

GARMIN LTD
Form PRE 14A
March 17, 2010

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)

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-

GARMIN LTD.

NOTICE AND PROXY STATEMENT

for

The Special Meeting of Shareholders

and

The Annual General Meeting of Shareholders

to be held on

Thursday, May 20, 2010

YOUR VOTE IS IMPORTANT!

Please mark, date and sign the enclosed proxy card
and promptly return it in the enclosed envelope.

If you received your materials electronically or through a broker
or other nominee,
please follow the instructions provided.

This Notice and Proxy Statement, the accompanying Proxy Card and the 2009 Annual Report are
first being furnished on or about April ____, 2010.

Garmin Ltd.
P.O. Box 10670
Grand Cayman KY1-1006
Suite #3206B
45 Market Street
Gardenia Court
Camana Bay
Cayman Islands

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS AND ANNUAL GENERAL MEETING OF
SHAREHOLDERS
TO BE HELD ON MAY 20, 2010

Special Meeting

A special court-ordered meeting (the “Special Meeting”) of the shareholders of Garmin Ltd., a Cayman Islands company (“Garmin Cayman”), will be held at 9:00 a.m., local time, on May 20, 2010 at the Ritz Charles, located at 9000 West 137th Street, Overland Park, Kansas, 66221, USA. Following the Special Meeting, the Annual General Meeting (the “Annual Meeting”) of the shareholders of Garmin Cayman will be held on the same date and at the same location at 10:00 a.m. local time, or as soon as the Special Meeting concludes.

At the Special Meeting the shareholders of Garmin Cayman will consider and vote upon a proposal for a redomestication (the “Redomestication”) that would change the place of incorporation of the ultimate parent holding company of the Garmin group from the Cayman Islands to Switzerland through a scheme of arrangement (the “Scheme of Arrangement”) filed with the Grand Court of the Cayman Islands. The Scheme of Arrangement will result in the exchange of your shares of Garmin Cayman for an equal number of shares of a new holding company incorporated in Switzerland which is also named Garmin Ltd. (“Garmin Switzerland”). If there are insufficient proxies to approve the Scheme of Arrangement, you may also be asked to approve a motion to adjourn the Special Meeting to a later date to solicit additional proxies.

Following completion of the Redomestication, Garmin Cayman will become a wholly-owned subsidiary of Garmin Switzerland and we expect that our shares will continue to trade as shares of Garmin Switzerland on the NASDAQ Global Select Market, which we sometimes refer to as NASDAQ, under the symbol “GRMN”. We will remain subject to U.S. Securities and Exchange Commission reporting requirements, the mandates of the Sarbanes-Oxley Act and the applicable corporate governance rules of NASDAQ. We do not expect the Redomestication to have a material impact on our results of operations or financial condition and we will continue to report our consolidated financial results in U.S. dollars in accordance with U.S. GAAP. There will be some differences in your shareholder rights given the inherent differences in the laws between the Cayman Islands and Switzerland. We have included a detailed chart outlining those differences in the accompanying proxy statement in the section titled "Comparison of Rights of Shareholders" which begins on page 61.

Under U.S. federal income tax laws, our shareholders generally will not recognize gain or loss in the Redomestication. Under Swiss tax law, no tax is due for our shareholders as a result of the Redomestication unless such shareholders are resident in Switzerland or are a corporation incorporated in Switzerland or an estate or trust subject to Swiss income taxation.

The Redomestication cannot be completed without (1) the affirmative vote of a majority in number of the registered holders of Garmin Cayman's common shares present and voting on the proposal, whether in person or by proxy, representing 75% or more in value of the common shares present and voting on the proposal, whether in person or by proxy, and (2) the approval of the Grand Court of the Cayman Islands.

The accompanying Proxy Statement contains detailed information regarding the proposed Redomestication. We encourage you to read this entire document. You should carefully consider the "Risk Factors" we describe beginning on page 25, before voting.

The Board of Directors unanimously recommends that you vote "FOR" the proposal to approve the Redomestication.

Annual Meeting

The Annual Meeting will consider and vote upon the following matters:

1. Election of two directors of Garmin Cayman;
2. Ratification of the appointment of Ernst & Young LLP as Garmin Cayman's independent registered public accounting firm for the 2010 fiscal year;
3. Approval of an amendment to the Garmin Ltd. Employee Stock Purchase Plan; and
4. Consideration of such other matters as may properly be brought before the Annual Meeting or any adjournment thereof.

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

The Board of Directors unanimously recommends that you vote "FOR" the election of two directors, "FOR" the ratification of the appointment of Ernst & Young LLP as Garmin's independent registered public accounting firm for the 2010 fiscal year and "FOR" the amendment to the Garmin Ltd. Employee Stock Purchase Plan.

In accordance with Garmin Cayman's Articles of Association, Garmin Cayman's audited consolidated financial statements for the fiscal year ending December 26, 2009 will be presented at the Annual Meeting. There is no requirement under Garmin Cayman's Articles of Association or Cayman Islands law that such financial statements be approved by shareholders, and no such approval will be sought at the Annual Meeting.

Shareholders of record at 5 p.m., Central Time, on March 31, 2010 are entitled to notice of, and to vote at, the Special Meeting and the Annual Meeting and any adjournments thereof. A shareholder entitled to attend and to vote at the Special Meeting and the Annual Meeting is entitled to appoint a proxy to attend and, on a poll, vote instead of him or her.

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, 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., and to participants in the Garmin International, Inc. 401(k) and Pension Plan with a beneficial interest in our shares. 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 Special

Meeting and Annual Meeting.

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.

YOUR VOTE IS IMPORTANT. It is important that your shares be voted at the Special Meeting and the Annual Meeting. Please **MARK, SIGN, DATE, and MAIL** your proxy **PROMPTLY** in the return envelope provided, which requires no postage if mailed in the United States, hand deliver your proxy pursuant to the instructions on the proxy card or appoint a proxy to vote your shares by telephone or by using the Internet, as described in the enclosed materials. If you received the Notice and reviewed the proxy materials on the Internet, please follow the instructions included in the Notice.

Any shareholder who may need special assistance or accommodation to participate in the Special Meeting or the Annual Meeting because of a disability should contact Garmin's Corporate Secretary at the above address or call (913) 440-1355. To provide Garmin sufficient time to arrange for reasonable assistance, please submit all such requests by May 14, 2010.

By Order of the Board of Directors,

April _____, 2010

Andrew R. Etkind
Vice President, General Counsel and Secretary

Important Notice Regarding the Availability of Proxy Materials for the Annual
Meeting and the Special Meeting to be Held on May 20, 2010

This Proxy Statement and our 2009 Annual Report are available at <http://materials.proxyvote.com/G37260>

Garmin Ltd.
P.O. Box 10670
Grand Cayman KY1-1006
Suite #3206B
45 Market Street
Gardenia Court
Camana Bay
Cayman Islands

PROXY STATEMENT

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PROXY STATEMENT

The accompanying proxy is solicited by the Board of Directors (the “Board”) of Garmin Ltd., a Cayman Islands company (“Garmin Cayman”), for use at (1) the court-ordered special meeting of shareholders (the “Special Meeting”) to be held at 9:00 a.m., local time, at the Ritz Charles, located at 9000 West 137th Street, Overland Park, Kansas, 66221, USA, and (2) the Annual General Meeting (the “Annual Meeting”) of the shareholders of Garmin Cayman which will be held on the same date and at the same location at 10:00 a.m. local time, or as soon as the Special Meeting concludes, and at any adjournment(s) or postponement(s) of the Special Meeting and/or the Annual Meeting for the purposes set forth herein and in the accompanying Notice of Special Meeting and Annual Meeting of Shareholders. This Proxy Statement and the accompanying proxy card are first being furnished to shareholders on or about April____, 2010.

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 we are mailing our proxy materials to shareholders whose shares are held directly in their names and are recorded on our register of Members maintained by our transfer agent, Computershare Trust Company, N.A. (“Registered Shareholders”), and to participants in the Garmin International, Inc. 401(k) and Pension Plan (the “401(k) Plan”) with a beneficial interest in our shares (“Plan Participants”). Only Registered Shareholders are entitled to vote at the Special Meeting and the Annual Meeting.

Proposals

Special Meeting

At the Special Meeting, the Board intends to ask you to vote on a proposal for a redomestication (the “Redomestication”) that would change the place of incorporation of the ultimate parent holding company of the Garmin group from the Cayman Islands to Switzerland through a scheme of arrangement filed with the Grand Court of the Cayman Islands (the “Cayman Court”). The Scheme of Arrangement will result in the exchange of your shares of Garmin Cayman for an equal number of shares of a new holding company incorporated in Switzerland which is also named Garmin Ltd. (“Garmin Switzerland”). If there are insufficient proxies to approve the Scheme of Arrangement, you may also be asked to approve a motion to adjourn the Special Meeting to a later date to solicit additional proxies.

