

RAMBUS INC  
Form 8-K  
August 22, 2012

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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported)

August 22, 2012

Rambus Inc.

(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of  
incorporation)

000-22339  
(Commission File Number)

94-3112828  
(I. R. S. Employer  
Identification No.)

1050 Enterprise Way, Suite 700, Sunnyvale, California 94089  
(Address of principal executive offices, including ZIP code)

(408) 462-8000  
(Registrant's telephone number, including area code)

Not Applicable  
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- .. Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - .. Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - .. Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - .. Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 5.02 — Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On August 22, 2012, Rambus Inc. (the "Company") issued a press release announcing a restructuring of the Company. Included in that press release, the Company announced that Sharon Holt, senior vice president and general manager, semiconductor business group, will resign from her position effective August 30, 2012. A copy of the press release issued by the Company is attached hereto as Exhibit 99.1 and is incorporated by reference herein. The information in the press release shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act") or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language in such filing.

Item 8.01 — Other Events.

On August 22, 2012, the Company issued a press release announcing a restructuring of the Company resulting in expected overall cash savings of \$30-\$35 million annually. The reductions in expense and associated workforce will begin in the coming weeks and are expected to be completed during the fourth quarter of 2012. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated by reference herein for information concerning the restructuring. The information in the press release shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act") or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language in such filing.

Item 9.01 — Financial Statements and Exhibits.

(d) Exhibits.

99.1 Press release dated August 22, 2012.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: August 22, 2012

Rambus Inc.

/s/ Satish Rishi  
Satish Rishi, Senior Vice President, Finance  
and  
Chief Financial Officer

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Exhibit Index

Exhibit Number	Exhibit Title
99.1	Press release dated August 22, 2012.

at, the Extraordinary Meeting. At the Record Date, the Company had issued and outstanding 108,432,396 Common Shares.

**Solicitation of Proxies**

The cost of soliciting proxies will be borne by the Company. In addition to soliciting shareholders by mail and through its regular employees not specifically engaged or compensated for that purpose, the Company will request banks and brokers, and other custodians, nominees and fiduciaries to solicit their customers who have shares of the Company registered in the names of such persons and, if requested, will reimburse them for their reasonable, out-of-pocket costs. The Company 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 the proposal presented in this Proxy Statement for each share held as of the Record Date. The required quorum for the transaction of business at the Extraordinary Meeting is the presence in person or by proxy of shareholders holding not less than a majority of the Common Shares issued and outstanding on the Record Date. The affirmative vote of a majority of the Common Shares represented and voting at the Extraordinary Meeting in person or by proxy is required for the approval of the proposed stock split.

**Abstentions and Broker Non-Votes**

Pursuant to Cayman Islands law, (i) Common Shares represented at the Extraordinary Meeting whose votes are withheld on any matter, and (ii) Common Shares represented by broker non-votes (*i.e.*, shares held by brokers or nominees which are represented at the Extraordinary Meeting but as to which the broker or nominee is not empowered to vote on a particular proposal) are not included in the determination of the shares voting on such matter but are counted for quorum purposes. Therefore, abstentions and broker non-votes will have no effect on the proposal being voted on at the Extraordinary

Meeting since approval of the proposal requires the affirmative vote of a majority of the outstanding Common Shares actually voting on the proposal.

### **How Shareholders Vote**

Shareholders holding Common Shares in their own names on the Record Date ( *Record Holders* ), persons ( *Plan Participants* ) holding Common Shares on the Record Date through the Garmin International, Inc. 401(k) and Pension Plan (the *401(k) Plan* ) and investors ( *Broker Customers* ) holding Common Shares on the Record Date through a broker or other nominee, may vote such shares as follows:

#### *Common Shares of Record*

Record Holders may only vote their shares if they or their proxies are present at the Extraordinary Meeting. Record Holders may appoint as their proxy the Proxy Committee, which consists of officers of the Company whose names are listed on the Proxy Card. The Proxy Committee will vote all Common Shares for which it is the proxy as specified by the shareholders on the Proxy Cards. A Record Holder desiring to name as proxy someone other than the Proxy Committee may do so by crossing out the names of the Proxy Committee members on the Proxy Card and inserting the full name of such other person. In that case, the Record Holder must sign the Proxy Card and deliver it to the person named, and the person named must be present and vote at the Extraordinary Meeting.

