

GARMIN LTD
Form DEF 14A
April 25, 2016
UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934

[Amendment No. _____]

Filed by the Registrant Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Materials under §240.14a-12

GARMIN LTD.

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

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(1) Title of each class of securities to which transaction applies:

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- (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
- (4) Proposed maximum aggregate value of transaction:
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- (1) Amount Previously Paid:
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- (3) Filing Party:
- (4) Date Filed:

GARMIN LTD.

NOTICE AND PROXY STATEMENT

FOR

THE ANNUAL GENERAL MEETING OF SHAREHOLDERS

TO BE HELD

FRIDAY, JUNE 10, 2016

YOUR VOTE IS IMPORTANT!

Please mark, date and sign the enclosed proxy card

and promptly return it in the enclosed envelope.

If you reviewed your materials electronically or through a broker

or other nominee,

please follow the instructions provided.

THIS NOTICE AND PROXY STATEMENT, THE ACCOMPANYING PROXY CARD,

THE 2015 ANNUAL REPORT AND THE 2015 ANNUAL REPORT ON FORM 10-K ARE FIRST BEING FURNISHED

ON APRIL 25 , 2016.

Garmin Ltd.
Mühlentalstrasse 2
8200 Schaffhausen
Switzerland

Invitation to Annual General Meeting of Shareholders

To be Held on June 10, 2016

To the Shareholders of Garmin Ltd.:

We cordially invite you to attend the Annual General Meeting (the “Annual Meeting”) of Shareholders of Garmin Ltd., a Swiss company (“Garmin” or the “Company”), to be held simultaneously at the offices of the law firm of Homburger Ltd, Prime Tower, Hardstrasse 201, 8005 Zurich, Switzerland and at the offices of Garmin International, Inc., 1200 East 151st Street, Olathe, Kansas, 66062, USA, at 5:00 p.m. Central European Time (10:00 a.m., U.S. Central Daylight Time) on Friday, June 10, 2016. The two locations will be linked via a live video and audio link. The purpose of the meeting is to consider and vote upon the following matters:

PROPOSALS

1. Election of Andrew Etkind as the ad hoc Chairman of the Meeting

The Board of Directors proposes to the Annual Meeting that Andrew Etkind, Garmin’s Vice President and General Counsel, be elected as the ad hoc Chairman of the Meeting.

2. Approval of Garmin’s 2015 Annual Report, including the consolidated financial statements of Garmin for the fiscal year ended December 26, 2015 and the statutory financial statements of Garmin for the fiscal year ended December 26, 2015

The Board of Directors proposes to the Annual Meeting to approve Garmin’s 2015 Annual Report, including the consolidated financial statements of Garmin for the fiscal year ended December 26, 2015 and Garmin’s statutory financial statements for the fiscal year ended December 26, 2015.

3. Approval of the appropriation of available earnings

The Board of Directors proposes to the Annual Meeting to approve the appropriation of available earnings as follows:

Proposed Appropriation of Available Earnings: in Swiss Francs (“CHF”)

Balance brought forward from previous years	CHF(223,591,000)
Net earnings for the period (on a stand-alone unconsolidated basis):	CHF717,889,000
Total net earnings:	CHF494,298,000

Resolution proposed by the Board of Directors:

- RESOLVED, that the net earnings for the period of CHF 494,298,000 shall be carried forward.

4. **Approval of the payment of a cash dividend in the aggregate amount of U.S. \$2.04 per outstanding share out of Garmin's legal reserve from capital contribution in four equal installments**

The Board of Directors proposes to the Annual Meeting that Garmin pay a cash dividend in the amount of U.S. \$2.04 per outstanding share as follows:

Legal Reserve from Capital Contribution as per December 26, 2015 CHF 5,091,539,000

Resolutions proposed by the Board of Directors:

RESOLVED, that Garmin, out of, and limited at a maximum to the amount of, the Dividend Reserve (as defined below), pay a cash dividend in the amount of U.S. \$2.04 per outstanding share¹ out of Garmin's legal reserve from capital contribution payable in four equal installments at the dates determined by the Board of Directors in its discretion, the record date and payment date for each such installment to be announced in a press release² at least ten calendar days prior to the record date; and further

RESOLVED, that the cash dividend shall be made with respect to the outstanding share capital of Garmin on the record date for the applicable installment, which amount will exclude any shares of Garmin held by Garmin or any of its direct or indirect subsidiaries; and further

RESOLVED, that CHF 565,080,000³ be allocated to dividend reserves from capital contribution (the "**Dividend Reserve**") from the legal reserve from capital contribution in order to pay such dividend of U.S. \$2.04 per outstanding share (assuming a total of 208,077,418 shares⁴ eligible to receive the dividend); and further CHF (565,080,000)

RESOLVED that if the aggregate dividend payment is lower than the Dividend Reserve, the relevant difference will be allocated back to the legal reserve from capital contribution; and further

RESOLVED, that to the extent that any installment payment, when converted into Swiss francs, at a USD/CHF exchange rate prevailing at the relevant record date for the relevant installment payment, would exceed the Dividend Reserve then remaining, the U.S. dollar per share amount of that installment payment shall be reduced on a pro rata basis, provided, however, that the aggregate amount of that installment payment shall in no event exceed the then remaining Dividend Reserve.

Legal Reserve from Capital Contribution after Dividend Reserve Allocation CHF 4,526,459,000

(1) In no event will the dividend payment exceed a total of U.S. \$2.04 per share.

(2) The announcements will not be published in the Swiss Official Gazette of Commerce.

Based on the currency conversion rate of 0.9861 as of December 26, 2015, with a total of 208,077,418 shares eligible for payout (based on the number of shares issued as at December 26, 2015), the aggregate Dividend Reserve would be CHF 565,080,000. The amount of the Dividend Reserve, calculated on the basis of the

(3) Company's issued shares as at December 26, 2015, includes a 35% margin to accommodate (i) unfavorable currency fluctuation and (ii) new share issuance (see footnote 4 below) that may occur between the time when the dividend is approved by shareholders and when the last installment payment is made. Unused dividend reserves will be returned to the legal reserve from capital contribution after the last installment payment.

(4) This number is based on the registered share capital as at December 26, 2015. The number of shares eligible for dividend payments may change due to the repurchase of shares, the sale of treasury shares or the issuance of new shares, including (without limitation) from the conditional share capital reserved for the employee profit sharing program.

5. **Discharge of the members of the Board of Directors and the Executive Management from liability for the fiscal year ended December 26, 2015**

The Board of Directors proposes to the Annual Meeting that the members of the Board of Directors and the Executive Management be discharged from personal liability for the fiscal year ended December 26, 2015.

6. Re-election of five directors and election of one new director

Proposal of the Board of Directors

The Board of Directors proposes to the Annual Meeting that each of Donald H. Eller, Joseph J. Hartnett, Min H. Kao, Charles W. Peffer, and Clifton A. Pemble be re-elected as directors, and that Rebecca R. Tilden be elected as a new director, each for a term extending until completion of the next annual general meeting.

7. Re-election of Chairman

Proposal of the Board of Directors

The Board of Directors proposes to the Annual Meeting that Min H. Kao be re-elected as Executive Chairman of the Board of Directors for a term extending until completion of the next annual general meeting.

8. Election of Compensation Committee members

Proposal of the Board of Directors

The Board of Directors proposes to the Annual Meeting that each of Donald H. Eller, Joseph J. Hartnett and Charles W. Peffer be re-elected as members of the Compensation Committee and that Rebecca R. Tilden be elected as a new member of the Compensation Committee, each for a term extending until completion of the next annual general meeting.

9. Re-election of the independent voting rights representative

Proposal of the Board of Directors

The Board of Directors proposes to the Annual Meeting that the law firm of Reiss + Preuss LLP be re-elected as the independent voting rights representative for a term extending until completion of the next annual general meeting, including any extraordinary general meeting of shareholders prior to the 2017 annual meeting.

Ratification of the appointment of Ernst & Young LLP as Garmin's Independent Registered Public

10. Accounting Firm for the fiscal year ending December 31, 2016 and re-election of Ernst & Young Ltd as Garmin's statutory auditor for another one-year term

Proposal of the Board of Directors

The Board of Directors proposes to the Annual Meeting that the appointment of Ernst & Young LLP as Garmin's Independent Registered Public Accounting Firm for the fiscal year ending December 31, 2016 be ratified and that Ernst & Young Ltd be re-elected as Garmin's statutory auditor for another one-year term.

11. Advisory vote on executive compensation

Proposal of the Board of Directors

The Board of Directors proposes to the Annual Meeting to approve an advisory resolution approving the compensation of Garmin's Named Executive Officers, as disclosed in Garmin's proxy statement for the Annual Meeting pursuant to the executive compensation disclosure rules promulgated by the Securities and Exchange Commission.

12. **Binding vote to approve Fiscal Year 2017 maximum aggregate compensation for the Executive Management**

Proposal of the Board of Directors

The Board of Directors proposes to the Annual Meeting to approve the maximum aggregate compensation that can be paid or granted to the members of the Executive Management in Fiscal Year 2017 in an amount not to exceed U.S. \$3,647,400.