Annual Meeting

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

1. the election of two directors of Garmin Cayman;
2. the ratification of the appointment of Ernst & Young LLP (“Ernst & Young”) to be Garmin Cayman’s independent registered public accounting firm for the 2010 fiscal year;
3. the approval of an amendment to the Garmin Ltd. Employee Stock Purchase Plan; and
4. consideration of such other matters as may properly be brought before the Annual Meeting or any adjournment thereof.

In accordance with Garmin Cayman's Articles of Association, Garmin Cayman's audited consolidated financial statements for the fiscal year ending December 26, 2009 will be presented at the Annual Meeting. There is no requirement under Garmin Cayman's Articles of Association or Cayman Islands law that such financial statements be approved by shareholders, and no such approval will be sought at the Annual Meeting. The Board knows of no other matters that will be presented or voted on at the Annual Meeting.

Record Date and Shares Outstanding

Shareholders of record at 5:00 p.m., Central Time, on March 31, 2010 (the "Record Date") are entitled to notice of, and to vote at, the Special Meeting and the Annual Meeting and any adjournments thereof. At the Record Date, Garmin Cayman had issued and outstanding [**] common shares, par value \$0.005 per share ("Common Shares").

Solicitation of Proxies

The cost of soliciting proxies will be borne by Garmin Cayman. In addition to soliciting shareholders by mail and through its regular employees not specifically engaged or compensated for that purpose, Garmin Cayman will request banks and brokers, and other custodians, nominees and fiduciaries to solicit their customers who have shares of Garmin Cayman registered in the names of such persons and, if requested, will reimburse them for their reasonable, out-of-pocket costs. Garmin Cayman 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

Special Meeting

At least two registered holders of Garmin Cayman's shares as of the Record Date must be present, in person or by proxy, in order for the Special Meeting to proceed. The Redomestication Proposal must be approved by a majority in number of the registered holders of Garmin Cayman's common shares as of the Record Date present and voting on the proposal, whether in person or by proxy, representing 75% or more in value of Garmin Cayman's common shares present and voting on the proposal, whether in person or by proxy. For the purpose of calculating the "majority in number" requirement for the approval of the Redomestication, each Registered Shareholder, present and voting in person or by proxy, will be counted as a single shareholder, regardless of the number of shares voted by that shareholder. If a Registered Shareholder elects to vote a portion of such holder's common shares in favor of the proposal, and a portion against the proposal, then, that Registered Shareholder will be counted as one shareholder voting in favor of the proposal and as one shareholder voting against the proposal, thereby effectively canceling out that Registered Shareholder's vote for the purposes of the "majority in number" calculation. You will not be the Registered Shareholder of shares that you hold "beneficially" through a broker or other nominee. Instead, the depository (for example, Cede & Co., as nominee for DTC) or other nominee will be the Registered Shareholder of such shares.

Annual Meeting

The required quorum for the Annual 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. At the Annual Meeting, each shareholder is entitled to one vote on each proposal presented in this Proxy Statement for each share held as of the Record Date. There is no cumulative voting in the election of directors. The affirmative vote of the holders of a majority of the Common Shares represented and voting at the Annual Meeting in person or by proxy is required for the election of directors, for ratification of the appointment of Ernst & Young LLP and for approval of the amendment to the Employee Stock Purchase Plan. Shareholder ratification of the appointment of Ernst & Young LLP is not

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.

Abstentions and Broker Non-Votes

Pursuant to Cayman Islands law, (i) Common Shares represented at the Special Meeting and the Annual Meeting whose votes are withheld on any matter, and (ii) Common Shares which are represented by “broker non-votes” (i.e., shares held by brokers or nominees which are represented at the Special Meeting and/or the Annual Meeting but with respect 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 as present for quorum purposes.

How Shareholders Vote

Registered Shareholders, Plan Participants and Broker Customers holding Common Shares on the Record Date (directly or through a broker or other nominee) may vote (or in the case of Plan Participants, may direct the trustee of the 401(k) Plan to vote such shares as follows:

Common Shares held by Registered Shareholders

Registered Shareholders may only vote their shares if they or their proxies are present at the Special Meeting and the Annual Meeting, respectively. Registered Shareholders may appoint as their proxy the Proxy Committee, which consists of officers of Garmin Cayman 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 Registered Shareholder 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 Registered Shareholder must sign the Proxy Card and deliver it to the person named, and the person named must be present and vote at the Special Meeting and the Annual Meeting, respectively.

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 (i) for the approval of the Redomestication, (ii) for the election as directors of the persons nominated by Garmin Cayman’s Board of Directors, (iii) for the ratification of the appointment of Ernst & Young to be Garmin Cayman’s independent registered public accounting firm for the 2010 fiscal year, (iv) for the approval of the amendment to the Employee Stock Purchase Plan, and (v) in accordance with the discretion of the Proxy Committee upon such other matters as may properly come before the Annual Meeting.

Common Shares Held Under the 401(k) Plan

On the voting instructions card, Plan Participants may 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 allocated Common Shares accordingly. 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 401(k) Plan 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 the Notice to the Broker Customers, at the reasonable expense of Garmin Cayman 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 but are precluded from exercising their discretionary voting power with respect to proposals for "non-routine" matters. We believe that under the NYSE rules all of the proposals at the Special Meeting and the Annual Meeting are "non-routine" proposals except for the proposal at the Annual Meeting for the ratification of the appointment of Ernst & Young to be Garmin Cayman's independent registered public accounting firm for the 2010 fiscal year, so your broker will not be able to vote your shares on the approval of the Redomestication or on the election of two directors or the approval of the amendment to the Employee Stock Purchase Plan without appropriate instructions from you. It is important you follow your broker's instructions and vote.

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 Registered Shareholder, the Registered Shareholder either (i) attends the Special Meeting and/or the Annual Meeting, as the case may be, and casts a ballot at the meeting or (ii) delivers a written revocation to the Corporate Secretary of Garmin Cayman at any time before the Chairman of the Special Meeting or the Chairman of the Annual Meeting, as the case may be, 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 Special Meeting and the Annual Meeting

Attendance at the Annual Meeting is limited to Registered Shareholders or their properly appointed proxies, beneficial owners of Common Shares having evidence of such ownership, and guests of Garmin Cayman. Plan Participants and Broker Customers, absent special direction to Garmin Cayman 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 Special Meeting or the Annual Meeting. Registered Shareholders may vote by casting a ballot at the Special Meeting and/or the Annual Meeting, as the case may be.

SPECIAL MEETING

At the Special Meeting we are seeking your approval of the Redomestication to be effected by a scheme of arrangement under Cayman Islands law, substantially in the form attached as Annex A to this proxy statement (the "Scheme of Arrangement ") which, upon effectiveness, will result in your owning shares of Garmin Ltd., a newly formed Swiss company ("Garmin Switzerland") instead of shares of Garmin Cayman. In this proxy statement, we refer to the transaction to be effected pursuant to the Scheme of Arrangement as the "Redomestication." The Redomestication will effectively change the place of incorporation of the publicly traded parent company of the Garmin group from the Cayman Islands to Switzerland.

Structure of the Redomestication

If the Scheme of Arrangement becomes effective, the Scheme of Arrangement will effect a share exchange (the "Share Exchange") pursuant to which (i) your common shares of Garmin Cayman will be exchanged for an equal number of registered shares of Garmin Switzerland and (ii) Garmin Switzerland will become the parent holding company of Garmin Cayman.

There are several steps required in order for us to effect the Share Exchange, including holding the Special Meeting. The Special Meeting is being held in accordance with an order of the Cayman Court made on [**] 2010, which Cayman Islands law required us to obtain prior to holding the meeting. We will hold the Special Meeting to approve the Scheme of Arrangement on May 20, 2010. If the Scheme of Arrangement is approved by our shareholders (and we do not abandon the Scheme of Arrangement), we will seek the Cayman Court's approval of the Scheme of Arrangement. If we obtain the requisite approval from our shareholders and the Cayman Court and if all of the other conditions are satisfied or, if allowed by law, waived (and we do not abandon the Scheme of Arrangement), the Redomestication is scheduled to become effective at 3:00 a.m., Cayman Islands time, on Sunday, June 27, 2010, or at such other date and time after such court order filing as the Board may determine (the "Transaction Time"). We selected this date to coincide with the end of Garmin Cayman's second fiscal quarter for 2010, which ends on Saturday, June 26, 2010. Our Board cannot delay the Transaction Time to a date later than December 31, 2010 (unless extended with the approval of the Cayman Court) because the Scheme of Arrangement will lapse by its terms if the Transaction Time has not occurred on or prior to that date.

