b) The Company shall have the right to remove the CVR Agent at any time for any reason or no reason upon at least thirty (30) days' notice, specifying a date when such removal shall take effect.

(c) If the CVR Agent shall resign, be removed, or become incapable of acting, the Company shall promptly (and in any event within 30 days after giving notice of the CVR Agent's removal or after it has been notified of the CVR Agent's resignation) appoint a qualified successor CVR Agent. The successor CVR Agent so appointed shall, forthwith upon its acceptance of such appointment in accordance with this Section 3.3(c), Section 3.3(e) and Section 3.4, become the successor CVR Agent.

(d) The Company, or at the Company's request the successor CVR Agent, shall give notice of each resignation and each removal of an CVR Agent and each appointment of such successor CVR Agent by mailing written notice of such event by first-class mail, postage prepaid, to the Holders. Failure to give any such notice to the Holders, however, or any defect therein, shall not affect the legality or validity of the resignation or removal of the CVR Agent or the appointment of a successor CVR Agent, as the case may be.

(e) Any such successor to the CVR Agent shall agree to be bound by the terms of this Agreement and shall become the CVR Agent hereunder. The CVR Agent shall deliver all of the relevant books and records, pursuant to the terms of this Section 3.3(e) to the successor CVR Agent.

Section 3.4 Acceptance of Appointment by Successor.

Every successor CVR Agent appointed hereunder shall execute, acknowledge and deliver to the Company and to the retiring CVR Agent an instrument accepting such appointment and a counterpart of this Agreement, and the retiring CVR Agent shall execute and deliver such documentation in connection therewith as the Company may reasonably request, and thereupon such successor CVR Agent, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring CVR Agent.

ARTICLE IV OTHER COVENANTS

Section 4.1 List of Holders.

The Company shall furnish or cause to be furnished to the CVR Agent (a) in such form as the Company receives from the Company's transfer agent prior to the Effective Time (or other agent performing similar services for the Company or its Affiliates), the names, addresses, shareholdings and TIN of the record holders of Shares eligible to receive Contingent Value Rights pursuant to the Tender Offer promptly following the Effective Time or at such other times as the CVR Agent may request in writing and (b) any other information reasonably requested by the CVR Agent.

Section 4.2 Payment of CVR Payment Amount to Holders by the CVR Agent.

Upon receipt by the CVR Agent of the Distributable Proceeds, if any, paid to it pursuant to Section 2.4, for distribution to the Holders in accordance with the terms of this Agreement, the CVR Agent shall promptly pay, and the Company shall use reasonable efforts to cause the CVR Agent to promptly pay, the CVR Payment Amounts to the Holders in the manner provided for in Section 2.4 and in accordance with the terms of this Agreement. The CVR Agent shall have no liability of any kind, and shall not be obligated to make any payments, unless and until it receives the Distributable Proceeds.

Section 4.3 Assignment.

Except for assignments occurring through operation of law, no party hereunder shall, in whole or in part, assign any of its rights or obligations under this Agreement; provided that the Company may assign any of its obligations hereunder to a wholly-owned Subsidiary of the Company as long as the Company causes such Subsidiary to perform the Company's obligations hereunder and remains responsible for any breach of this Agreement by such Subsidiary. In the event an assignment by the Company to a wholly-owned Subsidiary pursuant to the preceding sentence occurs, the Company shall deliver to the CVR Agent an Officer's Certificate stating that such assignment complies with this Section 4.3. Any Person into which the CVR Agent or any successor CVR Agent may be merged or with which it may be consolidated, or any Person resulting from any merger or consolidation to which the CVR Agent or any successor CVR Agent shall be a party, or any Person succeeding to the corporate trust, stock transfer or other shareholder services business of the CVR Agent or any successor CVR Agent, shall be the successor to the CVR Agent under this Agreement without the execution or filing of any paper or any further act on the part of any of the parties hereto; but only if such Person would be eligible for appointment as a successor CVR Agent under the provisions of Section 3.4 hereof. Without limiting the generality of the foregoing, CVR Agent agrees to use reasonable efforts to provide the Company with reasonable advance written notice of any such event.

Section 4.4 No Obligation to Pursue or Consummate Going Private Transaction.