If a properly executed and unrevoked Proxy Card does not specify how the Common Shares represented thereby are to be voted, the Proxy Committee intends to vote such shares for the proposed stock split, and in accordance with the discretion of the Proxy Committee upon such other matters as may properly come before the Extraordinary Meeting.

#### *Common Shares Held Under the 401(k) Plan*

Plan Participants may on the voting instructions card instruct the trustee of the 401(k) Plan how to vote the Common Shares allocated to their respective participant accounts. The trustee will vote all Common Shares allocated to the accounts of Plan Participants as instructed by such participants. Common Shares for which inadequate or no voting instructions are received generally will be voted by the trustee in the same proportion as those Common Shares for which instructions were actually received from Plan Participants. The trustee of the 401(k) Plan may vote Common Shares allocated to the accounts of the participants either in person or through a proxy.

#### *Common Shares Held Through a Broker or Other Nominee*

Each broker or nominee must solicit from the Broker Customers directions on how to vote the Common Shares, and the broker or nominee must then vote such shares in accordance with such directions. Brokers or nominees are to forward soliciting materials to the Broker Customers, at the reasonable expense of the Company, if the broker or nominee requests reimbursement. Most broker-dealers are members of the National Association of Securities Dealers, which generally does not allow them to vote shares held in street name unless they are permitted to do so under the rules of a national securities exchange to which they belong. Brokers who are members of the New York Stock Exchange ( *NYSE* ) may vote the shares of Broker Customers on routine matters, when they have not received directions from the Broker Customers.

#### *Revoking Proxy Authorizations or Instructions*

Until the polls close (or in the case of Plan Participants, until the trustee of the 401(k) Plan votes), votes of Record Holders and voting instructions of Plan Participants may be 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 Extraordinary Meeting and casts a ballot at the meeting or (ii) delivers a written revocation to the Corporate Secretary of the Company at any time before the Chairman of the Extraordinary Meeting closes the polls; (b) in the case of a Plan Participant, the revocation procedures of the trustee of the 401(k) 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 Extraordinary Meeting*

Attendance at the Extraordinary Meeting is limited to Record Holders or their properly appointed proxies, beneficial owners of Common Shares having evidence of such ownership, and guests of the Company. Plan Participants and Broker Customers, absent special direction to the Company from the respective 401(k) Plan trustee, broker or nominee, may only vote by instructing the trustee, broker or nominee and may not cast a ballot at the Extraordinary Meeting. Record Holders may vote by casting a ballot at the Extraordinary Meeting.

**STOCK OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

The following table sets forth information as of the Record Date concerning the beneficial ownership of Common Shares by: (i) beneficial owners of Common Shares who have publicly filed a report acknowledging ownership of more than 5% of the number of outstanding Common Shares; (ii) the directors and certain executive officers of the Company; and (iii) all of the Company's executive officers and directors as a group. Beneficial ownership generally means either the sole or shared power to vote or dispose of the shares. Except as otherwise noted, to the Company's knowledge the holders listed below have sole voting and dispositive power. No officer or director of the Company owns any equity securities of any subsidiary of the Company.

Name and Address	Common Shares <sup>(1)</sup>	Percent of Class <sup>(2)</sup>
Gary L. Burrell <sup>(3)</sup> Shareholder	15,431,785 <sup>(4)</sup>	14.2%
Capital Research and Management Company <sup>(5)</sup> Shareholder	7,441,700	6.9%
FMR Corp. <sup>(6)</sup> Shareholder	5,817,889	5.4%
Ruey-Jeng Kao <sup>(7)</sup> Shareholder	6,472,481	6.0%
Gene M. Betts Director	3,413 <sup>(8)</sup>	*
Donald H. Eller, Ph.D. Director	886,852 <sup>(9)</sup>	*
Andrew R. Etkind General Counsel and Corporate Secretary	31,439 <sup>(10)</sup>	*
Min H. Kao, Ph.D. Director, Chairman and CEO	23,384,890 <sup>(11)</sup>	21.6%