At and shortly following the Transaction Time, the following steps will occur:

1. all issued and outstanding Garmin Cayman common shares will be transferred to Garmin Switzerland, a recently formed Swiss subsidiary of Garmin Cayman, and
2. in consideration therefore, before the opening of trading of the NASDAQ Global Select Market on the business day following the Transaction Time, Garmin Switzerland will (a) issue registered shares (on a one-for-one basis) to the holders of the Garmin Cayman common shares that will be transferred to Garmin Switzerland, and (b) increase the par value of the 10,000,000 shares of Garmin Switzerland issued to Garmin Cayman in connection with the formation of Garmin Switzerland (the "Formation Shares") to the same par value as the shares of Garmin Switzerland to be issued to the Garmin Cayman shareholders, which Formation Shares may subsequently be transferred by Garmin Cayman to one or more other subsidiaries of Garmin Switzerland for future use to satisfy our obligations to deliver shares in connection with awards granted under our equity incentive plans for employees and other general corporate purposes.

As a result, shortly following the Transaction Time and before the opening of trading of the NASDAQ Global Select Market on the business day following the Transaction Time:

- Garmin Switzerland will have outstanding the same number of shares as did Garmin Cayman immediately before the Transaction Time, plus the Formation Shares; and
- Garmin Switzerland will hold all the outstanding shares of Garmin Cayman.

As a result of the Share Exchange, the common shareholders of Garmin Cayman will instead become shareholders of Garmin Switzerland and Garmin Cayman will become a subsidiary of Garmin Switzerland. The members of the Board of Directors of Garmin Cayman then in office will be the members of the Board of Directors of Garmin Switzerland at or immediately after the Transaction Time.

Following the Share Exchange, you will continue to own an interest in the ultimate parent holding company of the Garmin group of companies, which will conduct the same business operations through its subsidiaries as conducted by Garmin Cayman through its subsidiaries before the Share Exchange. The number of registered shares you will own in Garmin Switzerland will be the same as the number of common shares you owned in Garmin Cayman immediately prior to the Share Exchange and your relative ownership interest will remain unchanged.

If the Share Exchange is consummated, an election will be made to treat Garmin Cayman as a disregarded entity for U.S. federal tax purposes effective shortly after the Transaction Time.

The following diagram depicts our organizational structure immediately before and after the Redomestication. The diagram does not depict any Garmin Cayman subsidiaries (other than Garmin Switzerland prior to the Transaction Time).

We sometimes use the terms “Garmin”, “we”, “our” and “us” in this proxy statement to refer to Garmin Cayman and its subsidiaries prior to the Redomestication and to refer to Garmin Switzerland and its subsidiaries after the Redomestication.

QUESTIONS AND ANSWERS ABOUT THE REDOMESTICATION AND THE SPECIAL MEETING

Q. What am I being asked to vote on at the Special Meeting?

A. Shareholders of Garmin Cayman are being asked to vote on the following two proposals at the Special Meeting:

- to approve the Scheme of Arrangement attached as Annex A to this proxy statement. If the Scheme of Arrangement becomes effective, all the outstanding common shares of Garmin Cayman will be transferred to Garmin Switzerland and Garmin Switzerland (i) will issue one registered share to the holders of Garmin Cayman common shares for each common share of Garmin Cayman that has been transferred to Garmin Switzerland and (ii) will increase the par value of the 10,000,000 shares of Garmin Switzerland issued to Garmin Cayman in connection with the formation of Garmin Switzerland (the "Formation Shares") to the same par value as the shares of Garmin Switzerland to be issued to the Garmin Cayman shareholders, which may subsequently be transferred by Garmin Cayman to one or more other subsidiaries of Garmin Switzerland, for future use to satisfy our obligations to deliver shares in connection with awards granted under our equity incentive plans for employees and other general corporate purposes.

As a result, Garmin Switzerland will become the ultimate parent holding company of Garmin Cayman; and

- to approve a motion to adjourn the Special Meeting to a later date to solicit additional proxies if there are insufficient proxies to approve the proposals at the time of the Special Meeting.

Q. What vote of Garmin Cayman shareholders is required to approve the proposals at the Special Meeting?

A. The affirmative vote of a majority in number of the registered holders of the Garmin Cayman common shares present and voting at the meeting, whether in person or by proxy, representing 75% or more in value of the common shares present and voting at the meeting, whether in person or by proxy, is required to approve the Scheme of Arrangement. The affirmative vote of holders of at least a majority of the Garmin Cayman common shares present in person or by proxy at the meeting and entitled to vote on the matter is required to approve the adjournment proposal. No other holders of Garmin Cayman securities are entitled to vote on the proposals. Please see "Information Concerning Solicitation and Voting; Voting: Special Meeting" and "Information Concerning Solicitation and Voting; Voting: Abstentions and Broker Non-Votes" for more information, including a description of the effects of abstentions and broker non-votes on the proposals.

Q. What quorum is required for action at the meeting?

A. At least two registered holders of Garmin Cayman's shares as of the Record Date must be present, in person or by proxy, in order for the Special Meeting to proceed. Abstentions and broker non-votes will be counted as present for purposes of determining whether there is a quorum in respect of the proposals.

Q. What vote does the Garmin Cayman Board of Directors recommend?

A. The Garmin Cayman Board of Directors unanimously recommends that Garmin Cayman's shareholders vote "FOR" the proposal to approve the Scheme of Arrangement and "FOR" the proposal to adjourn the meeting to a later date if there are insufficient votes at the time of the meeting to approve the Scheme of Arrangement proposal.

Q. Why do you want to change Garmin Cayman's place of incorporation from the Cayman Islands to Switzerland?

A. The original parent company of the Garmin group was Garmin Corporation, a company incorporated in Taiwan. Under the legal framework of Taiwan at the time of Garmin's initial public offering in 2000, it was not practical for Garmin Corporation to offer its shares to the public in the United States. Therefore, on July 24, 2000, we formed Garmin Ltd. in the Cayman Islands as a holding company for Garmin Corporation in order to facilitate the listing of our common shares in the United States.

While our tenure in the Cayman Islands has served us and our shareholders well, following a thorough review, we have determined that it is in the best interests of Garmin and its shareholders to change the jurisdiction of incorporation of the parent company of the Garmin group to Switzerland. Our board of directors' determination that Switzerland is the preferred choice for the domicile of the parent of the Garmin group was based on many factors, including the following:

- Switzerland is centrally located in Europe in close proximity to our major Western and Eastern European markets and will provide a base for possible expansion of certain corporate functions for our European operations in a centralized European location and a more favorable structure from which to acquire or partner with European businesses;
- the change of our jurisdiction of incorporation will enhance our global business operations and reputation consistent with our status as an international company with significant operations in Asia as well as Europe and North America;
- there has been negative publicity regarding companies that are domiciled in countries such as the Cayman Islands that have low rates of, or no, direct taxation and as a consequence do not have a substantial network of tax treaties with the countries where we have operations. Garmin makes no comment on the fairness of that negative publicity;
- legislative bodies in various jurisdictions, including the U.S., have considered proposals and/or introduced legislation that, if enacted, could increase our tax burden if we remained incorporated in the Cayman Islands. It is, of course, not possible for Garmin to predict whether any proposals will in fact be enacted. It is possible that the various proposals will not become law, or that the final form of any legislation would not negatively impact Garmin Cayman if the Redomestication were not to take effect, or would negatively impact Garmin Switzerland even if the Redomestication occurs. However, the Board of Garmin Cayman considers that the current risks associated with potential legislative reforms are, of themselves, sufficient reason to propose and recommend the Redomestication; and
- Switzerland's taxation system and its extensive network of tax treaties with other countries will enable us to maintain a competitive worldwide effective corporate tax rate.

Like the Cayman Islands, Switzerland has a well-developed corporate, legal and regulatory environment and a sophisticated financial and commercial infrastructure. For this reason, as well as for all the other reasons set out above, Garmin considers Switzerland to be an appropriate domicile for its ultimate parent holding company.

Please see "Background and Reasons for the Redomestication" for more information. We cannot assure you that the anticipated benefits of the Redomestication will be realized. In addition to the potential benefits described above, the Redomestication will expose you and us to some risks. Please see the discussion under "Risk Factors." Our board of directors has considered both the potential advantages of the Redomestication and these risks and has approved the Redomestication and recommended that the shareholders vote for the approval of the Redomestication.