(a) Subject to Section 4.4(b) below, notwithstanding anything in the Tender Offer Documents or this Agreement to the contrary, whether implicit or explicit:

(i) none of the Company or any of its Subsidiaries or Affiliates shall be in any way obligated or required to pursue, discuss, negotiate or consummate any Going Private Transaction;

(ii) if the Company or any of its Subsidiaries or Affiliates enters into discussions regarding a proposed transaction that would, if consummated, constitute a Going Private Transaction, nothing in this Agreement or the Tender Offer Documents shall require that such parties continue such discussions, execute any documentation or consummate any such transaction and the Company or any of its Subsidiaries or Affiliates may abandon any such discussions or proposed transaction for any reason or no reason at all; and

(iii) all decisions by the Company or any of its Subsidiaries or Affiliates to consider, pursue or enter into any transaction of any kind (whether or not a Going Private Transaction), or to take or not to take any other corporate action, may be made without regard to the impact on the Holders with respect to the Contingent Value Rights. The Holders acknowledge and agree that the Company does not owe Holders any fiduciary duties in their capacity as Holders, that any and all rights Holders may have with respect to the Contingent Value Rights are solely contractual in nature, that the Contingent Value Rights are not securities, and that Holders hereby disclaim any legal theory that would purport to grant Holders any rights other than the contractual rights pursuant to this Agreement.

(b) In the event a definitive agreement is executed and delivered by the Company before the Contingent Value End Date in connection with a transaction or series of transactions which, if consummated prior to the Contingent Value End Date, would constitute a Going Private Transaction, the Company shall make commercially reasonable efforts to ensure such documentation provides for the payment of the CVR Payment Amount to the Holders in accordance with, and subject to the terms of this Agreement, including without limitation that any Going Private Transaction be consummated prior to the Contingent Value End Date.

(c) In furtherance and not in limitation of the foregoing, nothing herein shall be deemed to create any duty, liability or obligation on the part of the Company or any of its Subsidiaries or Affiliates to, or any claim or right on the part of, any other Person or third party with respect to (i) any Going Private Transaction or other transaction or corporate action, (ii) the price at or manner in which any transaction, including any Going Private Transaction, is consummated, (iii) the timing or any other terms or conditions of any such transaction or Going Private Transaction, (iv) the management or operation of the Company or any of its Subsidiaries or Affiliates prior to any such transaction, including any Going Private Transaction, or (v) any fiduciary duties to Holders in their capacity as such.

ARTICLE V AMENDMENTS

Section 5.1 Amendments Without Consent of Holders.

(a) Without the consent of any Holders, the Company and the CVR Agent, at any time and from time to time, may enter into one or more amendments hereto, for any of the following purposes:

(i) to evidence the succession of another Person to the Company and the assumption of any such successor of the rights and obligations of the Company herein, provided that such succession and assumption is in accordance with the terms of this Agreement.

(ii) to evidence the succession of another Person selected in accordance with the terms hereof as a successor CVR Agent and the assumption by any successor of the covenants and obligations of the CVR Agent herein, provided that such succession and assumption is in accordance with the terms of this Agreement;

(iii) to add to the covenants of the Company such further covenants, restrictions, conditions or provisions as the Company and the CVR Agent shall consider to be for the protection of the Holders; provided, that in each case, such provisions shall not adversely affect the interests of the Holders in any material respect;

(iv) to cure any ambiguity, to correct or supplement any provision herein that may be defective or inconsistent with any other provision herein, or to make any other provisions with respect to matters or questions arising under this Agreement; provided, that in each case, such provisions shall not adversely affect the interests of the Holders in any material respect; or

(v) as necessary to ensure that the Contingent Value Rights are not subject to registration under the Securities Act or the Exchange Act or any other applicable law.

(b) Promptly after the execution by the Company and the CVR Agent of any amendment pursuant to the provisions of this Section 5.1, the Company shall prepare and cause the CVR Agent to mail a notice thereof by first-class mail to the Holders at their addresses in the CVR Register setting forth in general terms the substance of such amendment; provided, that any failure so to notify the Holders shall not affect the validity of such amendment (it being understood that any failure so to notify the Holders shall not excuse the CVR Agent from its obligations under this Section 5.1(b)).

Section 5.2 Amendments With Consent of Holders.