Gary Kelley	17,955 <sup>(12)</sup>	*
Vice President, Marketing		
Garmin International, Inc.		
Charles W. Peffer	3,145 <sup>(13)</sup>	*
Director		
Clifton A. Pemble	30,507 <sup>(14)</sup>	*
Director and Vice President, Engineering		
Garmin International, Inc.		
Brian J. Pokorny	17,627 <sup>(15)</sup>	*
Vice President, Operations		
Garmin International, Inc.		
Kevin Rauckman	28,536 <sup>(16)</sup>	*
Chief Financial Officer and Treasurer		
Thomas A. McDonnell	26,850 <sup>(17)</sup>	*
Director		
All Executive Officers and Directors as a Group (10 persons)	24,431,214 <sup>(18)</sup>	22.5%

\* Less than 1% of the outstanding Common Shares

- (1) 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 held by that person that are currently exercisable at the Record Date or within 60 days of such date are deemed outstanding. The 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 the Company'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.
- (2) The percentage is based upon the number of shares outstanding as of the Record Date and computed as described in footnote (1) above.
- (3) Mr. Burrell's address is c/o Garmin International, Inc., 1200 East 15<sup>th</sup> Street, Olathe, Kansas 66062.
- (4) The number of Common Shares reported includes 431,782 Common Shares held by Judith M. Burrell, Mr. Burrell's wife, over which Mr. Burrell does not have any voting or dispositive power. Mr. Burrell disclaims beneficial ownership of these shares owned by his wife.
- (5) The address of Capital Research and Management Company is 333 South Hope Street, 55<sup>th</sup> Floor, Los Angeles, California 90071. The number of Common Shares is based on a Schedule 13G filed on February 10, 2006.
- (6) The address of FMR Corporation is 82 Devonshire Street, Boston, Massachusetts 02109. The number of Common Shares is based on a Schedule 13G filed on February 14, 2006.
- (7) Mr. Kao's address is c/o Fortune Land Law Offices, 8<sup>th</sup> Floor, 132, Hsinyi Road, Section 3, Taipei, Taiwan. Mr. Kao is the brother of Dr. Kao. The information is based on Amendment No. 4 filed January 17, 2006 to Schedule 13G filed February 9, 2001.
- (8) Mr. Betts' beneficial ownership includes 3,413 shares that may be acquired through options that are currently exercisable or will become exercisable within 60 days of the Record Date.
- (9) Dr. Eller's beneficial ownership includes 200,000 shares subject to a variable prepaid forward agreement and 6,850 shares that may be acquired through options that are currently exercisable or will become exercisable within 60 days of the Record Date. Of the 886,852 shares, 800,000 shares are held by the Donald H. Eller Living Trust dated June 10, 1999 over which Dr. Eller has sole voting and dispositive power.
- (10) Mr. Etkind's beneficial ownership includes 439 shares held in the 401(k) Plan and 25,200 shares that may be acquired through options that are currently exercisable or will become exercisable within 60 days of the Record Date.
- (11) Dr. Kao's address is c/o Garmin International, Inc., 1200 East 15<sup>th</sup> Street, Olathe, Kansas 66062. Of the 23,384,890 Common Shares, (i) 5,559,194 Common Shares are held by the Min-Hwan Kao Revocable Trust