Q. What risks are associated with the consummation of the Redomestication?

A. While our Board of Directors has considered the risks to our shareholders and us associated with the Redomestication and has recommended that shareholders vote for approval of the Redomestication, there are risks and we cannot assure you that the anticipated benefits of the Redomestication will be realized. For example:

- your rights as a shareholder will change due to differences between the corporate laws of the Cayman Islands and Switzerland and between the governing documents of Garmin Cayman and Garmin Switzerland. Such differences are discussed in detail in “Comparison of Rights of Shareholders” and include, among others, the following:

§ holders of Garmin Cayman common shares do not have preemptive or preferential rights over further issuances of shares of Garmin Cayman, including issuances of shares that could discourage a takeover attempt, whereas holders of Garmin Switzerland registered shares generally will have preemptive rights to purchase newly issued securities of Garmin Switzerland (subject to certain exceptions);

§ Garmin Switzerland does not have a shareholder rights plan. Anti-takeover measures such as rights plans that are implemented by the board of directors would generally be restricted under Swiss corporate law by the principle of equal treatment of shareholders and the general rule that new shares may only be issued based on a shareholders’ resolution; and

§ under Cayman Islands law Garmin Cayman is not required to present proposed dividends or distributions to its shareholders for approval, whereas Garmin Switzerland must present proposed dividends or distributions to its shareholders for approval.

- our effective tax rate may increase whether we effect the Redomestication or not;
- legislative and regulatory action could materially and adversely affect us regardless of whether we complete the Redomestication;
 - the Redomestication may result in additional costs even if it is not completed;
- increased shareholder approval requirements in Switzerland will reduce our flexibility in managing our capital structure;
- dividends paid following the Redomestication may be subject to Swiss withholding tax in certain circumstances;
- although we do not expect Swiss taxes materially to affect our worldwide effective corporate tax rate, we will be subject to various Swiss taxes as a result of the Redomestication. We currently are not subject to taxes in the Cayman Islands; and
 - the market for Garmin Switzerland shares may differ from the market for Garmin Cayman shares.

You should consider these risks carefully. For additional information, please see the discussion under "Risk Factors."

Q. Will the Redomestication affect Garmin's current or future operations?

A. We believe that the Redomestication will have no material impact on how we conduct our day-to-day operations.

Q. How will the Redomestication affect Garmin's presence in the U.S. and around the world?

A. Except for the establishment of an office in Switzerland and the closing of our office in the Cayman Islands, at present, there are no material changes planned for our operations or workforce in the U.S. or elsewhere as a result of the Redomestication.

Q. What will be Garmin's corporate presence in Switzerland?

A. Garmin Switzerland has been incorporated with a domicile in the town of Schaffhausen in the Canton of Schaffhausen, Switzerland. If the Redomestication becomes effective, we intend to establish an office in Schaffhausen and to relocate certain employees from our office in the Cayman Islands and from one or more of our existing offices in Europe and to hire some additional employees in Switzerland.

Q. Will the Redomestication dilute my economic interest?

A. Your relative economic ownership in Garmin will not change as a result of the Redomestication. Immediately after consummation of the Redomestication, the number of outstanding shares of Garmin Switzerland will be the same as the number of outstanding shares of Garmin Cayman immediately before consummation of the Redomestication. Because Garmin Cayman will be a wholly-owned subsidiary of Garmin Switzerland after consummation of the Redomestication, your economic interest in the Garmin group will not be diluted by the retention by Garmin Cayman or other subsidiaries of Garmin Switzerland of the Formation Shares. See "Comparison of Rights of Shareholders" for a discussion regarding the termination of your rights to acquire preferred stock pursuant to the Rights Agreement dated October 25, 2001 (the "Rights Agreement").

Q. How will shares of Garmin Switzerland differ from shares of Garmin Cayman?

A. Garmin Switzerland registered shares will be similar to your Garmin Cayman common shares. However, there are differences between what your rights as a shareholder will be under Swiss law and what they currently are as a shareholder under Cayman Islands law. For example, unlike Cayman Islands law, Swiss law does not permit the board of directors of Garmin Switzerland to issue rights to acquire preferred stock. As a result, the Board of Garmin Cayman plans to amend the Rights Agreement to effectively terminate the Rights Agreement and the associated rights issued to Garmin Cayman shareholders. See "Comparison of Rights of Shareholders." In addition, there are differences between the organizational documents of Garmin Switzerland and Garmin Cayman.

We discuss these differences in detail under "Description of Garmin Switzerland Shares" and "Comparison of Rights of Shareholders." Garmin Switzerland's articles of association and organizational regulations will be substantially in the forms attached to this proxy statement as Annex B and Annex C.

Q. How will the Redomestication affect Garmin's financial reporting and the information Garmin provides to its shareholders?

A. Upon completion of the Redomestication, we will remain subject to the U.S. Securities and Exchange Commission reporting requirements, the mandates of the Sarbanes-Oxley Act and the applicable corporate governance rules of the NASDAQ, and we will continue to report our consolidated financial results in U.S. dollars and in accordance with U.S. generally accepted accounting principles ("U.S. GAAP"). We will continue to file reports on Forms 10-K, 10-Q and 8-K with the U.S. Securities and Exchange Commission and comply with the proxy rules, as we currently do.

Q. What are the material tax consequences of the Redomestication?

A. Please read the following questions and answers regarding some of the potential tax consequences of the Redomestication. Please refer to "Material Tax Considerations" for a description of the material U.S. federal income tax and Swiss tax consequences of the Redomestication to Garmin Cayman shareholders. There will be no Cayman Islands tax consequences to Garmin Cayman or our shareholders. Determining the actual tax consequences of the Redomestication to you may be complex and will depend on your specific situation. We urge you to consult your tax advisor for a full understanding of the tax consequences of the Redomestication to you.

Q. Is the Redomestication taxable to me?

A. Determining the tax consequences of the Redomestication to you may be complex and will depend on your specific situation. We urge you to consult your tax advisor for a full understanding of the tax consequences of the Redomestication to you. Under U.S. federal income tax law, holders of shares of Garmin Cayman generally will not recognize gain or loss in the Redomestication. Under Swiss tax law, no tax is generally due for non-Swiss holders of Garmin Cayman shares on the receipt of Garmin Switzerland shares in the Redomestication. If you are a Swiss holder and are a beneficial owner of Garmin Cayman shares, the Redomestication may result in Swiss tax consequences to you and you are therefore urged to contact your tax advisors

Q. Is the Redomestication a taxable transaction for either Garmin Cayman or Garmin Switzerland?

A. No. The Redomestication should not be a taxable transaction for Garmin Cayman or Garmin Switzerland.

Q. Will the Redomestication impact Garmin's underlying effective tax rate in 2010—or expectations for later years?

A. We do not expect Swiss taxes materially to affect our worldwide effective corporate tax rate. However, we will be subject to various Swiss taxes as a result of the Redomestication. We currently are not subject to taxes in the Cayman Islands. See "Risk Factors—Our effective tax rate may increase whether we effect the Redomestication or not."

Q. What are the most important Swiss corporate tax consequences of being organized as a Swiss holding company?

A. Switzerland imposes a corporate Federal income tax on qualifying holding companies at an effective tax rate of 7.83 percent, although we will be entitled to a "participation relief" that can effectively eliminate Swiss taxation on dividend income and capital gains from subsidiaries. We will also be subject to a Swiss issuance stamp tax levied at a rate of 1 percent on the fair value of share issuances and increases of our equity, other than in connection with qualifying restructurings like the Redomestication. In addition, Garmin Switzerland will be subject to some other Swiss indirect taxes (e.g., value added tax ("VAT"), Swiss issuance stamp tax on certain debt instruments and Swiss securities transfer stamp tax). Please refer to the questions and answers below for Swiss withholding tax implications on future share repurchases and dividend distributions of Garmin Switzerland and to "Material Tax Considerations—Swiss Tax Considerations" for a further description of Garmin Switzerland's corporate tax treatment.

The above types of Swiss taxes and rates aim to provide only a very broad overview of some corporate tax aspects in Switzerland and do not purport to be a complete analysis of the tax types and rates that would be relevant for either Garmin Switzerland or its shareholders. We are currently not subject to income, capital, stamp or issuance taxes or VAT in the Cayman Islands.

Q. Will there be future share repurchases by Garmin Switzerland?

A. On February 12, 2010, the board of directors of Garmin Cayman authorized Garmin Cayman to repurchase up to \$300 million of its common shares as market and business conditions warrant. Under Swiss law, a company may acquire its own shares only if freely disposable equity (i.e. that part of equity which is eligible for distribution to the shareholders in the form of a dividend) in the amount necessary for this purpose is available and if the total par value of these shares does not exceed 10 % of the entire nominal share capital. Under certain circumstances such limit can be increased to a maximum of 20%. The 10% restrictions do not apply if a share repurchase is conducted with shareholder approval for the purpose of cancelling the shares. Such authorization would have to be given formally by a shareholders' meeting of Garmin Switzerland. However, Garmin Switzerland does not intend to acquire its own shares in an amount exceeding the 10 % threshold so that an authorization by a shareholders' meeting is not required. Subject to the principles of equal treatment of shareholders, we may make repurchases under this repurchase program from time to time under such conditions, including price, as we may determine. Depending on market conditions and other factors, we may commence or suspend purchases at any time without notice.