(a) Subject to Section 5.1 (which amendments pursuant to Section 5.1 may be made without the consent of the Holders), with the consent of Holders holding a majority of then outstanding and unpaid Contingent Value Rights, the Company and the CVR Agent may enter into one or more amendments hereto to add, eliminate or change any provisions of this Agreement, even if such addition, elimination or change is in any way adverse to the interests of the Holders. It shall not be necessary for any written consent of Holders under this Section 5.2(a) to approve the particular form of any proposed amendment, but shall be sufficient if such written consent approves the substance thereof.

(b) Promptly after the execution by the Company and the CVR Agent of any amendment pursuant to the provisions of this Section 5.2, the Company shall mail or cause the CVR Agent to mail a notice thereof by first-class mail to the Holders at their addresses as they shall appear on the CVR Register, setting forth in general terms the substance of such amendment; provided, that any failure so to notify the Holders shall not affect the validity of such amendment (it being understood that any failure so to notify the Holders shall not excuse the CVR Agent from its obligations under this Section 5.2(b)).

Section 5.3 Execution of Amendments.

Prior to executing any amendment permitted by this Article V, the CVR Agent shall be entitled to receive, and shall be fully protected in and shall incur no liability for relying upon, an Officer's Certificate stating that the execution of such amendment is authorized or permitted by this Agreement. The CVR Agent shall execute any amendment authorized pursuant to this Article V if the amendment does not materially and adversely affect the CVR Agent's own rights or duties under this Agreement or otherwise. Otherwise, the CVR Agent may, but need not, execute such amendment.

Section 5.4 Effect of Amendments.

Upon the execution of any amendment under this Article V, this Agreement shall be modified in accordance therewith, such amendment shall form a part of this Agreement for all purposes and every Holder shall be bound thereby.

**ARTICLE VI
OTHER PROVISIONS OF GENERAL APPLICATION**

Section 6.1 Notices to the CVR Agent, the Company and the Holders.

(a) Any notice, request, instruction or other document to be given hereunder by any party to the other shall be in writing and delivered personally or sent by registered or certified mail, postage prepaid, by facsimile or overnight courier:

If to the Company:

Herbalife Ltd.
800 W. Olympic Blvd.
Suite 406
Los Angeles, CA 90015
Attention: General Counsel
Fax:

with a copy (which shall not constitute notice) to:

Gibson, Dunn & Crutcher LLP
2029 Century Park East, Suite 4000
Los Angeles, CA 90067-3026
Attention: Jonathan K. Layne
Fax: (310) 552-7053

If to the CVR Agent:

Computershare Trust Company, N.A.
Computershare Inc.
250 Royall Street
Canton, MA 02021
Attention: Client Services
Fax:

or to such other persons or addresses as may be designated in writing by the party to receive such notice as provided above. Any notice, request, instruction or other document given as provided above shall be deemed given to the receiving party upon actual receipt, if delivered personally; three (3) Business Days after deposit in the mail, if sent by registered or certified mail; upon confirmation of successful transmission if sent by facsimile (provided that if given by facsimile such notice, request, instruction or other document shall be followed up within one (1) Business Day by dispatch pursuant to one of the other methods described herein); or on the next Business Day after deposit with an overnight courier, if sent by an overnight courier.

(b) Where this Agreement provides for notice to Holders, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and mailed, first-class postage prepaid, to each Holder affected by such event, at his, her or its address as it appears in the CVR Register, not later than the latest date, and not earlier than the earliest date, prescribed for the giving of such notice. In any case where notice to Holders is given by mail, neither the failure to mail such notice, nor any defect in any notice so mailed, to any particular Holder shall affect the sufficiency of such notice with respect to other Holders.

Section 6.2 Effect of Headings; Construction.

The headings herein are for convenience of reference only, do not constitute part of this Agreement and shall not be deemed to limit or otherwise affect any of the provisions of this Agreement. Where a reference in this Agreement is made to a Section, such reference shall be to a Section of this Agreement unless otherwise indicated.

Section 6.3 Successors and Assigns.

All covenants and agreements in this Agreement by any party hereto shall bind its permitted successors and assigns, whether so expressed or not.

Section 6.4 Benefits of Agreement; Holders are Third Party Beneficiaries.