13. **Binding vote to approve maximum aggregate compensation for the Board of Directors for the period between the 2016 Annual General Meeting and the 2017 Annual General Meeting**

Proposal of the Board of Directors

The Board of Directors proposes to the Annual Meeting to approve the maximum aggregate compensation that can be paid or granted to the members of the Board of Directors between the 2016 Annual General Meeting and the 2017 Annual General Meeting in an amount not to exceed U.S. \$1,365,375.

14. **Par Value Reduction**

Proposal of the Board of Directors

The Board of Directors proposes to the Annual Meeting to approve (1) the reduction of the par value of each registered share of the Company from currently CHF 10 by an amount of CHF 9.90 to CHF 0.10 and the allocation of the aggregate par value reduction amount to the Company's legal reserve from capital contribution, and (2) the amendment of the Articles of Association of the Company accordingly. The text of the proposed shareholder resolution and the proposed amendments to the Articles of Association are contained in Annex 1, on which the proposed amendments are marked with a strikethrough to indicate text that would be deleted and with an underline to indicate text that would be added.

15. **Cancellation of Formation Shares**

Proposal of the Board of Directors

The Board of Directors proposes to the Annual Meeting to approve (1) the cancellation of 10,000,000 registered shares of the Company held by the Company (the "Formation Shares") and (2) as a consequence, the amendment of the Company's Articles of Association to effect a corresponding share capital reduction. The text of the proposed shareholder resolution and the proposed amendments to the Articles of Association are contained in Annex 2, on which the proposed amendments are marked with a strikethrough to indicate text that would be deleted and with an underline to indicate text that would be added.

Information concerning the matters to be acted upon at the Annual Meeting is contained in the accompanying Proxy Statement.

A proxy card is being sent with this proxy statement to each holder of shares registered in Garmin's share register with voting rights at the close of business, U.S. Eastern Time, on April 15, 2016. In addition, a proxy card will be sent with this proxy statement to each additional holder of shares who is registered with voting rights in Garmin's share register as of the close of business, U.S. Eastern Time, on May 31, 2016. Shareholders registered in Garmin's share register with voting rights as of the close of business, U.S. Eastern Time, on May 31, 2016 are entitled to notice of, and to vote at, the Annual Meeting and any adjournments thereof. A shareholder entitled to attend and to vote at the Annual Meeting is entitled to appoint a proxy to attend and vote on each of the proposals described in this proxy statement.

We are pleased to again take advantage of the Securities and Exchange Commission rules that allow issuers to furnish proxy materials to their shareholders on the Internet. We are sending a Notice of Internet Availability of Proxy Materials (the "Notice") to our beneficial owners of shares held in "street name" through a broker or other nominee as of

April 15, 2016 and to participants in the Garmin International, Inc. Retirement Plan with a beneficial interest in our shares as of April 15, 2016, and we are mailing our proxy materials to shareholders whose shares are held directly in their names with our transfer agent, Computershare Trust Company, N.A. as of May 31, 2016. We believe these rules allow us to provide our shareholders with the information they need, while lowering costs of delivery and reducing the environmental impact of our Annual Meeting. Garmin's 2015 Annual Report, Garmin's Annual Report on Form 10-K for the fiscal year ended December 26, 2015 which contains the consolidated financial statements of Garmin for the fiscal year ended December 26, 2015, the Swiss statutory financial statements of Garmin for the fiscal year ended December 26, 2015, and the Auditor's Reports for Fiscal Year 2015, are available in the Investor Relations section of Garmin's website www.garmin.com, and will also be available, together with the Swiss Compensation Report for Fiscal Year 2015, for physical inspection by the shareholders at Garmin's registered office at Mühlfentalstrasse 2, 8200 Schaffhausen, Switzerland, as of May 15, 2016. Copies of the 2015 Annual Report, the Annual Report on Form 10-K for the fiscal year ended December 26, 2015, the Swiss statutory financial statements of Garmin for the fiscal year ended December 26, 2015, and the Auditor's Reports may also be obtained without charge by contacting Garmin's Investor Relations department at +1 (913) 397-8200.

If you received the Notice, you can access the proxy materials on the website referred to in the Notice or request to receive a printed set of the proxy materials by mail. Instructions on how to access the proxy materials over the Internet or to request a printed copy by mail may be found in the Notice.

Please vote your shares regardless of whether you plan to attend the Annual Meeting. If you received these proxy materials through the mail, please use the enclosed proxy card to direct the vote of your shares, regardless of whether you plan to attend the Annual Meeting. Please date the proxy card, sign it and promptly return it in the enclosed envelope, which requires no postage if mailed in the United States, or you may vote by Internet or telephone using the instructions provided on the proxy card. If you received the Notice and reviewed the proxy materials on the Internet, please follow the instructions included in the Notice.

Please note that under the current rules of the New York Stock Exchange, your broker will not be able to vote your shares at the Annual Meeting on the election of directors or on certain other proposals described in the attached proxy statement if you have not given your broker instructions on how to vote. Please be sure to give voting instructions to your broker so that your vote can be counted on the election and such proposals.

Any shareholder who may need special assistance or accommodation to participate in the Annual Meeting because of a disability should contact Garmin's Corporate Secretary at the above address or call +1 (913) 440-1355. To provide Garmin sufficient time to arrange for reasonable assistance, please submit all such requests by June 3, 2016

April 25 , 2016

By Order of the Board of Directors,

Andrew R. Etkind

Vice President, General Counsel and Secretary

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting to be Held on June 10, 2016

This Proxy Statement, the 2015 Annual Report and Garmin's Annual

Report on Form 10-K for the fiscal year ended December 26, 2015, are available at
<http://materials.proxyvote.com/H2906T>

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PROXY STATEMENT

The accompanying proxy is solicited by the Board of Directors (“Board”) of Garmin Ltd., a Swiss company (“Garmin” or the “Company”), for use at the Annual General Meeting of Shareholders (the “Annual Meeting”) to be held at 5:00 p.m. Central European Time (10:00 a.m., U.S. Central Daylight Time), on Friday, June 10, 2016, simultaneously at the offices of the law firm of Homburger Ltd, Prime Tower, Hardstrasse 201, 8005 Zurich, Switzerland and at the offices of Garmin International, Inc., 1200 East 151st Street, Olathe, Kansas, 66062, USA, and at any adjournment(s) or postponement(s) thereof for the purposes set forth herein and in the accompanying Invitation to the Annual General Meeting of Shareholders. The two locations will be linked via a live video and audio link. This Proxy Statement and the accompanying proxy card are first being furnished to shareholders on or about April 25 , 2016

INFORMATION CONCERNING SOLICITATION AND VOTING

We are sending a Notice of Internet Availability of Proxy Materials (the “Notice”) to our beneficial owners of shares held in “street name” through a broker or other nominee (“Broker Customers”) and to participants in the Garmin International, Inc. Retirement Plan with a beneficial interest in our shares (“Plan Participants”), and we are mailing our proxy materials to shareholders whose shares are held directly in their names with our transfer agent, Computershare Trust Company, N.A. (“Record Holders”).

Proposals

At the Annual Meeting, the Board intends to ask you to vote on:

1. Election of Andrew Etkind as the ad hoc Chairman of the Annual Meeting;

2. Approval of Garmin’s 2015 Annual Report, including the consolidated financial statements of Garmin for the fiscal year ended December 26, 2015 and the statutory financial statements of Garmin for the fiscal year ended December 26, 2015;

3. Approval of the appropriation of available earnings;

4. Approval of the payment of a cash dividend in the aggregate amount of U.S. \$2.04 per outstanding share out of Garmin’s legal reserve from capital contribution in four equal installments;

5. Discharge of the members of the Board and the Executive Management from liability for the fiscal year ended December 26, 2015;

6. Re-election of five directors and election of one new director;

7. Re-election of Chairman;
8. Election of Compensation Committee members;
9. Re-election of the independent voting rights representative;

Ratification of the appointment of Ernst & Young LLP as Garmin's Independent Registered Public Accounting Firm for the fiscal year ending December 31, 2016 and re-election of Ernst & Young Ltd as Garmin's statutory auditor for another one-year term;

11. Advisory vote on executive compensation;

12. Binding vote to approve Fiscal Year 2017 maximum aggregate compensation for the Executive Management;

13. Binding vote to approve maximum aggregate compensation for the Board of Directors for the period between the 2016 Annual General Meeting and the 2017 Annual General Meeting;

14. Par Value Reduction; and

15. Cancellation of Formation Shares

Shareholders Entitled to Vote

April 15, 2016 is the record date (the "Record Date") for the Annual Meeting. On the Record Date there were 189,053,803 shares (excluding shares held by Garmin or any of its direct or indirect subsidiaries) outstanding and entitled to vote at the Annual Meeting. Shareholders registered in our share register at the close of business, U.S. Eastern Time, on the Record Date are entitled to vote at the Annual Meeting, except as provided below. Any additional shareholders who are registered in Garmin's share register on May 31, 2016 will receive a copy of the proxy materials after May 31, 2016 and are entitled to attend and vote, or grant proxies to vote, at the Annual Meeting. Shareholders not registered in Garmin's share register as of May 31, 2016 will not be entitled to attend, vote or grant proxies to vote at, the Annual Meeting. No shareholder will be entered in Garmin's share register as a shareholder with voting rights between the close of business on May 31, 2016 and the opening of business on the day following the Annual Meeting. Computershare Trust Company, N.A., which maintains Garmin's share register, will, however, continue to register transfers of Garmin's shares in the share register in its capacity as transfer agent during this period. Shareholders who are registered in Garmin's share register on May 31, 2016 but have sold their shares before the meeting date are not entitled to attend, vote or grant proxies to vote at, the Annual Meeting.