Q. Will there be Swiss withholding tax on future share repurchases, if any, by Garmin Switzerland?

A. The repurchase of shares for purposes other than qualifying capital reduction, such as to retain as treasury shares for use in connection with stock incentive plans, convertible debt or other instruments within certain periods, will generally not be subject to Swiss withholding tax provided the above mentioned threshold of 10% (or, in certain cases, 20%) of the registered share capital as required by the Swiss Code is satisfied (see "Description of Garmin Switzerland Shares—Repurchases of Shares" below) and the shares are resold within certain periods prescribed by Swiss law (either six years or, in certain cases, up to twelve years).

Under present Swiss tax law, repurchases of shares for the purposes of capital reduction are treated as a partial liquidation subject to the 35% Swiss withholding tax, regardless of the place of residency of the shareholder. However, for shares repurchased for capital reduction, the portion of the repurchase price that is attributed to the par value of the shares repurchased will not be subject to the Swiss withholding tax. Beginning on January 1, 2011, subject to the adoption of implementing regulations, the portion of the repurchase price that is attributed to the qualifying capital contribution reserves (see "Q: What are qualifying capital contribution reserves for Swiss withholding tax purposes?" below) of the shares repurchased will not be subject to the Swiss withholding tax either. Garmin Switzerland expects that its qualifying capital contribution reserves will be sufficient to allow a substantial amount of the purchase price of any potential future share repurchases to be exempt from Swiss withholding tax.

Q. Will there be Swiss withholding tax on future dividends, if any, by Garmin Switzerland?

A. A Swiss withholding tax of 35% is due on dividends and similar distributions to Garmin Switzerland shareholders from Garmin Switzerland, regardless of the place of residency of the shareholder, subject to the exceptions discussed below. Garmin Switzerland will be required to withhold at such rate and remit on a net basis any payments made to a holder of Garmin Switzerland shares and pay such withheld amounts to the Swiss federal tax authorities. The shareholder may be entitled to a full or partial refund of the withholding tax.

Beginning on January 1, 2011, distributions to shareholders out of qualifying capital contribution reserves (see "Q: What are qualifying capital contribution reserves for Swiss withholding tax purposes?" below) are as a matter of principle exempt from the Swiss withholding tax. The particulars of this general principle are, however, subject to regulations still to be promulgated by the competent Swiss authorities. Garmin Switzerland expects that its qualifying capital contribution reserves will be sufficient to allow a substantial amount of any potential future distributions to be exempt from Swiss withholding tax.

In addition, payment of a capital distribution in the form of a par value reduction is not subject to Swiss withholding tax.

Dividend payments by Garmin Cayman made before the Redomestication in 2010 are not subject to Swiss withholding tax.

Q. What are qualifying capital contribution reserves for Swiss withholding tax purposes?

A. In accordance with new Swiss Federal Tax Law, which comes into force on January 1, 2011 (subject to the adoption of implementing regulations), repayments of deposits, premiums and grants which were made by the owners of the participation rights after December 31, 1996 are not subject to withholding tax if the repayments are made after January 1, 2011 and the company shows these deposits, premiums and grants in its Swiss statutory balance sheet in a separate account and the company advises the Federal Tax Administration of any changes to this account. Such deposits, premiums and grants qualify as capital contribution reserves for Swiss withholding tax purposes.

Qualifying capital contribution reserves in the stand alone Swiss statutory financial statements for Garmin Switzerland initially will represent the contribution value of the Garmin Cayman shares contributed in connection with the Redomestication less the aggregate par value of the Garmin Switzerland shares issued in exchange for such Garmin Cayman shares. It is intended that the contribution value will be equivalent to the fair market value of the Garmin Cayman shares. Fair market value will be determined as described below.

Q. How will the par value of the Garmin Switzerland shares to be issued in the Redomestication be determined?

A. The par value per Garmin-Switzerland share after the completion of the Redomestication will be equal to the lesser of (A) 10.00 Swiss francs and (B) 30 percent of the fair market value of a Garmin-Cayman common share calculated as described below and converted into Swiss francs at the then existing exchange rate between Swiss francs and U.S. dollars and rounded down to the nearest whole number. Based on a par value of 10.00 Swiss Francs per registered share of Garmin Switzerland and 210,670,000 registered shares outstanding (including the Formation Shares) the aggregated par value of the shares of Garmin Switzerland would be 2,106,700,000 Swiss Francs. The difference between the aggregate par value of the Garmin Switzerland shares and the fair market value of the Garmin Cayman shares will be accounted for as qualifying capital contribution reserves in the equity of the stand alone Swiss statutory financial statement for Garmin Switzerland and will meet the criteria for qualifying capital contribution reserves, as described above.

Q. When do you expect the Redomestication to be completed?

A. Assuming the Scheme of Arrangement is approved by the requisite shareholder vote and by the Cayman Court, we currently expect to complete the Redomestication prior to the opening of the NASDAQ market on Monday, June 28, 2010. We selected this date to coincide with the end of Garmin Cayman's second fiscal quarter for 2010, which ends on Saturday, June 26, 2010. See Annex D for an expected timetable. However, the Redomestication may be abandoned, delayed or accelerated for any reason by our Board of Directors at any time prior to the Redomestication becoming effective.

Q. What will I receive for my Garmin Cayman common shares?

A. After the Redomestication is completed, you will hold one registered Garmin Switzerland share for each Garmin Cayman common share you held immediately prior to the completion of the Redomestication.

Q. Do I have to take any action to exchange my Garmin Cayman common shares and receive Garmin Switzerland registered shares?

A. No. Your Garmin Cayman common shares will be exchanged for Garmin Switzerland registered shares without any action on your part. All of Garmin Switzerland's shares will be issued in uncertificated book-entry form. Consequently, if you currently hold Garmin Cayman shares in certificated form, following the Redomestication, your Garmin Cayman share certificates will cease to have effect as documents or evidence of title and you will not be

required to exchange your physical share certificates. Garmin's transfer agent will make an electronic book-entry in your name and will mail you a statement evidencing your ownership of Garmin Switzerland shares.

Q. Can I trade Garmin Cayman shares between the date of this proxy statement and the Transaction Time?

A. Yes. Garmin Cayman shares will continue to trade on the NASDAQ Global Select Market during this period.

Q. After the Redomestication, where can I trade Garmin Switzerland shares?

A. The Garmin Switzerland shares will be listed and traded on the NASDAQ Global Select Market, the same stock exchange on which Garmin Cayman common shares are currently traded, under the symbol "GRMN," the same symbol under which Garmin Cayman common shares are currently listed.

Q. What should I do now to vote?

A. The Special Meeting will take place on May 20, 2010. After carefully reading and considering the information contained in this proxy statement, please indicate on the enclosed proxy card how you want to vote. Submit your proxy by following the instructions on the enclosed proxy card as soon as possible, so that your shares may be represented at the meeting.

Q. May I submit my proxy by the Internet or telephone?

A. Yes. Instead of submitting your proxy by mail or hand delivery, on the enclosed proxy card, you may appoint a proxy and give your voting instruction by the Internet or telephone. Please see the instructions on the enclosed proxy card(s). For more details about telephone and Internet voting, please see "Information Concerning Solicitation and Voting; How Shareholders Vote"

Q. If my shares are held in "street name" by my broker, will my broker vote my shares for me at the Special Meeting?

A. No. We recommend that you contact your broker. Your broker can give you directions on how to instruct the broker to vote your shares. Your broker will not be able to vote your shares unless the broker receives appropriate instructions from you. Please see "Information Concerning Solicitation and Voting; How Shareholders Vote; Common Shares Held through a Broker or Other Nominee"

Q. Can I change my vote after I grant my proxy?

A. Yes. You can change your vote at any time before your proxy is voted at the Special Meeting. You may revoke your proxy any time prior to its exercise by:

- giving written notice of the revocation to the Company Secretary of Garmin Cayman;
- appearing at the Special Meeting, notifying the Company Secretary of Garmin Cayman and voting in person;
- revoking the proxy by telephone or the Internet; or
- properly completing and executing a later-dated proxy and delivering it to the Company Secretary of Garmin Cayman at or before the Special Meeting.

However, your attendance at the Special Meeting alone will not revoke your proxy.

If you have instructed a broker to vote your shares, you must follow the procedure provided by your broker to change those instructions.

Q. Are proxy materials available on the Internet?

A. Yes. This proxy statement and related materials are available at:

<https://materials.proxyvote.com/G37260>.