- 9/28/95, over which Dr. Kao has sole voting and dispositive power, (ii) 15,221,784 Common Shares are held by revocable trusts established by Dr. Kao's children over which Dr. Kao has shared voting and dispositive power, and (iii) 2,603,912 Common 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 those shares owned by the revocable trust established by his wife and by the revocable trusts established by his children.
- (12) Mr. Kelley's beneficial ownership includes 10,850 shares that may be acquired through options that are currently exercisable or will become exercisable within 60 days of the Record Date.
  - (13) Mr. Peffer's beneficial ownership includes 1,345 shares that may be acquired through options that are currently exercisable or will become exercisable within 60 days of the Record Date.
  - (14) Mr. Pemble's beneficial ownership includes 28,100 shares that may be acquired through options that are currently exercisable or will become exercisable within 60 days of the Record Date.
  - (15) Mr. Pokorny's beneficial ownership includes 14,500 shares that may be acquired through options that are currently exercisable or will become exercisable within 60 days of the Record Date. The number of Common Shares reported includes 2,386 Common Shares held by a revocable trust established by Mr. Pokorny's wife, over which Mr. Pokorny does not have any voting or dispositive power. Mr. Pokorny disclaims beneficial ownership of those shares owned by the revocable trust established by his wife.
  - (16) Mr. Rauckman's beneficial ownership includes 24,000 shares that may be acquired through options that are currently exercisable or will become exercisable within 60 days of the Record Date. The number of Common Shares reported includes 2,550 Common Shares held by a revocable trust established by Mr. Rauckman's wife, over which Mr. Rauckman does not have any voting or dispositive power. Mr. Rauckman disclaims beneficial ownership of these shares owned by the revocable trust established by his wife.
  - (17) Mr. McDonnell's beneficial ownership includes 6,850 shares that may be acquired through options that are currently exercisable or will become exercisable within 60 days of the Record Date.
  - (18) The number includes 121,108 shares that may be acquired through options that are currently exercisable or will become exercisable within 60 days of the Record Date. Individuals in the group have disclaimed beneficial ownership as to a total of 18,262,414 of the shares listed.

**PROPOSAL APPROVAL OF A TWO-FOR-ONE STOCK SPLIT**

The Company's Board of Directors has approved, and is recommending to shareholders for approval at the Extraordinary Meeting, a resolution (the Resolution) to effect a two-for-one stock split of the Company's Common Shares. If the Resolution is approved, on a record date established by our Board of Directors each issued and outstanding Common Share, par value US \$0.01 per share, would be subdivided into two Common Shares, par value US \$0.005 per share, and Garmin's currently authorized share capital of 500,000,000 Common Shares, par value US \$0.01 per share, would be subdivided into 1,000,000,000 Common Shares, par value US \$0.005 per share. Garmin is currently authorized to issue 1,000,000 preferred shares, par value US \$1.00 per share, and the proposed stock split will not affect this authorization. The description of the proposed two-for-one stock split contained in this Proxy Statement does not purport to be complete and is qualified in its entirety by reference to the full text of the Resolution contained in Appendix A to this Proxy Statement.

The purpose of the Resolution is to effect a two-for-one stock split of the Common Shares. The two-for-one stock split will increase the number of shares held in the public market, and the Board of Directors believes that this will place the market price per share of the Common Shares in a range that is more affordable to investors, particularly individuals. As a result, potentially more people would be able to buy our Common Shares and provide more liquidity in each shareholder's investment. We cannot be certain that these effects will occur.

If the Resolution is approved by the shareholders, the Board of Directors will set and publicly announce (a) a record date for determining shareholders entitled to the stock split; and (b) the effective date of the stock split. If the Resolution is approved by the shareholders, Garmin also will apply to the NASDAQ Stock Market for the listing of the additional Common Shares that would be issued as a result of the stock split. Provided the listing application is approved by the NASDAQ Stock Market, the stock split would be accomplished by mailing to each shareholder of record as of the close of business on the stock split record date a certificate representing one Common Share, par value US \$0.005 per share, for each Common Share held by the shareholder on that date.

FOLLOWING THE STOCK SPLIT, EXISTING STOCK CERTIFICATES REPRESENTING COMMON SHARES, PAR VALUE US \$0.01 PER SHARE, WOULD BE DEEMED TO REPRESENT THE SAME NUMBER OF COMMON SHARES HAVING A PAR VALUE OF US \$0.005 PER SHARE. EXISTING CERTIFICATES WILL NOT BE EXCHANGED FOR NEW CERTIFICATES AND CERTIFICATES SHOULD NOT BE RETURNED TO GARMIN OR ITS TRANSFER AGENT UNTIL THE SHARES REPRESENTED BY THE CERTIFICATE ARE TRANSFERRED.

There are no preemptive rights with respect to the Common Shares, and shareholders will not have any dissenters' or appraisal rights in connection with adoption of the Resolution. The additional Common Shares issuable upon the effective date of the stock split would have the identical powers, preferences and rights as the currently outstanding Common Shares. Adoption of the Resolution would not affect the rights of the holders of currently outstanding Common Shares, except for rights incidental to increasing the number of Common Shares outstanding. Appropriate adjustments will be made to stock options and stock appreciation rights granted under Garmin's equity incentive and other employee incentive plans.