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Solicitation of Proxies

The cost of soliciting proxies will be borne by Garmin. In addition to soliciting shareholders by mail and through its regular employees not specifically engaged or compensated for that purpose, Garmin will request banks and brokers, and other custodians, nominees and fiduciaries to solicit their customers who have shares of Garmin registered in the names of such persons and, if requested, will reimburse them for their reasonable, out-of-pocket costs. Garmin may use the services of its officers, directors and others to solicit proxies, personally or by telephone, facsimile or electronic mail, without additional compensation.

Voting

Each shareholder is entitled to one vote on each proposal presented in this Proxy Statement for each share held. There is no cumulative voting in the election of directors. The required presence quorum for the transaction of business at the Annual Meeting is the presence in person or by proxy of shareholders holding not less than a majority of the shares entitled to vote at the meeting with abstentions, invalid ballots and broker non-votes regarded as present for purposes of establishing the quorum.

A shareholder who purchases shares from a registered holder after the Record Date but before May 31, 2016 and who wishes to vote his or her shares at the Annual Meeting must ask to be registered as a shareholder with respect to such shares in our share register prior to May 31, 2016. Registered holders of our shares (as opposed to beneficial shareholders) on May 31, 2016 who sell their shares prior to the Annual Meeting will not be entitled to vote those shares at the Annual Meeting.

Each of the proposals requires the affirmative vote of a majority of the share votes cast (in person or by proxy) at the Annual Meeting, excluding unmarked, invalid and non-exercisable votes and abstentions.

Members of our Board and members of Executive Management are not allowed to vote on the proposal to discharge the members of the Board and the Executive Management from liability for the fiscal year ended December 26, 2015.

Shareholder ratification of the appointment of Ernst & Young LLP as Garmin's Independent Registered Public Accounting Firm for the fiscal year ending December 31, 2016 is not legally required, but your views are important to the Audit Committee and the Board. If shareholders do not ratify the appointment of Ernst & Young LLP, our Audit Committee will reconsider the appointment of Ernst & Young LLP as Garmin's independent auditor.

The proposal relating to the advisory vote on executive compensation is advisory and non-binding on Garmin. However, the Compensation Committee of our Board will review voting results on this proposal and will give consideration to such voting.

Abstentions and Broker Non-Votes

Pursuant to Garmin's Articles of Association, (i) shares represented at the Annual Meeting which are not voted on any matter and (ii) shares which are represented by "broker non-votes" (i.e., shares held by brokers or nominees which are represented at the Annual Meeting but with respect to which the broker or nominee is not empowered to vote on a particular proposal pursuant to applicable New York Stock Exchange ("NYSE") rules) are not included in the determination of the shares voting on such matter. Therefore, shares represented at the Annual Meeting which are not voted on any matter and shares represented by "broker non-votes" will not be counted toward the determination of the majority required to approve the proposals submitted to the Annual Meeting and, therefore, will not have the effect of a vote against such proposals.

Although brokers have discretionary authority to vote shares of Broker Customers on "routine" matters, they do not have authority to vote shares of Broker Customers on "non-routine" matters under NYSE rules. We believe that the following proposals to be voted on at the Annual Meeting will be considered to be "non-routine" under NYSE rules and, therefore, brokers will not be able to vote shares owned by Broker Customers with respect to these proposals unless the broker receives instructions from such customers: Proposal No. 5 (discharge of the members of the Board and Executive Management from liability for the fiscal year ended December 26, 2015), Proposal No. 6 (re-election of five directors and election of one new director); Proposal No. 7 (re-election of Chairman); Proposal No. 8 (election of Compensation Committee members); Proposal No. 11 (advisory vote on executive compensation); Proposal No. 12 (binding vote to approve Fiscal Year 2017 maximum aggregate compensation for the Executive Management); and Proposal No. 13 (binding vote to approve maximum aggregate compensation for the Board of Directors for the period between the 2016 Annual Meeting and the 2017 Annual Meeting).

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How Shareholders Vote

Shareholders, Plan Participants and Broker Customers may vote (or in the case of Plan Participants, may direct the trustee of the Garmin International, Inc. Retirement Plan to vote) their shares as follows:

Shares of Record

Shareholders may only vote their shares if they or their proxies are present at the Annual Meeting. Shareholders may appoint as their proxy the independent voting rights representative, the law firm of Reiss + Preuss LLP, 200 West 41st Street, 20th Floor, New York, NY 10018, USA to vote their shares by checking the appropriate box on the enclosed proxy card and the independent voting rights representative will vote all shares for which it is the proxy as specified by the shareholders on the proxy card. A registered shareholder desiring to name as proxy someone other than the independent voting rights representative may do so by crossing out the name of the independent voting rights representative on the proxy card and inserting the full name of such other person. In that case, the shareholder must sign the proxy card and deliver it to the person named, and the person named must be present, present appropriate identification and vote at the Annual Meeting.

Shares owned by shareholders who have timely submitted a properly executed proxy card and specifically indicated their votes will be voted as indicated. Shares owned by shareholders who have timely submitted a properly executed proxy card and have not specifically indicated their votes instruct the independent voting rights representative to vote in the manner recommended by the Board. If any modifications to agenda items or proposals identified in the Invitation to the Annual Meeting or other matters on which voting is permissible under Swiss law are properly presented at the Annual Meeting for consideration, you instruct the independent voting rights representative, in the absence of other specific instructions, to vote in accordance with the recommendations of the Board.

We urge you to return your proxy card by the close of business, U.S. Central Time on June 6, 2016 to ensure that your proxy can be timely submitted.

Shares Held Under the Garmin International, Inc. Retirement Plan

On the voting instructions card, Plan Participants may instruct the trustee of our Retirement Plan how to vote the shares allocated to their respective participant accounts. The trustee will vote all allocated shares accordingly. Shares for which inadequate or no voting instructions are received will not be voted by the trustee. The trustee of our Retirement Plan may vote shares allocated to the accounts of the Plan Participants either in person or through a proxy.

Shares Held Through a Broker or Other Nominee

Each broker or nominee must solicit from the Broker Customers directions on how to vote the shares, and the broker or nominee must then vote such shares in accordance with such directions. Brokers or nominees are to forward the Notice to the Broker Customers, at the reasonable expense of Garmin if the broker or nominee requests reimbursement. See “Abstentions and Broker Non-Votes”.

Revoking Proxy Authorizations or Instructions

Until the polls for a particular proposal on the agenda close (or in the case of Plan Participants, until the trustee of the Retirement Plan votes), voting instructions or votes of Record Holders and voting instructions of Plan Participants may be revoked or recast with a later-dated, properly executed and delivered proxy card or, in the case of Plan Participants, a voting instruction card. Otherwise, shareholders may not revoke a vote, unless: (a) in the case of a Record Holder, the Record Holder either (i) attends the Annual Meeting and casts a ballot at the meeting or (ii) delivers a written revocation to the independent voting rights representative at any time before the Chairman of the Annual Meeting closes the polls for a particular proposal on the agenda; (b) in the case of a Plan Participant, the revocation procedures of the trustee of the Retirement Plan are followed; or (c) in the case of a Broker Customer, the revocation procedures of the broker or nominee are followed.

Attendance and Voting in Person at the Annual Meeting

Attendance at the Annual Meeting is limited to Record Holders or their properly appointed proxies, beneficial owners of shares having evidence of such ownership, and guests of Garmin. Plan Participants and Broker Customers, absent special direction to Garmin from the respective Retirement Plan trustee, broker or nominee, may only vote by instructing the trustee, broker or nominee and may not cast a ballot at the Annual Meeting. Record Holders may vote by casting a ballot at the Annual Meeting.

Security measures will be in place at the meeting, and briefcases, handbags and packages are subject to inspection. No cameras or recording devices of any kind, or signs, placards, banners or similar materials, may be used during the meeting. Anyone who refuses to comply with these requirements will not be admitted, or, if admitted, will be required to leave.

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STOCK OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

As of April 15, 2016, Garmin had outstanding 189,053,803 shares (excluding shares held by Garmin or any of its direct or indirect subsidiaries). The following table contains information as of April 15, 2016 concerning the beneficial ownership of shares by: (i) beneficial owners of shares who have publicly filed a report acknowledging ownership of more than 5% of the number of outstanding shares; (ii) each director and nominee; (iii) each executive officer named in the Summary Compensation Table; and (iv) all the directors and executive officers as a group. No officer or director of Garmin owns any equity securities of any subsidiary of Garmin. Unless otherwise indicated, the address for each person named below is c/o Garmin International, Inc., 1200 East 151st Street, Olathe, Kansas 66062, USA.