Q. What happens after the Special Meeting?

A. If the Scheme of Arrangement is approved at the Special Meeting, Garmin Cayman will apply to the Cayman Court for the approval of the Scheme of Arrangement. You are entitled to be present at that hearing in person or through your attorney to support or oppose the application for approval of the Cayman Court. The hearing is scheduled for 10:00 a.m., local time on June 4, 2010.

Q. What is the Cayman Court's view of the Redomestication proposal?

A. Pursuant to the relevant laws and procedure, the Cayman Court has made the order attached at Annex E (the "Interlocutory Order") which, among other things, convenes the Special Meeting and orders the dispatch of this Proxy Statement. In making the Interlocutory Order, the Cayman Court expresses no view on the commercial merits of the Redomestication proposal, or as to the validity or otherwise of the Board's reasons given for recommending the Redomestication. The Interlocutory Order is not and should not be interpreted as a recommendation by the Cayman Court to vote either "for" or "against" the Redomestication proposal. The Cayman Court has not independently verified and makes no statement as to the correctness of the matters or opinions contained in this Proxy Statement.

Q. Whom should I contact if I have questions about the Special Meeting or the Redomestication?

A. You should contact the following:

Kerri Thurston
Garmin Director of Investor Relations
Tel: (913) 397-8200
Email: investor.relations@garmin.com

REDOMESTICATION PROPOSAL—SUMMARY

This summary highlights selected information from this proxy statement. It does not contain all of the information that is important to you. To understand the Redomestication more fully, and for a more complete legal description of the Scheme of Arrangement, you should read carefully the entire proxy statement, including the annexes. The Scheme of Arrangement, attached as Annex A to this proxy statement, is the legal document that governs the Scheme of Arrangement. The articles of association and organizational regulations of Garmin Switzerland, substantially in the forms attached as Annex B and Annex C to this proxy statement, respectively, will govern our company after the completion of the Redomestication. We encourage you to read those documents carefully.

Parties to the Redomestication

Garmin Cayman. Garmin Cayman was incorporated in the Cayman Islands on July 24, 2000 as a holding company for Garmin Corporation, a Taiwan corporation, in order to facilitate a public offering of Garmin shares in the United States. Garmin Cayman owns, directly or indirectly, all of the operating companies in the Garmin group. Garmin Cayman is a global leader in satellite navigation. Its operating subsidiaries design, manufacture, market and sell navigation, communication and information devices and applications, most of which are enabled by Global

Positioning System (GPS) technology. Garmin's products serve automotive, mobile, wireless, outdoor recreation, marine, aviation, and original equipment manufacturer (OEM) applications. The registered office of Garmin Cayman is located at Suite 3206B, 45 Market Street, Gardenia Court, Camana Bay, Grand Cayman, Cayman Islands. Garmin Cayman's telephone number is (345) 640-9050.

Garmin Cayman's subsidiaries have offices in North America, South America, Europe, Asia and Australasia. Garmin Cayman's products are sold in approximately 100 countries. We employ approximately 8,500 people worldwide, of whom 4,710 are in Taiwan, 3,037 are in the United States, 630 are in Europe, 68 are in Canada and 55 are in other global locations. Our principal manufacturing facilities are located in Taiwan. Garmin Cayman's common shares are traded on the NASDAQ Global Select Market under the symbol "GRMN".

Garmin Switzerland. Garmin Switzerland was incorporated in Switzerland on February 9, 2010 and is currently wholly owned by Garmin Cayman. Garmin Switzerland has only nominal assets and capitalization and has not engaged in any business or other activities other than in connection with its formation and the Redomestication. As a result of the Redomestication, Garmin Switzerland will become the parent holding company of Garmin Cayman and its subsidiaries. The registered office of Garmin Switzerland is c/o Klauser & Partner AG, Pestalozzistrasse 2, CH-8201 Schaffhausen, Switzerland. Garmin Switzerland's telephone number is +41 (52) 633 03 03.

The Redomestication (see page 30)

The Redomestication will effectively change the place of incorporation of the ultimate parent holding company of the Garmin group from the Cayman Islands to Switzerland.

The Redomestication involves several steps. On February 9, 2010, Garmin Cayman, the Cayman Islands company whose common shares you currently own, formed Garmin Switzerland as a direct subsidiary. On [**], 2010, we petitioned the Cayman Court to order, among other things, the calling of a meeting of Garmin Cayman common shareholders to approve the Scheme of Arrangement. On [**], 2010, the Cayman Court ordered us to seek your approval of the Scheme of Arrangement. We will hold the Special Meeting to approve the Scheme of Arrangement on May 20, 2010. If we obtain the necessary shareholder approval, the Cayman Court will hear Garmin Cayman's petition (the "Sanction Hearing"), which is expected to be held on June 4, 2010, and at which hearing the Cayman Court will be asked to approve the Scheme of Arrangement. Assuming we receive the necessary approvals from the shareholders and the Cayman Court and the conditions to consummation of the Scheme of Arrangement are satisfied (and we do not abandon the Redomestication), we will file the court order approving the Scheme of Arrangement with the Cayman Islands Registrar of Companies. The Scheme of Arrangement is scheduled to become effective at 3:00 a.m., Cayman Islands time, on Sunday June 27, 2010 or such other date and time after such court filing as the Board may determine (the "Transaction Time"). We selected this date to coincide with the end of Garmin Cayman's second fiscal quarter for 2010, which ends on Saturday, June 26, 2010. Our Board cannot delay the Transaction Time to a date later than December 31, 2010 (unless extended with the approval of the Cayman Court) because the Scheme of Arrangement will lapse by its terms if the Transaction Time has not occurred on or prior to that date.

At and shortly following the Transaction Time, the following steps will occur:

1. all issued and outstanding Garmin Cayman common shares will be transferred to Garmin Switzerland; and
2. in consideration therefore, before the opening of trading of the NASDAQ Global Select Market on the business day following the Transaction Time Garmin Switzerland will (a) issue registered shares (on a one-for-one basis) to the holders of the Garmin Cayman common shares that will be transferred to Garmin Switzerland, and (b) increase the par value of the 10,000,000 shares of Garmin Switzerland issued to Garmin Cayman in connection with the formation of Garmin Switzerland (the "Formation Shares") to the same par value as the shares of Garmin Switzerland to be issued to the Garmin Cayman shareholders, which Formation Shares may subsequently be transferred by Garmin Cayman to one or more other subsidiaries of Garmin Switzerland for future use to satisfy our obligations to deliver shares in connection with awards granted under our equity incentive plans for employees and other general corporate purposes.

As a result, shortly following the Transaction Time and before the opening of trading of the NASDAQ Global Select Market on the business day following the Transaction Time:

- Garmin Switzerland will have outstanding the same number of shares as did Garmin Cayman immediately before the Transaction Time, plus the Formation Shares; and
- Garmin Switzerland will hold all the outstanding shares of Garmin Cayman.

As a result of the Redomestication, the shareholders of Garmin Cayman will instead become shareholders of Garmin Switzerland and Garmin Cayman will become a subsidiary of Garmin Switzerland. The members of the Board of Directors of Garmin Cayman then in office will be members of the Board of Directors of Garmin Switzerland at or shortly after the Transaction Time.

If, and only if, the Scheme of Arrangement is effected, an election will be made to treat Garmin Cayman as a disregarded entity for U.S. federal income tax purposes, effective shortly after the Transaction Time

In connection with the completion of the Redomestication, Garmin Switzerland will assume, on a one-for-one basis, Garmin Cayman's existing obligations in connection with awards granted under Garmin Cayman's equity incentive plans and other similar equity awards. Any stock options, stock appreciation rights, restricted stock units or performance shares issued by Garmin Cayman that are convertible, exchangeable or exercisable into common shares of Garmin Cayman will become convertible, exchangeable or exercisable, as the case may be, into registered shares of Garmin Switzerland.

As of the Record Date, [**] common shares of Garmin Cayman were issued and outstanding and we had [**] shareholders of record.

There currently are no fractional shares of Garmin Cayman held of record and we do not expect there to be any such fractional shares held of record immediately prior to the Transaction Time.

Following the Redomestication, you will continue to own an interest in a parent company that will continue to conduct, through its subsidiaries, the same businesses as conducted by Garmin Cayman before the Redomestication. The number of shares you will own in Garmin Switzerland immediately after the Redomestication will be the same as the number of shares you owned in Garmin Cayman immediately prior to the Redomestication, and your relative economic interest in the Garmin group will remain unchanged.

The completion of the Redomestication will change the governing corporate law that applies to shareholders of our parent company from Cayman Islands law to Swiss law. The legal system governing corporations organized under Swiss law differs from the legal system governing corporations organized under Cayman Islands law. As a result, we are unable to adopt governing documents for Garmin Switzerland that are identical to the governing documents for Garmin Cayman. We have attempted to preserve in the articles of association and organizational regulations of Garmin Switzerland the same allocation of material rights and powers between the shareholders and our board of directors that exists under Garmin Cayman's memorandum and articles of association. Nevertheless, Garmin Switzerland's proposed articles of association and organizational regulations differ from Garmin Cayman's memorandum and articles of association in both form and substance because of differences between Swiss laws and Cayman Islands laws. We summarize the material differences between the governing documents for Garmin Cayman and Garmin Switzerland, and the changes in your rights as a shareholder resulting from the Redomestication, under "Comparison of Rights of Shareholders."