Assuming transactions of an equivalent dollar amount, brokerage commissions on purchases and sales of Common Shares after the stock split may be higher than before the stock split because the same ownership interest would be represented by a greater number of shares.

#### *Tax Effect of the Two-for-One Stock Split*

Under existing United States federal income tax laws, the proposed two-for-one stock split would not result in any gain or loss or realization of taxable income to owners of Common Shares. The cost basis for tax purposes of each new Common Share and each retained Common Share would be equal to one-half of the cost basis for tax purposes of the corresponding Common Share immediately preceding the stock split. The holding period for each additional Common Share issued pursuant to the stock split would be deemed to be the same as the holding period for the original Common Share. The laws of jurisdictions other than the United States may impose income taxes on the receipt of additional shares pursuant to the stock split.

This summary is based upon the Internal Revenue Code, existing and proposed Treasury Regulations promulgated thereunder, administrative pronouncements and judicial decisions, all as in effect on the date of this Proxy Statement, and all of which are subject to change, possibly on a retroactive basis. Any such change could affect the continuing validity of this discussion. This discussion does not address the effect of any applicable state, local or foreign tax laws. The foregoing summary does not purport to be a complete analysis of all potential tax effects of the stock split. Each shareholder is urged to consult with his or her own tax advisor to determine the particular tax consequences to such shareholder of the stock split, including the applicability and effect of state, local and foreign tax laws and the possible effects of any changes in U.S. federal or other applicable tax laws.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE FOR THE PROPOSED TWO-FOR-ONE STOCK SPLIT CONTEMPLATED BY THE RESOLUTION.

#### **SHAREHOLDER PROPOSALS**

To be properly brought before the Extraordinary Meeting, a proposal must be either (i) specified in the notice of the meeting (or any supplement thereto) given by or at the direction of the Board of Directors, (ii) otherwise properly brought before the meeting by or at the direction of the Board of Directors, or (iii) otherwise properly brought before the meeting by a shareholder.

If a holder of Garmin Common Shares wishes to present a proposal for inclusion in Garmin's Proxy Statement for next year's annual general meeting of shareholders, such proposal must be received by Garmin on or before December 31, 2006. Such proposal must be made in accordance with Rule 14a-8 promulgated by the Securities and Exchange Commission and the interpretations thereof. Any such proposal should be sent to the Secretary of Garmin, P.O. Box 30464 SMB, 5<sup>th</sup> Floor, Harbour Place, 103 South Church Street, George Town, Grand Cayman, Cayman Islands.

In order for a shareholder proposal that is not included in Garmin's Proxy Statement for next year's annual meeting of shareholders to be properly brought before the meeting, such proposal must be delivered to the Secretary and received at Garmin's executive offices no later than March 16, 2007 and such proposal must also comply with the procedures outlined below. The determination that any such proposal has been properly brought before such meeting is made by the officer presiding over such meeting.

**OTHER MATTERS**

The Board of Directors knows of no matters that are expected to be presented for consideration at the Extraordinary Meeting other than the matters set forth in the Notice of Extraordinary General Meeting of Shareholders. However, if any other matters should properly come before the meeting, it is intended that persons named in the accompanying proxy will vote on them in accordance with their best judgment.

By Order of the Board of Directors

June 8, 2006  
General Counsel and Secretary

Andrew R. Etkind

**GARMIN LTD. SHAREHOLDERS RESOLUTION**

It is proposed as an ordinary resolution THAT the Company's Common Shares be subject to a stock split at a ratio of two-for-one (2:1) at the Effective Time by the subdivision of the authorised share capital consisting of 500,000,000 Common Shares of a nominal or par value of US\$0.01 each, into 1,000,000,000 Common Shares of a nominal or par value of US\$0.005 each and the subdivision of each issued and outstanding Common Share as at the Record Date into two (2) Common Shares of a nominal or par value of US\$0.005 each.

The Effective Time for the purpose of the above resolution is the point in time, if any, that is specified by the Board of Directors by resolution. If the Effective Time never occurs the changes contemplated by the proposed resolutions shall not be made thereby.