Name of Beneficial Owner	Amount and Nature of Beneficial Ownership	(1)	Percent of Class (2)
BlackRock, Inc. ⁽³⁾			
Shareholder	10,146,858	(3)	5.37%
Danny J. Bartel			
Vice President, Worldwide Sales of Garmin International, Inc.	200,817	(4)	*
Douglas G. Boessen			
CFO and Treasurer	4,247	(5)	*
Jonathan Burrell ⁽⁶⁾			
Shareholder	28,522,970	(6)	15.09%
Donald H. Eller, Ph.D			
Director	467,205	(7)	*
Andrew R. Etkind			
Vice President, General Counsel and Corporate Secretary	123,193	(8)	*
Joseph J. Hartnett			
Director	5,433	(9)	*
Min H. Kao, Ph.D			
Director and Executive Chairman	33,494,193	(10)	17.72%
Ruey-Jeng Kao ⁽¹¹⁾			
Shareholder	10,177,962	(11)	5.38%
Matthew Munn			
Vice President and Managing Director, Automotive OEM	4,709	(12)	*
Charles W. Peffer			
Director	28,940	(13)	*
Clifton A. Pemble			
Director, President and CEO	249,415	(14)	*
Thomas P. Poberezny			
Director	14,468	(15)	*
Rebecca R. Tilden			
Director Nominee	0		*
The Vanguard Group -23-1945930 ⁽¹⁶⁾			
Shareholder	9,688,158	(16)	5.12%
Directors and Executive Officers as a Group			

(10 persons) 34,592,620 ⁽¹⁷⁾ 18.30%

* *Less than 1% of the outstanding shares*

Beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission (“SEC”). In computing the number of shares beneficially owned by a person and the percentage ownership of that person, shares subject to options or stock appreciation rights held by that person that are currently exercisable as of April 15, 2016 or within 60 days of such date, and shares of restricted stock units that will be released to that person within 60 days of April 15, 2016 upon vesting of restricted stock unit awards, are deemed outstanding. The (1)holders may disclaim beneficial ownership of any such shares that are owned by or with family members, trusts or other entities. Except as indicated in the footnotes to this table and pursuant to applicable community property laws, to Garmin’s knowledge, each shareholder named in the table has sole voting power and dispositive power with respect to the shares set forth opposite such shareholder’s name. In addition, except as indicated in the footnotes to this table, to Garmin’s knowledge, each shareholder named in the table owns the shares set forth opposite such shareholder’s name directly.

(2) *The percentage is based upon the number of shares outstanding as of April 15, 2016 (excluding shares held directly or indirectly in treasury) and computed as described in footnote (1) above.*

(3) *Information is based on a Schedule 13G filed on February 9, 2016 by BlockRock, Inc. According to the Schedule 13G, BlackRock, Inc.’s address is 55 East 52^d Street, New York, NY 10055.*

Mr. Bartel’s beneficial ownership includes 67,500 shares that may be acquired through stock options and stock appreciation rights that are currently exercisable or will become exercisable within 60 days of April 15, 2016. In (4)addition to the 200,817 shares, 1,400 shares are held in an account on which Mr. Bartel’s spouse has signing authority, over which Mr. Bartel does not have any voting or dispositive power. Mr. Bartel disclaims beneficial ownership of the 1,400 shares held in the account on which his spouse has signing authority.

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- (5) *Mr. Boessen's beneficial ownership includes 2,536 shares that may be acquired through options that are currently exercisable or will become exercisable within 60 days of April 15, 2016.*

Information is based on a Schedule 13G Amendment No. 10 filed by Mr. Burrell on February 24, 2016. According to the Schedule 13G Amendment, Mr. Burrell's address is P.O. Box 507, Stillwell, Kansas 66085. According to the Schedule 13G Amendment, Mr. Burrell's beneficial ownership includes (i) 3,062,000 shares held in a revocable trust established by his father, Gary Burrell, and for which Jonathan Burrell is a co-trustee, as to which shares Jonathan Burrell has shared voting and dispositive power; (ii) 7,423,570 shares held in a revocable trust

- (6) *established by his mother and for which Jonathan Burrell is a co-trustee, as to which shares Jonathan Burrell has shared voting and dispositive power; (iii) 8,897,400 shares held in three charitable lead annuity trusts established by his father, Gary Burrell, and for which Jonathan Burrell is a co-trustee; (iv) 3,000,000 shares held in a Delaware limited liability company, as to which shares Mr. Burrell has shared voting and dispositive voting power; (v) 6,080,000 shares held in eight grantor retained annuity trusts established by his mother and for which Jonathan is a co-trustee; and (vi) 60,000 shares held in the reporting person's revocable trust, as to which shares Mr. Burrell has sole voting and dispositive power.*

- (7) *Dr. Eller's beneficial ownership includes 21,790 shares that may be acquired through options that are currently exercisable or will become exercisable within 60 days of April 15, 2016 and 2,551 shares that will be released to him within 60 days of April 15, 2016 upon vesting of restricted stock units awards.*

- (8) *Mr. Etkind's beneficial ownership includes 85,000 shares that may be acquired through stock options and stock appreciation rights that are currently exercisable or will become exercisable within 60 days of April 15, 2016.*

- (9) *Mr. Hartnett's beneficial ownership includes 2,551 shares that will be released to him within 60 days of April 15, 2016 upon vesting of restricted stock units awards.*

- (10) *Of the 33,494,193 shares, (i) 9,161,654 shares are held by the Min-Hwan Kao Revocable Trust 9/28/95, over which Dr. Kao has sole voting and dispositive power, and (ii) 24,332,539 shares are held by revocable trusts established by Dr. Kao's children over which Dr. Kao has shared voting and dispositive power. In addition to the 33,494,193 shares, 5,207,824 shares are held by a revocable trust established by Dr. Kao's wife, over which Dr. Kao does not have any voting or dispositive power. Dr. Kao disclaims beneficial ownership of the 5,207,824 shares held by the revocable trust established by his wife.*

- (11) *Mr. Kao's address is c/o Fortune Land Law Offices, 8th Floor, 132, Hsinyi Road, Section 3, Taipei, Taiwan. The 10,177,962 shares are held by Karuna Resources Ltd. Mr. Kao owns 100% of the voting power of Karuna Resources Ltd. Mr. Kao is the brother of Dr. Min Kao.*

- (12) *Mr. Munn's beneficial ownership includes 292 shares that will be released to him within 60 days of April 15, 2016 upon vesting of restricted stock units awards.*

- (13) *Mr. Peffer's beneficial ownership includes 13,653 shares that may be acquired through options that are currently exercisable or will become exercisable within 60 days of April 15, 2016 and 2,551 shares that will be released to him within 60 days of April 15, 2016 upon vesting of restricted stock units awards.*

- (14) *Mr. Pemble's beneficial ownership includes 182,013 shares that may be acquired through stock options and stock appreciation rights that are currently exercisable or will become exercisable within 60 days of April 15, 2016. Of the 249,415 shares, 500 shares are held by children of Mr. Pemble who share the same household.*

- (15) *Mr. Poberezny's beneficial ownership includes 5,981 shares that may be acquired through options that are currently exercisable or will become exercisable within 60 days of April 15, 2016 and 2,551 shares that will be released to him within 60 days of April 15, 2016 upon vesting of restricted stock units awards.*

- (16) *Information is based on a Schedule 13G filed on February 10, 2016 by The Vanguard Group – 23-1945930. According to the Schedule 13G, The Vanguard Group – 23-1945930's address is 100 Vanguard Blvd., Malvern, PA 19355.*

- (17) *The number includes 378,473 shares that may be acquired through stock options and stock appreciation rights that are currently exercisable or will become exercisable within 60 days of April 15, 2016, and 10,496 shares that will be released upon vesting of restricted stock unit awards within 60 days of April 15, 2016. Individuals in the group have disclaimed beneficial ownership as to a total of 5,209,224 of the shares listed.*

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PROPOSAL ONE Election of Andrew Etkind as the ad hoc Chairman of the Annual Meeting

Proposal 14 (par value reduction) and Proposal 15 (cancellation of Formation Shares) require amendments to Garmin's Articles of Association. In order for these amendments to take effect they must be carried out before a Swiss notary public and authenticated by such notary public in the form of a public deed (*öffentliche Urkunde*) and then registered with the Commercial Register (*Handelsregister*) of the Canton of Schaffhausen, Switzerland. A Swiss notary public can act only within the territory of the Swiss Canton where he or she is licensed as a notary public. Therefore, it is necessary for this Annual Meeting to be held in Switzerland. To facilitate attendance at the Annual Meeting by shareholders resident in the USA, we are holding the Annual Meeting simultaneously in Zurich, Switzerland and Olathe, Kansas with a live video and audio link between the two locations. Since the Chairman of the meeting and the notary public are both required to be at the Zurich location, the Board proposes that Mr. Andrew Etkind, Garmin's Vice President and General Counsel, who is based at Garmin's headquarters in Switzerland, be elected as ad hoc Chairman of this Annual Meeting for the purpose of complying with all the necessary formalities under Swiss law.

THE BOARD UNANIMOUSLY RECOMMENDS THAT YOU VOTE "FOR" THE ELECTION OF ANDREW ETKIND AS THE AD HOC CHAIRMAN OF THE MEETING.