Upon completion of the Redomestication, we will remain subject to the U.S. Securities and Exchange Commission reporting requirements, the mandates of the Sarbanes-Oxley Act and the applicable corporate governance rules of NASDAQ, and we will continue to report our consolidated financial results in U.S. dollars in accordance with U.S. GAAP.

The Redomestication will be effected pursuant to the Scheme of Arrangement, which is the primary legal document that will govern the Redomestication. A copy of the Scheme of Arrangement is attached to and is a part of this proxy statement as Annex A.

Reasons for the Redomestication (see page 31)

Our board of directors' determination that Switzerland is the preferred choice for the domicile of the parent of the Garmin group was based on many factors, including that we believe that this change of domicile should enable us to benefit from the global reputation for financial and political stability that we believe Switzerland has and improve our ability to maintain a predictable worldwide effective corporate tax rate that is competitive with many of our international competitors. We also believe this could make Garmin Switzerland a more attractive investment alternative than Garmin Cayman.

Tax Considerations (see page 38)

Determining the actual tax consequences of the Redomestication to you may be complex and will depend on your specific situation. We urge you to consult your tax advisor for a full understanding of the tax consequences of the Redomestication to you.

Under U.S. federal income tax law, holders of shares of Garmin Cayman generally should not recognize gain or loss in the Redomestication. There will be no Cayman Islands tax consequences to Garmin or our shareholders. Under Swiss tax law, no tax is generally due for non-Swiss holders of Garmin Cayman shares on the receipt of Garmin Switzerland shares in the Redomestication. If you are a Swiss holder and are a beneficial owner of Garmin Cayman shares, the Redomestication may result in Swiss tax consequences to you and you are therefore urged to contact your tax advisor. Please refer to "Material Tax Considerations" for a description of the material U.S. federal income tax and Swiss tax consequences of the Redomestication to Garmin shareholders.

Rights of Shareholders (see page 61)

Many of the principal attributes of Garmin Cayman's common shares and Garmin Switzerland's registered shares will be similar. However, there are differences between what your rights will be under Swiss law and what they currently are under Cayman Islands law. In addition, there are differences between Garmin Cayman's memorandum and articles of association and Garmin Switzerland's articles of association and organizational regulations as they will be in effect after the Redomestication. We discuss these differences in more detail under "Description of Garmin Switzerland Shares" and "Comparison of Rights of Shareholders." Garmin Switzerland's articles of association and organizational regulations in the form substantially as they will be in effect after the Redomestication are attached as Annex B and Annex C, respectively, to this proxy statement.

Stock Exchange Listing (see page 37)

We expect that, prior to the opening of trading on the NASDAQ Global Select Market on the first business day following the Transaction Time, the Garmin Switzerland registered shares will be listed on the NASDAQ under the symbol "GRMN," the same symbol under which your Garmin Cayman common shares are currently listed.

Court Approval of the Scheme of Arrangement (see page 33)

We cannot complete the Redomestication without the approval of the Scheme of Arrangement by the Cayman Court. Subject to the common shareholders of Garmin Cayman approving the Scheme of Arrangement, the Cayman Court will hold the Sanction Hearing, which is expected to be held at 10:00 a.m. on June 4, 2010, to approve the Scheme of Arrangement. At the Sanction Hearing, the Cayman Court may impose such conditions as it deems appropriate in relation to the Scheme of Arrangement, but may not impose any material changes without the joint consent of Garmin Cayman and Garmin Switzerland. Garmin Cayman may, subject to U.S. securities law constraints, consent to any modification of the Scheme of Arrangement on behalf of the shareholders which the Cayman Court may think fit to approve or impose. In determining whether to exercise its discretion and approve the Scheme of Arrangement, the Cayman Court will determine, among other things, whether the Scheme of Arrangement is fair to Garmin Cayman's shareholders. In doing so, the Cayman Court will place considerable weight on the views of the Registered Shareholders, as expressed through the vote at the Special Meeting, and will typically consider the Registered Shareholders to be the best judge of the commercial merits of the Scheme of Arrangement and their own commercial interests.

If you are a common shareholder who wishes to appear in person or by counsel at the Sanction Hearing and present evidence or arguments in support of or opposition to the Scheme of Arrangement, you may do so. In addition, the Cayman Court has wide discretion to hear from interested parties. Garmin Cayman will not object to the participation in the Sanction Hearing by any common shareholder who holds shares through a depository, custodian or broker.

No Appraisal Rights

Under Cayman Islands law, the shareholders of Garmin Cayman do not have any dissenters' rights or right to an appraisal of the value of their shares or receive payment for them in connection with the Redomestication.

Accounting Treatment of the Redomestication

Under U.S. GAAP, the Redomestication represents a transaction between entities under common control. Assets and liabilities are transferred at carrying value between entities under common control. Accordingly, the assets and liabilities of Garmin Switzerland will be reflected at the same carrying amounts as in the accounts of Garmin Cayman at the Transaction Time.

Special Meeting (see page 93)

Time, Place, Date and Purpose. The Special Meeting will be held on May 20, 2010 at 9:00 a.m., U.S. Central Time at the Ritz Charles, located at 9000 West 137th Street, Overland Park, Kansas 66221, USA. At the Special Meeting, Garmin Cayman's board of directors will ask the common shareholders of Garmin Cayman to vote to approve the Scheme of Arrangement. If the Scheme of Arrangement is approved and becomes effective, it will effect the Redomestication, pursuant to which your common shares of Garmin Cayman will be transferred to Garmin Switzerland and you will receive, on a one-for-one basis, new registered shares of Garmin Switzerland for each common share of Garmin Cayman. The common shareholders of Garmin Cayman may also be asked to approve a motion to adjourn the Special Meeting to a later date to solicit additional proxies if there are insufficient proxies or shareholders to approve the proposals at the time of the Special Meeting.

Record Date. Only registered holders of record of Garmin Cayman common shares as of the Record Date are entitled to notice of and to vote at the meeting or any adjournments or postponements of the meeting. The Record Date is 5:00 p.m. U.S. Central Time on March 31, 2010.

Quorum. At least two registered holders of Garmin Cayman's common shares as of the Record Date must be present, in person or by proxy, in order for the Special Meeting to proceed.

Recommendation of the Board of Directors (see page 38)

The Garmin Cayman board of directors recommends that Garmin Cayman shareholders vote "FOR" the Redomestication Proposal. The Garmin Cayman board of directors also unanimously recommends that Garmin Cayman's shareholders vote "FOR" the proposal to adjourn the Special Meeting to a later date if there are insufficient votes at the time of the meeting to approve the Redomestication Proposal. Approval of the adjournment proposal is not a condition to the Redomestication.

Required Vote (see page 94)

The Redomestication Proposal must be approved by a majority in number of the registered holders of Garmin Cayman's common shares as of the Record Date present and voting on the proposal, whether in person or by proxy, representing 75% or more in value of Garmin Cayman's common shares present and voting on the proposal, whether in person or by proxy. For the purpose of calculating the "majority in number" requirement for the approval of the Redomestication, each Registered Shareholder, present and voting in person or by proxy, will be counted as a single shareholder, regardless of the number of shares voted by that shareholder. If a Registered Shareholder elects to vote a portion of such holder's common shares in favor of the proposal, and a portion against the proposal, then that Registered Shareholder will be counted as one shareholder voting in favor of the proposal and as one shareholder voting against the proposal, thereby effectively canceling out that Registered Shareholder's vote for the purposes of the "majority in number" calculation.

The adjournment proposal, if presented, must be approved by more than 50% of all common shares present and voting, in person or by proxy.

Because the quorum for the Special Meeting is the presence of at least two common shareholders, the Redomestication proposal could be approved with the affirmative vote of less than 50% of the issued and outstanding Garmin Cayman common shares.

Proxies

General. A proxy card is being sent to each Garmin Cayman shareholder as of the record date. Shareholders of record can cast their votes by proxy by:

- using the Internet or telephone to appoint proxies to cast their vote by following the instructions on the enclosed proxy card; or
- completing, signing and returning the enclosed proxy card.