The Record Date for the purpose of the above resolution is the date, if any, specified by the Board of Directors by resolution as being the date for determining shareholders entitled to the stock split.

FORM OF PROXIES

PROXY

GARMIN LTD.

PROXY SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS

FOR EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS

ON JULY 21, 2006

The undersigned shareholder of Garmin Ltd., a Cayman Islands company, hereby appoints Min H. Kao and Kevin Rauckman and each of them, with full power of substitution, as true and lawful agents and proxies to represent the undersigned and vote all common shares of Garmin Ltd. owned by the undersigned in all matters coming before the Extraordinary General Meeting of Shareholders (or any adjournment thereof) to be held at the offices of Garmin International, Inc., 1200 East 151st Street, Olathe, Kansas 66062, on Friday, July 21, 2006 at 10:00 a.m. local time. The Board of Directors recommends a vote FOR the following proposal, all as more specifically set forth in the Proxy Statement:

1. Approval of proposal to effect a two-for-one stock split of the Company's common shares as described in the Proxy Statement of the Company dated June 8, 2006

FOR                       AGAINST                       ABSTAIN

2. In their discretion, the Proxies are authorized to vote with respect to any other matters that may properly come before the Extraordinary General Meeting or any adjournment thereof, including matters incident to its conduct.

I/WE RESERVE THE RIGHT TO REVOKE THE PROXY AT ANY TIME BEFORE THE EXERCISE THEREOF. WHEN PROPERLY EXECUTED, THIS PROXY WILL BE VOTED IN THE MANNER SPECIFIED ABOVE BY THE SHAREHOLDER. **TO THE EXTENT CONTRARY SPECIFICATIONS ARE NOT GIVEN, THIS PROXY WILL BE VOTED FOR THE APPROVAL OF THE PROPOSAL TO EFFECT THE TWO-FOR-ONE STOCK SPLIT.**

Dated: \_\_\_\_\_, 2006

(Signature)

(Signature if held jointly)

Please sign exactly as your name appears on your share certificate, indicating your official position or representative capacity, if applicable. If shares are held jointly, each owner should sign.

**IMPORTANT: PLEASE SIGN, DATE AND RETURN  
THIS PROXY BEFORE THE DATE OF THE  
EXTRAORDINARY GENERAL MEETING IN THE  
ENCLOSED ENVELOPE.**

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**CONFIDENTIAL VOTING INSTRUCTIONS TO  
T. ROWE PRICE TRUST COMPANY AS TRUSTEE  
UNDER THE GARMIN INTERNATIONAL, INC.**

**401(k) AND PENSION PLAN**

**This voting instruction card is solicited by the Trustee.** I hereby direct that the voting rights pertaining to Common Shares of Garmin Ltd. held by the Trustee and allocated to my account shall be exercised at the Extraordinary General Meeting of Shareholders to be held on July 21, 2006, or any adjournment thereof, as specified hereon and in its discretion on all other matters that are properly brought before the Extraordinary General Meeting of Shareholders and matters incidental to such meeting.

Approval of the proposal to effect a two-for-one stock split of the Company's common shares as described in the Proxy Statement of the Company dated June 8, 2006

**FOR**                       **AGAINST**                       **ABSTAIN**

**If the voting instruction card is not returned, the Trustee must vote such shares in the same proportions as the shares for which voting instruction cards were received from the plan participants.**

**CONFIDENTIAL VOTING INSTRUCTIONS TO  
T. ROWE PRICE TRUST COMPANY AS TRUSTEE  
UNDER THE GARMIN INTERNATIONAL, INC.  
401(k) AND PENSION PLAN**

Dated: \_\_\_\_\_, 2006

(Signature)

Please sign exactly as your name appears.

**IMPORTANT: PLEASE SIGN, DATE AND RETURN  
THIS VOTING INSTRUCTION CARD BEFORE THE  
DATE OF THE EXTRAORDINARY GENERAL  
MEETING IN THE ENCLOSED ENVELOPE. DO  
NOT RETURN THIS CARD TO GARMIN LTD. AS  
YOUR VOTE IS CONFIDENTIAL.**

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