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PROPOSAL TWO Approval of Garmin's 2015 Annual Report, including the consolidated financial statements of Garmin for the fiscal year ended December 26, 2015 and the statutory financial statements of Garmin for the fiscal year ended December 26, 2015

The consolidated financial statements of Garmin for the fiscal year ended December 26, 2015 and the Swiss statutory financial statements of Garmin for the fiscal year ended December 26, 2015 are contained in the 2015 Annual Report of Garmin on Form 10-K which was mailed to all registered shareholders with this proxy statement. A copy of this Annual Report on Form 10-K is available in the Investor Relations section of Garmin's website at www.garmin.com. The 2015 Annual Report on Form 10-K also contains the reports of Ernst & Young Ltd, Garmin's auditors pursuant to the Swiss Code of Obligations, and information on our business activities and financial situation.

Under Swiss law, the 2015 Annual Report on Form 10-K and the consolidated financial statements and Swiss statutory financial statements must be submitted to shareholders for approval at each annual general meeting.

Ernst & Young Ltd as Garmin's statutory auditor, has issued a recommendation to the Annual Meeting that the statutory financial statements of Garmin for the fiscal year ended December 26, 2015 be approved. As Garmin's statutory auditor, Ernst & Young Ltd has expressed its opinion that such statutory financial statements and the proposed appropriation of available earnings comply with Swiss law and Garmin's Articles of Association.

Ernst & Young Ltd has also issued a recommendation to the Annual Meeting that the consolidated financial statements of Garmin for the fiscal year ended December 26, 2015 be approved. As Garmin's statutory auditor, Ernst & Young Ltd has expressed its opinion that such consolidated financial statements present fairly, in all material respects, the consolidated financial position of Garmin, the consolidated results of operations and cash flows in accordance with accounting principles generally accepted in the United States (U.S. GAAP) and comply with Swiss law.

THE BOARD UNANIMOUSLY RECOMMENDS THAT YOU VOTE "FOR" APPROVAL OF THE 2015 ANNUAL REPORT, THE CONSOLIDATED FINANCIAL STATEMENTS OF GARMIN FOR THE FISCAL YEAR ENDED DECEMBER 26, 2015 AND THE STATUTORY FINANCIAL STATEMENTS OF GARMIN FOR THE FISCAL YEAR ENDED DECEMBER 26, 2015.

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PROPOSAL THREE Appropriation of available earnings

Under Swiss law, the appropriation of available earnings as set forth in Garmin's statutory financial statements must be submitted to shareholders for approval at each annual general meeting. The Board proposes the following appropriation of available earnings:

Proposed Appropriation of Available Earnings in Swiss Francs ("CHF")	
Balance brought forward from previous years	CHF (223,591,000)
Net earnings for the period (on a stand-alone unconsolidated basis):	CHF 717,889,000
Total net earnings:	CHF 494,298,000

Resolution proposed by the Board of Directors:

- RESOLVED, that the net earnings for the period of CHF 494,298,000 shall be carried forward.

THE BOARD UNANIMOUSLY RECOMMENDS THAT YOU VOTE "FOR" THE APPROPRIATION OF AVAILABLE EARNINGS.

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PROPOSAL FOUR Payment of a cash dividend in the aggregate amount of U.S. \$2.04 per outstanding share out of Garmin's legal reserve from capital contribution in four equal installments

Under Swiss law, the shareholders must approve the payment of any dividend or distribution at a general meeting. The Board proposes to the Annual Meeting that Garmin pay a cash dividend in the amount of U.S. \$2.04 per outstanding share out of Garmin's legal reserve from capital contribution payable in four equal installments at the dates determined by the Board in its discretion, as further specified in the proposed shareholder resolution set forth below. The Board currently expects that the dividend payment and record dates will be as follows:

Dividend Date	Record Date	\$ Per Share
June 30, 2016	June 16, 2016	\$0.51
September 30, 2016	September 15, 2016	\$0.51
December 30, 2016	December 14, 2016	\$0.51
March 31, 2017	March 15, 2017	\$0.51

The Board's dividend proposal has been confirmed to comply with Swiss law and Garmin's Articles of Association by Garmin's statutory auditor, Ernst & Young Ltd, a state-supervised auditing enterprise, representatives of which will be present at the Annual Meeting. The Board proposes the following resolutions with respect to the dividend:

Legal Reserve from Capital Contribution as per December 26, 2015 CHF 5,091,539,000

Resolutions proposed by the Board of Directors:

RESOLVED, that Garmin, out of, and limited at a maximum to the amount of, the Dividend Reserve (as defined below), pay a cash dividend in the amount of U.S. \$2.04 per outstanding share¹ out of Garmin's legal reserve from capital contribution payable in four equal installments at the dates determined by the Board of Directors in its discretion, the record date and payment date for each such installment to be announced in a press release² at least ten calendar days prior to the record date; and further

RESOLVED, that the cash dividend shall be made with respect to the outstanding share capital of Garmin on the record date for the applicable installment, which amount will exclude any shares of Garmin held by Garmin or any of its direct or indirect subsidiaries; and further

RESOLVED, that CHF 565,080,000³ be allocated to dividend reserves from capital contribution (the "Dividend Reserve") from the legal reserve from capital contribution in order to pay such dividend of U.S. \$2.04 per outstanding share (assuming a total of 208,077,418 shares⁴ eligible to receive the dividend); and further

CHF (565,080,000)

RESOLVED that if the aggregate dividend payment is lower than the Dividend Reserve, the relevant difference will be allocated back to the legal reserve from capital contribution; and further

RESOLVED, that to the extent that any installment payment, when converted into Swiss francs, at a USD/CHF exchange rate prevailing at the relevant record date for the relevant installment payment, would exceed the Dividend Reserve then remaining, the U.S. dollar per share amount of that installment payment shall be reduced on a pro rata basis, provided, however, that the aggregate amount of that installment payment shall in no event exceed the then remaining Dividend Reserve.

Legal Reserve from Capital Contribution after Dividend Reserve Allocation CHF 4,526,459,000

(1) In no event will the dividend payment exceed a total of U.S. \$2.04 per share.

(2) The announcements will not be published in the Swiss Official Gazette of Commerce.

Based on the currency conversion rate of 0.9861 as of December 26, 2015, with a total of 208,077,418 shares eligible for payout (based on the number of shares issued as at December 26, 2015), the aggregate Dividend Reserve would be CHF 565,080,000. The amount of the Dividend Reserve, calculated on the basis of the

(3) Company's issued shares as at December 26, 2015, includes a 35% margin to accommodate (i) unfavorable currency fluctuation and (ii) new share issuance (see footnote 4 below) that may occur between the time when the dividend is approved by shareholders and when the last installment payment is made. Unused dividend reserves will be returned to the legal reserve from capital contribution after the last installment payment.

(4) This number is based on the registered share capital as at December 26, 2015. The number of shares eligible for dividend payments may change due to the repurchase of shares, the sale of treasury shares or the issuance of new shares, including (without limitation) from the conditional share capital reserved for the employee profit sharing program.

THE BOARD UNANIMOUSLY RECOMMENDS THAT YOU VOTE "FOR" THE PAYMENT OF A CASH DIVIDEND IN THE AGGREGATE AMOUNT OF U.S. \$2.04 PER OUTSTANDING SHARE OUT OF GARMIN'S LEGAL RESERVE FROM CAPITAL CONTRIBUTION IN FOUR EQUAL INSTALLMENTS

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PROPOSAL FIVE Discharge of the members of the Board of Directors and the Executive Management from liability for the fiscal year ended December 26, 2015

In accordance with Article 698, paragraph 2, item 5 of the Swiss Code of Obligations, it is customary for Swiss companies to request shareholders at the annual general meeting to discharge the members of the Board of Directors and the Executive Management from personal liability for their activities during the preceding fiscal year. This discharge is only effective with respect to facts that have been disclosed to shareholders and only binds shareholders who either voted in favor of the proposal or who subsequently acquired shares with knowledge that shareholders have approved this proposal. In addition, shareholders who vote against this proposal, abstain from voting on this proposal, do not vote on this proposal, or acquire their shares without knowledge of the approval of this proposal, may bring, as a plaintiff, any claims in a shareholder derivative suit within six months after the approval of the proposal. After the expiration of the six-month period, such shareholders will generally no longer have the right to bring, as a plaintiff, claims in shareholder derivative suits against the directors and the management.

Pursuant to Article 23.1 of the Organizational Regulations of Garmin Ltd., the Executive Management consists of the Chief Executive Officer and such other officers expressly designated by the Board to be members of the Executive Management. The Board has designated the Chief Executive Officer and the Chief Financial Officer to be the members of Executive Management.

THE BOARD UNANIMOUSLY RECOMMENDS THAT YOU VOTE “FOR” THE DISCHARGE OF THE MEMBERS OF THE BOARD AND THE EXECUTIVE MANAGEMENT FROM LIABILITY FOR THE FISCAL YEAR ENDED DECEMBER 26, 2015.

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PROPOSAL SIX Re-election of five directors and election of one new director

Pursuant to Swiss law and our Articles of Association, the members of our Board of Directors must be elected annually and individually for a term extending until completion of the next annual general meeting.