Nothing in this Agreement, express or implied, shall give to any Person (other than the parties hereto and their permitted successors and assigns hereunder) any benefit or any legal or equitable right, remedy or claim under this Agreement or under any covenant or provision herein contained, all such covenants and provisions being for the sole benefit of the parties hereto and their permitted successors and assigns. Notwithstanding the foregoing, each of the Holders shall be an intended third party beneficiary of this Agreement.

Section 6.5 Governing Law and Venue; Waiver of Jury Trial.

(a) THIS AGREEMENT SHALL BE DEEMED TO BE MADE IN AND IN ALL RESPECTS SHALL BE INTERPRETED, CONSTRUED AND GOVERNED BY AND IN ACCORDANCE WITH THE LAW OF THE STATE OF NEW YORK WITHOUT REGARD TO THE CONFLICT OF LAW PRINCIPLES THEREOF TO THE EXTENT THAT SUCH PRINCIPLES WOULD DIRECT A MATTER TO ANOTHER JURISDICTION. The parties hereby irrevocably submit to the personal jurisdiction of the courts of the State of New York and the federal courts of the United States of America located in the State of New York solely in respect of the interpretation and enforcement of the provisions of this Agreement and of the documents referred to in this Agreement, and in respect of the transactions contemplated hereby, and hereby waive, and agree not to assert, as a defense in any action, suit or proceeding for the interpretation or enforcement of this Agreement or of any such document, that it is not subject thereto or that such action, suit or proceeding may not be brought or is not maintainable in said courts or that the venue thereof may not be appropriate or that this Agreement or any such document may not be enforced in or by such courts, and the parties hereto irrevocably agree that

all claims relating to such action, proceeding or transactions shall be heard and determined in such a New York state or federal court. The parties hereby consent to and grant any such court jurisdiction over the person of such parties and, to the extent permitted by law, over the subject matter of such dispute and agree that mailing of process or other papers in connection with any such action or proceeding in the manner provided in Section 6.1 or in such other manner as may be permitted by law shall be valid and sufficient service thereof.

(b) EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE EACH SUCH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT SUCH PARTY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT, OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (i) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, (ii) EACH PARTY UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (iii) EACH PARTY MAKES THIS WAIVER VOLUNTARILY, AND (iv) EACH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 6.5.

Section 6.6 Severability Clause.

The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions of this Agreement. If any provision of this Agreement, or the application of such provision to any Person or any circumstance, is invalid or unenforceable, (a) the Company and the CVR Agent shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible to the fullest extent permitted by applicable law to such end that the transactions contemplated by this Agreement are fulfilled to the extent possible, and (b) the remainder of this Agreement and the application of such provision to other Persons or circumstances shall not be affected by such invalidity or unenforceability, nor shall such invalidity or unenforceability affect the validity or enforceability of such provision, or the application of such provision, in any other jurisdiction.

Section 6.7 Counterparts.

This Agreement may be executed in any number of counterparts, each such counterpart being deemed to be an original instrument, and all such counterparts shall together constitute the same agreement.

Section 6.8 Termination.

This Agreement shall terminate and be of no further force or effect, and the parties hereto shall have no liability hereunder, upon the earliest of (i) the payment of Distributable Proceeds to the Company in accordance with Section 2.4(e), (ii) the payment of all CVR Payment Amounts to the Holders, or (iii) the Contingent Value End Date; provided, in each case of (i) and (iii) that Article I, Section 2.2(b), Section 2.4(e), Section 2.4(f), Section 4.2, Article III and this Article VI shall survive.

Section 6.9 Entire Agreement.

This Agreement constitutes the entire agreement, and supersedes all other prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof and thereof, and this Agreement supersedes any and all other oral or written agreements hereto made with respect to the Contingent Value Rights. As it relates to the CVR Agent, this Agreement represents the entire understanding of the CVR Agent with reference to the Contingent Value Rights, and this Agreement supersedes any and all other oral or written agreements hereto made with respect to the Contingent Value Rights. With regard to the Company and the Holders, if and to the extent that any provision of this Agreement is inconsistent or conflicts with the Tender Offer Documents, this Agreement shall govern and be controlling, and this Agreement may be amended, modified, supplemented or altered only in accordance with the terms of Article V. No party shall be bound by, or be liable for, any alleged representation, promise, inducement or statement of intention not contained herein.