The Board has nominated the following persons, each of whom is currently a director of Garmin, to stand for re-election for a term extending until completion of the annual general meeting in 2017: Donald H. Eller, Joseph J. Hartnett, Min H. Kao, Charles W. Peffer and Clifton A. Pemble. The Board has also nominated Rebecca R. Tilden to stand for election for a term extending until completion of the annual general meeting in 2017.

References to the length of time during which (and, in the case of persons who are employees of Garmin, the positions in which they have served) the nominees for re-election have served as directors and/ or employees of Garmin in their biographies included in this section of this Proxy Statement refer to their service as directors and/or officers of both (i) Garmin Ltd., a Cayman Islands company (“Garmin Cayman”) which was the ultimate parent holding company of the Garmin group of companies until June 27, 2010 and (ii) Garmin Ltd., a Swiss company, which became the ultimate parent holding company of the Garmin group of companies on June 27, 2010 pursuant to a scheme of arrangement under Cayman Islands law that was approved by the shareholders of Garmin Cayman on May 20, 2010.

Dr. Eller, Mr. Hartnett, Dr. Kao, Mr. Peffer, Mr. Pemble and Ms. Tilden have each indicated that they are willing and able to continue to serve as directors if re-elected or, in the case of Ms. Tilden, to serve if elected, and have consented to being named as nominees in this Proxy Statement.

Donald H. Eller, age 73, has served as a director of Garmin since March 2001. Dr. Eller has been a private investor since January 1997. From September 1979 to November 1982 he served as the Manager of Navigation System Design for a division of Magnavox Corporation. From January 1984 to December 1996, he served as a consultant on Global Positioning Systems and other navigation technology to various U.S. military agencies and U.S. and foreign corporations. Dr. Eller holds B.S., M.S. and Ph.D. degrees in Electrical Engineering from the University of Texas. Dr. Eller has not been a member of the board of directors of any other entity during the last five years.

The Board has concluded that Dr. Eller should be nominated for re-election as a director of Garmin because: (1) his significant experience in the navigation and GPS fields provides the Board with valuable experience in the technology utilized by Garmin and its potential applications; (2) he meets the requirements to be an independent director as defined in the listing standards for the NASDAQ Global Select Market; and (3) he satisfies the general criteria described below under “Nominating and Corporate Governance Committee”.

Joseph J. Hartnett, age 60, has been a director of Garmin since June 2013. Mr. Hartnett served as President and Chief Executive Officer of Ingenient Technologies, Inc., a multimedia software development company headquartered in Rolling Meadows, Illinois, from April 2008 through November 2010. He joined Ingenient as Chief Operating Officer in September 2007. Mr. Hartnett left Ingenient following the sale of the company and completion of post-sale activities. Prior to Ingenient, Mr. Hartnett served as President and Chief Executive Officer of U.S. Robotics Corporation, a global Internet communications product company headquartered in Schaumburg, Illinois, from May 2001 through October 2006. He was Chief Financial Officer of U.S. Robotics from June 2000 to May 2001. Prior to U.S. Robotics, Mr. Hartnett was a partner with Grant Thornton LLP where he served for over 20 years in various leadership positions at the regional, national and international level. Mr. Hartnett is a licensed Certified Public Accountant in the State of Illinois and holds a Bachelor's degree in Accounting from the University of Illinois at Chicago. Mr. Hartnett has been a director of Sparton Corporation (NYSE: SPA) since September 2008 and was chairman of the board of directors of Sparton from October 2014 to February 2016. In February 2016 Mr. Hartnett was appointed as interim president and chief executive officer of Sparton. Mr. Hartnett served as a member of the audit committee of Sparton from September 2008 to February 2016. He is a past chairman of the audit committee, past member of the compensation committee and past member of the nominating and corporate governance committee of Sparton. Mr. Hartnett was a director of Crossroads Systems, Inc. (NASDAQ: CRDS) from March 2011 to June 2013. Mr. Hartnett previously served as chairman of the audit committee at Crossroads and as a member of the compensation committee and of the nominating and corporate governance committee. He is also a former director of both U.S. Robotics Corporation and Ingenient Technologies, Inc.

The Board has concluded that Mr. Hartnett should be nominated for re-election as a director of Garmin because: (1) his 20 years of experience as a Certified Public Accountant with Grant Thornton LLP and his experience as the chairman of the audit committee of two other public companies gives him strong qualifications to be a member of the Audit Committee of the Board, and he qualifies as an "audit committee financial expert" as defined by the SEC regulations implementing Section 407 of the Sarbanes-Oxley Act of 2002; (2) he has significant industry experience as a senior executive in the areas of international business, operations management, executive leadership, strategic planning and finance, as well as extensive corporate governance, executive compensation and financial experience; (3) he meets the requirements to be an independent director as defined in the listing standards for the NASDAQ Global Select Market; and (4) he satisfies the general criteria described below under "Nominating and Corporate Governance Committee".

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Min H. Kao, age 67, has served as Executive Chairman of Garmin since January 2013. Dr. Kao served as Chairman of Garmin from September 2004 to December 2012 and was previously Co-Chairman of Garmin from August 2000 to August 2004. He served as Chief Executive Officer of Garmin from August 2002 to December 2012 and previously served as Co-Chief Executive Officer from August 2000 to August 2002. Dr. Kao has served as a director and officer of various subsidiaries of Garmin since August 1990. Dr. Kao holds Ph.D. and MS degrees in Electrical Engineering from the University of Tennessee and a BS degree in Electrical Engineering from National Taiwan University. Dr. Kao has not been a member of the board of directors of any entity other than Garmin or various subsidiaries of Garmin during the last five years.

The Board has concluded that Dr. Kao should be nominated for re-election as a director of Garmin because: (1) he is one of the co-founders of Garmin and its various subsidiaries; (2) he possesses over 25 years of experience in Garmin's operations and has a high level of relevant technical and business knowledge and experience; (3) he is uniquely positioned to understand Garmin's vision and values; and (4) he satisfies the general criteria described below under "Nominating and Corporate Governance Committee".

Charles W. Peffer, age 68, has been a director of Garmin since August 2004. Mr. Peffer was a partner in KPMG LLP and its predecessor firms from 1979 to 2002 when he retired. He served in KPMG's Kansas City office as Partner in Charge of Audit from 1986 to 1993 and as Managing Partner from 1993 to 2000. Mr. Peffer is a director of Sensata Technologies Holding N.V., NPC International, Inc., HDSupply Holdings, Inc. and of the Commerce Funds, a family of seven mutual funds.

The Board has concluded that Mr. Peffer should be nominated for re-election as a director of Garmin because: (1) his significant experience with KPMG and its predecessor firms gives him strong qualifications to be a member of the Audit Committee of the Board, and he qualifies as an "audit committee financial expert" as defined by the SEC regulations implementing Section 407 of the Sarbanes-Oxley Act of 2002; (2) he meets the requirements to be an independent director as defined in the listing standards for the NASDAQ Global Select Market; and (3) he satisfies the general criteria described below under "Nominating and Corporate Governance Committee".

Clifton A. Pemble, age 50, has served as a director of Garmin since August 2004 and has been President and Chief Executive Officer of Garmin since January 2013. Mr. Pemble served as President and Chief Operating Officer of Garmin from October 2007 to December 2012. He has served as a director and officer of various subsidiaries of Garmin since August 2003. He has been President and Chief Executive Officer of Garmin International, Inc. since January 2013. Previously, he served as Chief Operating Officer of Garmin International, Inc. from October 2007 to

December 2012 and he was Vice President, Engineering of Garmin International, Inc. from 2005 to October 2007, Director of Engineering of Garmin International, Inc. from 2003 to 2005, Software Engineering Manager of Garmin International, Inc. from 1995 to 2002, and a Software Engineer with Garmin International, Inc. from 1989 to 1995. Garmin International, Inc. is a subsidiary of Garmin. Mr. Pemble holds BA degrees in Mathematics and Computer Science from MidAmerica Nazarene University. Mr. Pemble has not been a member of the board of directors of any entity other than Garmin and various subsidiaries of Garmin during the last five years.

The Board has concluded that Mr. Pemble should be nominated for re-election as a director of Garmin because: (1) he has served Garmin and its various operating subsidiaries in many important roles for over 25 years; (2) he has a high level of relevant technical and business knowledge and experience; (3) he has a keen understanding of Garmin's vision and values; and (4) he satisfies the general criteria described below under "Nominating and Corporate Governance Committee".

Rebecca R. Tilden, age 61, has been an independent consultant on corporate governance, compliance and risk management since 2012. She served as Senior Vice President, General Counsel and Secretary of Applebee's International, Inc. from 2003 to 2007. Following the acquisition of Applebee's by DineEquity, Inc., she was Vice President and Brand Counsel of DineEquity from 2007 to 2012 and Interim General Counsel in 2010. Prior to joining Applebee's, Ms. Tilden served as Vice President, Assistant General Counsel and Secretary of Aventis Pharmaceuticals, Inc. (formerly, Marion Laboratories, Inc.). Since 2014, Ms. Tilden has been Chair of the Board of Public Television 19, Inc. a non-profit corporation which operates the PBS television station in Kansas City. She has been a member of its board of directors since 2006 and has also served on its Executive and Audit Committees. Ms. Tilden holds a BS degree from Iowa State University and a JD degree from the University of Iowa and is a licensed attorney in Missouri and Kansas.

The Board has concluded that Ms. Tilden should be nominated for election as a director of Garmin because: (1) she has significant experience in corporate governance, compliance and risk management; (2) her prior experience as in-house counsel and as chief legal officer of a public company has provided her with significant hands-on experience in a broad range of legal matters, including compliance, litigation management, acquisitions and complex contracts; (3) she meets the requirements to be an independent director as defined in the listing standards for the NASDAQ Global Select Market; and (4) she satisfies the general criteria described below under "Nominating and Corporate Governance Committee".

THE BOARD UNANIMOUSLY RECOMMENDS THAT YOU VOTE "FOR" ELECTION OF EACH OF THESE NOMINEES.

Director Independence

The Board has determined that Dr. Eller, Mr. Hartnett, Mr. Peffer and Mr. Poberezny, who constitute a majority of the Board, are independent directors as defined in the listing standards for the NASDAQ Global Select Market. The Board has also determined that Ms. Tilden would be an independent director as defined in the listing standards for the NASDAQ Global Select Market if she is elected to the Board at the Annual Meeting.

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Board Meetings and Standing Committee Meetings

Meetings

The Board held four meetings and took action by unanimous written consent four times during the fiscal year ended December 26, 2015. Four executive sessions of the independent directors were held in 2015. The Board has established three standing committees: the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee (the “Nominating Committee”). During the 2015 fiscal year, the Audit Committee held four meetings and took action by unanimous written consent once, the Compensation Committee held five meetings and took action by unanimous written consent once, and the Nominating Committee held two meetings and took action by written consent once. Each director attended at least 75% of the aggregate of: (1) the total number of meetings of the Board and (2) the total number of meetings held by all committees on which such director served. It is Garmin’s policy to encourage directors to attend Garmin’s annual general meeting. All of the directors of Garmin attended the 2015 annual general meeting.

Audit Committee

Messrs. Peffer (Chairman), Hartnett and Poberezny serve as the members of the Audit Committee. The Board has adopted a written charter for the Audit Committee, a copy of which is available on Garmin’s website at www.garmin.com. The functions of the Audit Committee include overseeing Garmin’s financial reporting processes on behalf of the Board, and appointing, and approving the fee arrangement with Ernst & Young LLP, Garmin’s independent registered public accounting firm and Ernst & Young Ltd, Garmin’s statutory auditor. The Board has determined that Mr. Hartnett and Mr. Peffer are “audit committee financial experts” as defined by the SEC regulations implementing Section 407 of the Sarbanes-Oxley Act of 2002. The Board has determined that all the members of the Audit Committee are independent (as defined by the listing standards of the NASDAQ Global Select Market). If elected to the Board at the Annual Meeting, it is expected that Ms. Tilden would replace Mr. Poberezny as a member of the Audit Committee.

Compensation Committee

Messrs. Poberezny (Chairman), Eller, Hartnett and Peffer serve as the members of the Compensation Committee. Our Articles of Association provide that the Compensation Committee shall, among other things, (1) consider and make recommendations to the Board of Directors; (2) assist the Board of Directors in discharging its responsibilities relating to compensations and related disclosure of the members of Executive Management, including the development of policies relating to Executive Management compensation and benefit programs; and (3) prepare and recommend to the Board of Directors the proposals of the Board of Directors to the general meeting of the shareholders regarding the compensation of the Board of Directors and the Executive Management. In addition, the Board has adopted a written charter for the Compensation Committee, a copy of which is available on Garmin’s website at www.garmin.com. The

primary responsibilities of the Compensation Committee are to (a) review, approve and oversee Garmin's compensation philosophy, policies and objectives for executives and principal senior officers, as well as the programs, plans, practices and procedures for their implementation in a manner that is consistent with corporate strategies and goals; (b) ensure that Garmin's compensation programs and practices are effective in attracting, retaining and motivating highly qualified personnel (c) with respect to compensation of the Executive Chairman, Chief Executive Officer ("CEO") and other principal senior officers, annually: (i) review and approve the corporate goals and objectives that are aligned with the achievement of the Company's long-term strategic plans, (ii) evaluate their performance in light of those goals and objectives; (iii) determine the CEO's compensation level, as well as the components and structure of his or her compensation package, based on his or her performance evaluation, recent compensation history, and the application of any policies and procedures established by the Compensation Committee; (iv) oversee and approve the respective compensation levels, as well as the components and structure of the respective compensation packages, recommended by the CEO of the other principal senior officers based on their respective performance evaluations, recent compensation history, and the application of any policies or procedures established by the Compensation Committee; and (v) review and approve any employment, change of control, termination or other agreements with the CEO, as well as other principal senior officers, and any amendments to such agreements, (d) with respect to compensation policies for all employees, including non-executive officers, to: (i) periodically determine whether such policies and practices create risks that are reasonably likely to have a material adverse effect on the Company; (ii) consider modifying, or directing Garmin to modify, policies and practices that the Compensation Committee deems to create such risks; and (iii) approve disclosures required to be included in Garmin's annual meeting proxy statement; (e) prepare and recommend to the Board the proposals for submission at the general meeting of shareholders regarding the maximum aggregate compensation of the members of the Board (for the upcoming term of office) and the Company's executives (for the following fiscal year), as required under applicable Swiss law; (f) review and discuss with management the proposed Compensation Discussion and Analysis section ("CD&A") of Garmin's annual meeting proxy statement and, based on such review and discussion, make a recommendation to the Board regarding inclusion of the CD&A in the proxy statement; and produce the annual disclosures required by applicable SEC rules and regulations and the relevant listing authority; (g) recommend to the Board changes in the amount, components and structure of compensation paid to the non-employee members of the Board for their service on the Board or its committees; (h) serve as the committee administering any equity-based compensation plans adopted by the Company; (i) approve, or, if required, submit for approval by shareholders, all new equity-based plans and any amendments to such plans; (j) review the design and oversee the administration of Garmin's broad based employee compensation and benefit programs in a manner that is consistent with the Garmin's compensation philosophy and long-term strategic plan; and (k) with input from the Board, annually review with

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management the plans for the orderly development and succession of all principal senior officers. The Board has determined that all the members of the Compensation Committee are independent (as defined by the listing standards of the NASDAQ Global Select Market). The processes and procedures for considering and determining executive compensation, including the Compensation Committee's authority and role in the process, its delegation of authority to others, and the roles of Garmin executives and third-party executive compensation consultants in making decisions or recommendations on executive compensation, are described in "Executive Compensation Matters – Compensation Discussion and Analysis" below. Pursuant to Swiss law, the members of the Compensation Committee are elected annually by the shareholders at the annual general meeting. If Ms. Tilden is elected to the Board and to the Compensation Committee at the Annual Meeting, Ms. Tilden would replace Mr. Poberezny as a member of the Compensation Committee. If Mr. Hartnett is re-elected to the Board and to the Compensation Committee at the Annual Meeting, it is expected that he would be appointed as Chairman of the Compensation Committee.

Nominating and Corporate Governance Committee

Messrs. Eller (Chairman), Hartnett, Peffer and Poberezny serve as the members of the Nominating and Corporate Governance Committee (the "Nominating Committee"). The Board has adopted a written charter for the Nominating Committee. A copy of the Nominating Committee Charter is available on Garmin's website at www.garmin.com. The primary responsibilities of the Nominating Committee are to (a) evaluate the current composition, size, role and functions of the Board and its committees to oversee successfully the business and affairs of Garmin and make recommendations to the Board for approval, except with respect to the size of the Board, make recommendations to the Board for submission to shareholders for approval; (b) determine director selection criteria and conduct searches for prospective directors whose skills and attributes reflect these criteria; (c) recommend and evaluate nominees for election to the Board; (d) evaluate and make recommendations to the Board concerning the appointment of directors to serve on each standing committee and the selection of Board committee chairpersons, except that, as required by mandatory Swiss law, members of the Compensation Committee shall be elected by the shareholders; (e) evaluate and make recommendations to the Board of a nominee for election by the shareholders to serve as Chairman of the Board; (f) evaluate prior to each annual general meeting, and report to the Board on, the financial literacy of the Audit Committee members and whether the Audit Committee has at least one Audit Committee Financial Expert and one Audit Committee member who has accounting or related financial management expertise; (g) evaluate prior to each annual general meeting, and report to the Board on, the independence of director nominees and Board members under applicable laws, regulations, and stock exchange listing standards; (h) create and implement a process for the Board to annually evaluate its own performance; (i) oversee a Company orientation program for new directors and a continuing education program for current directors; (j) recommend to the Board Corporate Governance Guidelines; (k) review periodically the Corporate Governance Guidelines and recommend such modifications to the Board as the Governance Committee deems appropriate; (l) oversee Garmin's corporate governance practices, including reviewing and recommending to the Board for approval any changes to the other documents and policies in the Company's corporate governance framework, including its articles of association and organizational regulations; (m) verify that the Board and each Board committee has annually evaluated its own performance; (n) review and/ or investigate any matters pertaining to the integrity of management or the Board or any committee thereof; (o) annually evaluate the Governance Committee's own performance and periodically evaluate the adequacy of its Charter; and (p) report to the Board on Nominating Committee actions (other than routine or administrative actions). The Board has determined that all the members of the Nominating Committee are independent (as defined by the listing standards of the NASDAQ Global Select Market).