[Remainder of Page Intentionally Left Blank.]

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be executed on its behalf by its duly authorized officers as of the day and year first above written.

**HERBALIFE LTD.,
a Cayman Islands exempted company incorporated with
limited liability**

By: _____

Name:

Title:

**COMPUTERSHARE INC. and
COMPUTERSHARE TRUST COMPANY, N.A., collectively
as CVR Agent**

By: _____

Name:

Title:

Schedule I



Herbalife Limited
800 West Olympic Boulevard, Suite 406
Los Angeles, CA 90015

Icahn Capital LP
767 Fifth Avenue, 47th Floor
New York, New York 10153
Attention: Andrew Langham

August 21, 2017

Re: Herbalife Tender Offer and Standstill

Ladies and Gentlemen:

This letter agreement (this "Agreement") memorializes the agreement between Herbalife Ltd., a Cayman Islands exempt company incorporated with limited liability (the "Company"), on the one hand, and Mr. Carl C. Icahn and each of the other signatories hereto, (collectively, the "Icahn Affiliates"), on the other hand, relating to that certain modified Dutch auction tender offer (the "Offer") to be commenced by the Company on or about August 21, 2017.

In consideration of and in reliance upon the mutual covenants and agreements contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, by signing this Agreement, the parties hereby agree and acknowledge as follows:

Standstill

Reference is made to the Contingent Value Rights Agreement by and between the Company and Computershare Trust Company, N.A., as contingent value rights agent, the form of which is attached hereto as Exhibit A (the "CVR Agreement") to be executed at the consummation of the Offer. The Icahn Affiliates agree that prior to the Contingent Value End Date, as defined in the CVR Agreement, the Icahn Affiliates will not purchase or otherwise acquire Herbalife shares that would cause an increase such that their aggregate beneficial ownership (as defined in Section 13(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and Regulation 13D promulgated thereunder) exceeds 50% of the outstanding Herbalife shares, unless the Icahn Affiliates simultaneously purchase or otherwise agree to acquire 100% of the outstanding Herbalife shares. Notwithstanding the foregoing, for the avoidance of doubt, the obligation of the Icahn Affiliates contained in the foregoing sentence will not be triggered by a reduction in the number of outstanding Herbalife shares. Each Icahn Affiliate shall cause its controlled Affiliates (other than the Company) and Representatives to comply with the terms of this Agreement.

For the avoidance of any doubt, the reference to Icahn Affiliates above does not include the Company. For purposes of this Agreement, the "50% of the outstanding Herbalife shares" shall be calculated using the number of the Company's outstanding common shares as reported by the Company on the cover of its most recent Form 10-K or Form 10-Q, as filed with the U.S. Securities and Exchange Commission ("SEC"). Lastly, nothing set forth herein shall in any way supersede or otherwise amend or modify the Second Amended and Restated Support Agreement (the "Second A&R Support Agreement") dated July 15, 2016 between the Company and the Icahn Affiliates which shall remain in full force and effect.




Representations and Warranties of the Company

The Company represents and warrants to the Icahn Affiliates that (a) the Company has the corporate power and authority to execute this Agreement and to bind it thereto, (b) this Agreement has been duly and validly authorized, executed and delivered by the Company, constitutes a valid and binding obligation and agreement of the Company, and is enforceable against the Company in accordance with its terms, except as enforcement thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or similar laws generally affecting the rights of creditors and subject to general equity principles and (c) the execution, delivery and performance of this Agreement by the Company does not and will not violate or conflict with (i) any law, rule, regulation, order, judgment or decree applicable to it or (ii) result in any breach or violation of or constitute a default (or an event which with notice or lapse of time or both could become a default) under or pursuant to, or result in the loss of a material benefit under, or give any right of termination, amendment, acceleration or cancellation of, any organizational document, agreement, contract, commitment, understanding or arrangement to which the Company is a party or by which it is bound.