In selecting candidates for nomination at the annual general meeting of Garmin's shareholders, the Nominating Committee begins by determining whether the incumbent directors desire and are qualified to continue their service on the Board. The Nominating Committee is of the view that the continuing service of qualified incumbents promotes stability and continuity in the board room, giving the Board the familiarity and insight into Garmin's affairs that its directors have accumulated during their tenure, while contributing to their work as a collective body. Accordingly, it is the policy of the Nominating Committee, absent special circumstances, to nominate qualified incumbent directors who continue to satisfy the Nominating Committee's criteria for membership on the Board, whom the Nominating Committee believes will continue to make a valuable contribution to the Board and who consent to stand for reelection and, if reelected, to continue their service on the Board. If there are Board vacancies and the Nominating Committee does not re-nominate a qualified incumbent, the Nominating Committee will consider and evaluate director candidates recommended by the Board, members of the Nominating Committee, management and any shareholder owning one percent or more of Garmin's outstanding shares.

The Nominating Committee will use the same criteria to evaluate all director candidates, whether recommended by the Board, members of the Nominating Committee, management or a one percent shareholder. The Nominating Committee has adopted the policy that a shareholder owning one percent or more of Garmin's outstanding shares may recommend director candidates for consideration by the Nominating Committee by writing to the Company Secretary, by facsimile at +41 52 630 1601 or by mail at Garmin Ltd., Mühlentalstrasse 2, 8200 Schaffhausen, Switzerland. The recommendation must contain the proposed candidate's name, address, biographical data, a description of the proposed candidate's business experience, a description of the proposed candidate's qualifications for consideration as a director, a representation that the nominating shareholder is a beneficial or record owner of one percent or more of Garmin's outstanding shares (based on the number of outstanding shares reported on the cover page of Garmin's most recently filed Annual Report on Form 10-K) and a statement of the number of Garmin shares owned by such shareholder. The recommendation must also be accompanied by the written consent of the proposed candidate to be named as a nominee and to serve as a director of Garmin if nominated and elected. A shareholder may not recommend him or herself as a director candidate.

The Nominating Committee requires that a majority of Garmin's directors be independent and that any independent director candidate meet the definition of an independent director under the listing standards of the NASDAQ Global Select Market. The Nominating Committee also requires that at least one independent director qualify as an audit committee financial expert. The Nominating Committee also requires that an independent director candidate should have either (a) at least ten years' experience at a policy-making level or other level with significant decision-making responsibility in an organization or institution or (b) a high level of technical knowledge or business experience relevant to Garmin's technology or industry. In addition, the Nominating Committee requires that an independent director candidate have such financial expertise, character, integrity, ethical standards, interpersonal skills and time to devote to Board matters as would reasonably be considered to be appropriate in order for the director to carry out his or her duties as a director.

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In evaluating a director candidate (including the nomination of an incumbent director), the Nominating Committee considers, among other things, whether the candidate meets the Nominating Committee's requirements for independent director candidates, if applicable. The Nominating Committee also considers a director candidate's skills and experience and diversity of background and perspective (inclusive of race, gender and ethnicity) in the context of the perceived needs of the Board at the time of consideration. Additionally, in recommending an incumbent director for re-election, the Nominating Committee considers the nominee's prior service to Garmin's Board and continued commitment to service on the Board. The Nominating Committee believes that the composition of the Board should reflect a diversity of experience, race, gender and ethnicity and seeks to include individuals from diverse backgrounds (inclusive of race, gender and ethnicity) with varying perspectives, professional experience, education and skills in the pool from which nominees for vacancies on the Board are chosen.

If elected to the Board at the Annual Meeting, it is expected that Ms. Tilden would replace Mr. Poberezny on the Nominating Committee.

Board Leadership Structure and Role in Risk Oversight

Prior to January 1, 2013, Min H. Kao was both Chairman of the Board and Chief Executive Officer. On January 1, 2013, Dr. Kao became Executive Chairman of the Board, and Clifton A. Pemble became President and Chief Executive Officer, thereby causing the positions of Chairman of the Board and Chief Executive Officer to be split between Dr. Kao and Mr. Pemble. The Board believes this Board leadership structure is appropriate and desirable because Mr. Pemble is well-positioned to be Chief Executive Officer since he has been at Garmin since 1989 and held a number of leadership positions prior to becoming Chief Executive Officer on January 1, 2013, including President and Chief Operating Officer, and Dr. Kao's continued contribution as Executive Chairman adds significant value because he is a co-founder of Garmin, which gives him a unique perspective of the company's history, vision and values. In addition, because of his significant ownership of Garmin shares, Dr. Kao's interests are aligned with those of Garmin's shareholders.

Garmin does not have a lead independent director. Instead, all of the independent directors play an active role on the Board. The independent directors make up a majority of the Board, and a majority of the independent directors are or have been leaders in industry with a history of exercising critical thought and sound judgment.

The entire Board performs the risk oversight role. Garmin's Chief Executive Officer is a member of the Board, and Garmin's Chief Financial Officer and its General Counsel regularly attend Board meetings, which helps facilitate discussions regarding risk between the Board and Garmin's senior management, as well as the exchange of risk-related information or concerns between the Board and the senior management. Further, the independent directors meet in executive session at the majority of the regularly scheduled Board meetings to voice their observations or concerns and to shape the agendas for future Board meetings.

The Board believes that, with these practices, each director has an equal stake in the Board's actions and oversight role and equal accountability to Garmin and its shareholders.

Compensation and Risk

Garmin regularly assesses risks related to compensation programs, including our executive compensation programs. Garmin does not believe that there are any risks arising from Garmin's compensation policies and practices that are reasonably likely to have a material adverse effect on Garmin.

Shareholder Communications with Directors

The Board has established a process to receive communications from shareholders. Shareholders may communicate with the Board or with any individual director of Garmin by writing to the Board or such individual director in care of Garmin's Corporate Secretary, by facsimile at +41 52 630 1601 or by mail at Garmin Ltd., Mühlentalstrasse 2, 8200 Schaffhausen, Switzerland. All such communications must identify the author as a shareholder, state the number of shares owned by the author and state whether the intended recipients are all members of the Board or just certain specified directors. The Company Secretary will make copies of all such communications and send them to the appropriate director or directors.

Compensation Committee Interlocks and Insider Participation; Certain Relationships

None of the members of the Compensation Committee is, or has ever been, an officer or employee of Garmin or any of its subsidiaries. Garmin had no compensation committee interlocks for the fiscal year ended December 26, 2015.

Garmin has adopted a written policy for the review by the Audit Committee of transactions in which Garmin is a participant and any related person will have a direct or indirect material interest in the transaction. This policy is generally designed to cover those related party transactions that would be required to be disclosed in a proxy statement, annual report on Form 10-K or registration statement pursuant to Item 404(a) of Regulation S-K. However, the policy is more encompassing in that the amount involved in a transaction covered by the policy must only exceed \$60,000 while disclosure under Item 404(a) is required only if the amount involved exceeds \$120,000. The policy defines the terms "transaction" and "related person" in the same manner as Item 404(a) of Regulation S-K.

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If the nature of the timing of a related party transaction is such that it is not practical to obtain advance approval by the Audit Committee, then management may enter into it, subject to ratification by the Audit Committee. If ratification is not subsequently obtained, then management must take all reasonable efforts to cause the related person transaction to be null and void.

The Audit Committee will approve or ratify only those related party transactions that it determines in good faith are in, or are not inconsistent with, the best interests of Garmin and its shareholders. In making that determination, the Audit Committee shall consider all of the relevant facts and circumstances available to it, including the benefits to Garmin and whether the related party transaction is on terms and conditions comparable to those available in arms-length dealing with an unrelated third party that can provide comparable products or services.

The Audit Committee will also annually review ongoing related party transactions after considering all relevant facts and circumstances. The Audit Committee will then determine if those transactions should be terminated or modified based on whether it is still in the best interests, or not inconsistent with the best interests, of Garmin and its shareholders.

Non-Management Director Compensation

Each Garmin director, who is not an officer or employee of Garmin, or of a subsidiary of Garmin, is compensated for service on the Board and its committees. The annual director compensation package at Garmin is designed to attract and retain highly-qualified, independent professionals to represent Garmin's shareholders.

Each director, who is not an officer or employee of Garmin or its subsidiaries (a "Non-Management Director"), is paid an annual retainer of \$85,000. Each Non-Management Director, who chairs a standing committee of the Board (other than the Audit Committee), also receives an annual retainer of \$5,000. The Non-Management Director who chairs the Audit Committee receives an annual retainer of \$10,000. Each Non-Management Director also receives an annual award of restricted stock units valued at \$125,000.

The maximum aggregate compensation for the Board of Directors for the period between the 2016 Annual General Meeting and the 2017 Annual General Meeting submitted to shareholders for approval under proposal no. 13 reflects the above compensation program for Non-Management Directors, and also includes an annual salary for our Executive Chairman.

Garmin does not have formal stock ownership guidelines for its directors.

2015 Non-Management Director Compensation

The following table shows the compensation paid to our Non-Management Directors in 2015:

Name	Fees Earned or Paid in Cash (\$)	Stock Awards
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