Representations and Warranties of the Icahn Affiliates

Each Icahn Affiliate represents and warrants to the Company that (i) the authorized signatories of such Icahn Affiliates set forth on the signature page hereto have the power and authority to execute this Agreement and to bind applicable Icahn Affiliate to this Agreement, (ii) this Agreement has been duly authorized, executed and delivered by each Icahn Affiliate, and is a valid and binding obligation of each Icahn Affiliate, enforceable against such Icahn Affiliate in accordance with its terms, except as enforcement thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or similar laws generally affecting the rights of creditors and subject to general equity principles and (iii) the execution, delivery and performance of this Agreement by such Icahn Affiliate does not and will not violate or conflict with (A) any law, rule, regulation, order, judgment or decree applicable to it or (B) result in any breach or violation of or constitute a default (or an event which with notice or lapse of time or both could become a default) under or pursuant to, or result in the loss of a material benefit under, or give any right of termination, amendment, acceleration or cancellation of, any organizational document, agreement, contract, commitment, understanding or arrangement to which such Icahn Affiliate is a party or by which it is bound.



Definitions

The capitalized terms used, but not otherwise defined, in this Agreement have the following meanings:

“Affiliate” of any Person means any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such first Person. The term “Affiliate” when used with respect to the Company shall include the Company and its Subsidiaries and other Affiliates.

“Control” (including the terms “controlled,” “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

“Going Private Transaction” means any consummated merger, tender offer, exchange offer, reorganization, recapitalization or similar transaction or series of transactions (including but not limited to any such transaction(s) with any Icahn Affiliate(s)) resulting in the delisting of the Company’s equity securities from all national securities exchanges, or as a result of which such delisting is required pursuant to applicable law, SEC regulations and/or the regulations of any such national securities exchanges.

“Herbalife shares” means the common shares, par value \$0.001 per share, of the Company.


“Person” means any individual, corporation, partnership, limited liability company, joint venture, estate, trust, association, organization or other entity of any kind or nature.

“Representatives” of a Person means such Person’s respective directors, officers, partners, members, employees, and agents (acting in such capacity).

“Subsidiary” of a Person means a corporation, partnership, joint venture, limited liability company or other business entity of which a majority of the shares of securities or other interests having ordinary voting power for the election of directors or other governing body (other than securities or interests having such power only by reason of the happening of a contingency) are at the time beneficially owned, or the management of which is otherwise controlled, directly, or indirectly through one or more intermediaries, or both, by such Person.

General Terms

This Agreement (including the exhibits hereto) and the Second A&R Support Agreement represent the entire understanding and agreement of the parties with respect to the matters contained herein, and may be amended, modified or waived only by a separate writing executed by the Icahn Affiliates and the Company expressly so amending, modifying or waiving this Agreement. This Agreement shall inure to the benefit of and be binding upon the parties and their respective successors and assigns.



Please confirm your agreement with the foregoing by signing and return to us a copy of this Agreement.

HERBALIFE LTD.

By: /s/ John G. DeSimone
Name: John G. DeSimone
Title: Chief Financial Officer

Agreed and accepted as of the date first written above:

ICAHN PARTNERS MASTER FUND LP
ICAHN OFFSHORE LP
ICAHN PARTNERS LP
ICAHN ONSHORE LP
BECKTON CORP.
HOPPER INVESTMENTS LLC
BARBERRY CORP.
HIGH RIVER LIMITED PARTNERSHIP

**SIGNATURE PAGE TO LETTER AGREEMENT RELATING TO
TENDER OFFER BY HERBALIFE LTD.**

AUGUST 2017

By: Hopper Investments LLC, general partner
By: Barberry Corp.

By: /s/ Carl C. Icahn
Name: Carl C. Icahn
Title: President

ICAHN CAPITAL LP

By: IPH GP LLC, its general partner
By: Icahn Enterprises Holdings L.P., its sole member
By: Icahn Enterprises G.P. Inc., its general partner

IPH GP LLC

By: Icahn Enterprises Holdings L.P., its sole member
By: Icahn Enterprises G.P. Inc., its general partner

ICAHN ENTERPRISES HOLDINGS L.P.

By: Icahn Enterprise G.P. Inc., its general partner

By: /s/ SungHwan Cho
Name: SungHwan Cho
Title: Chief Financial Officer

/s/ Carl C. Icahn
CARL C. ICAHN



Exhibit A

CVR Agreement

[Please see attachment.]