The procedures for Internet appointment of a proxy are designed to authenticate the appointment of a proxy to cast shareholders' votes by use of a personal identification number. The procedures allow shareholders to appoint a proxy to vote their shares and to confirm that their instructions have been properly recorded. If you are a shareholder of record and you would like to appoint your proxy to vote by Internet, please refer to the specific instructions contained on the enclosed proxy card. If you appoint your proxy to vote by Internet, you do not need to return the enclosed proxy card. In order to be timely processed, an Internet appointment must be received by 1:00 a.m., Central Time, on May 19, 2010.

To vote your shares directly, you may attend the Special Meeting and cast your vote in person. If you hold your Garmin Cayman shares in the name of a broker, depository or nominee, the broker, depository or nominee may generally vote your shares it holds in accordance with instructions it receives from you. Shareholders who hold their shares through a broker, depository or nominee must vote their shares in the manner prescribed by their broker. Therefore, please follow the instructions provided by your broker, depository or nominee when voting your Garmin Cayman shares.

Your broker, depository or nominee may not be able to vote your common shares unless the broker, depository or nominee receives appropriate instructions from you. Brokers, depositories or nominees who hold shares on behalf of customers have the authority to vote on "routine" proposals when they have not received instructions from beneficial owners, but are precluded from exercising their voting discretion with respect to proposals for "non-routine" matters.

Proxies submitted by brokers, depositories or nominees without instructions from customers for these non-routine matters are referred to as "broker non-votes." We believe the Redomestication Proposal is a proposal for a non-routine matter, so it is important you follow your broker's, depository's or nominee's instructions and vote.

Revocation. You may revoke your proxy at any time before your proxy is voted at the Special Meeting. You may revoke your proxy any time prior to its exercise by:

- giving written notice of the revocation to the Company Secretary of Garmin Cayman;
- appearing at the Special Meeting, notifying the Company Secretary of Garmin Cayman and voting in person;
- revoking the proxy by telephone or the Internet; or
- properly completing and executing a later-dated proxy and delivering it to the Company Secretary of Garmin Cayman at or before the Special Meeting.

However, your attendance at the Special Meeting alone will not revoke your proxy.

If you have instructed a broker to vote your shares, you must follow the procedure provided by your broker to change those instructions.

If you do not appoint a proxy and you do not vote at the Special Meeting, you will still be bound by the outcome. You are therefore strongly urged to attend and vote at the meeting in person or by proxy.

RISK FACTORS

Before you decide how to vote, you should consider carefully the following risk factors in addition to the other information contained in this proxy statement and the documents incorporated by reference, including, without limitation, our Annual Report on Form 10-K for the fiscal year ended December 26, 2009 and our subsequent filings with the SEC.

Your rights as a shareholder will change as a result of the Redomestication.

Because of differences between Swiss law and Cayman Islands law and differences between the governing documents of Garmin Switzerland and Garmin Cayman, your rights as a shareholder will change if the Redomestication is completed. See "Comparison of Rights of Shareholders."

The market for the Garmin Switzerland shares may differ from the market for the Garmin Cayman shares, and Garmin Switzerland's shares may be removed as a component of the Russell 1000 Index and certain other indices.

We intend to list the Garmin Switzerland shares on the NASDAQ Global Select Stock Market under the symbol "GRMN," the same stock market and the same trading symbol as the Garmin Cayman shares. The market price, trading volume or volatility of the Garmin Switzerland shares could be different than those of the Garmin Cayman shares.

Garmin Cayman's common shares are currently a component of the Russell 1000 Index and certain other indices. Garmin Switzerland's shares may not meet the qualifications for inclusion in the Russell 1000 Index and some of the indices in which Garmin Cayman is included and we expect that Garmin Switzerland will be removed from such indices upon consummation of the Redomestication. However, Garmin Switzerland shares may become eligible for inclusion in certain other indices for which the shares of Garmin Cayman are not eligible. If Garmin Switzerland's shares are removed as a component of the Russell 1000 Index and other indices, institutional investors attempting to track the performance of such indices would likely sell their shares, which could adversely affect the price of the Garmin Switzerland shares.

Our effective tax rate may increase whether we effect the Redomestication or not.

While the Redomestication is not anticipated to have any material impact on our effective tax rate, there is uncertainty regarding the tax policies of the jurisdictions where we operate (which include the potential legislative actions described below), and our effective tax rate may increase and any such increase may be material. Additionally, the tax laws of Switzerland and other jurisdictions could change in the future, and such changes could cause a material change in our effective tax rate.

Legislative and regulatory action could materially and adversely affect us regardless of whether or not we complete the Redomestication.

Our tax position could be adversely impacted by changes in the tax laws, tax treaties or tax regulations or the interpretation or enforcement thereof by any tax authority, regardless of whether we complete the Redomestication. For example, legislative action may be taken by the U.S. Congress which, if ultimately enacted, could override tax treaties upon which we rely or could broaden the circumstances under which we would be considered a U.S. resident, which could materially and adversely affect our effective tax rate and cash tax position. We cannot predict the outcome of any specific legislative proposals. If proposals were enacted that had the effect of limiting our ability to take advantage of the tax treaties between Switzerland and other jurisdictions (including the U.S.), we could be subjected to increased taxation. However, while it is impossible to predict with certainty, we consider it unlikely that the tax consequences of any such proposals would be any worse for Garmin Switzerland than they would be for Garmin Cayman if we had continued to maintain our place of incorporation in the Cayman Islands. In addition, any future amendments to the current income tax treaties between Switzerland and the other jurisdictions (including the U.S.) could subject us to increased taxation.

As a company incorporated in Switzerland, Garmin Switzerland is subject to Swiss law and this could impose regulatory burdens on Garmin Switzerland in the future.

If the Cayman Court does not approve the Scheme of Arrangement, Garmin Cayman will not have the ability to effect the Redomestication.

We cannot proceed with the Redomestication unless the Cayman Court approves the Scheme of Arrangement after conducting a hearing. Assuming that the Special Meeting is conducted in accordance with the Cayman Court's order and that the common shareholders approve the Redomestication Proposal by the majority required by the Cayman Companies Law, we are not aware of any reason why the Cayman Court would not approve the Scheme of Arrangement. Nevertheless, the Cayman Court's approval is a matter for its discretion and there can be no assurance if or when such approval will be obtained.

If the Cayman Court does not approve the Scheme of Arrangement, Garmin Cayman will be unable to effect the Redomestication as contemplated under the Scheme of Arrangement (even if the requisite common shareholders have approved the Scheme of Arrangement). In addition, the Cayman Court may impose such conditions, modifications or amendments as it deems appropriate in relation to the Scheme of Arrangement, but may not impose any material changes without the joint consent of Garmin Cayman and Garmin Switzerland. If such conditions, modifications or amendments are imposed, Garmin Cayman will be unable to effect the Redomestication without amending the Scheme of Arrangement, which, depending on the nature of such conditions, modifications or amendments, might require new shareholder approvals.

As a result of the higher par value of the Garmin Switzerland shares, Garmin Switzerland will have less flexibility than Garmin Cayman with respect to certain aspects of capital management.

Upon completion of the Redomestication, the par value of Garmin Switzerland's shares will be higher than the par value of Garmin Cayman's common shares. Under Swiss law, Garmin Switzerland may not issue its shares below par value. In the event Garmin Switzerland needs to raise equity capital at a time when the trading price of its shares is below the par value of the shares, Garmin Switzerland will be unable to issue shares. In addition, Garmin Switzerland will not be able to issue options under our benefits plans with an exercise price below the par value, which would limit the flexibility of our compensation arrangements.

As a result of increased shareholder approval requirements, Garmin Switzerland will have less flexibility than Garmin Cayman with respect to certain aspects of capital management.

Under Cayman Islands law, Garmin Cayman's directors may issue, without shareholder approval, any common shares authorized in Garmin Cayman's memorandum of association that are not issued or reserved. Cayman Islands law also provides the board of directors with substantial flexibility in establishing the terms of preferred shares. In addition, Garmin Cayman's board of directors has the right, subject to statutory limitations, to declare and pay dividends on Garmin Cayman's common shares without a shareholder vote. Swiss law allows Garmin Switzerland's shareholders acting at a shareholders' meeting to authorize share capital that can be issued by the board of directors without approval of a shareholders' meeting, but this authorization is limited to 50% of the existing registered share capital and must be renewed by a shareholders' meeting every two years. Additionally, subject to specified exceptions, including the exceptions described in Garmin Switzerland's articles of association, Swiss law grants preemptive rights to existing shareholders to subscribe for new issuances of shares and other securities. Swiss law does not provide as much flexibility in the various terms that can attach to different classes of shares either. For example, while the board of directors of Garmin Cayman can authorize the issuance of preferred stock without shareholder approval, Garmin Switzerland will not be able to issue preferred stock without the approval of 66 2/3% of the votes represented and a majority of the par value of the shares represented at a general meeting of Garmin Switzerland shareholders. Swiss law also reserves for approval by shareholders many corporate actions over which Garmin Cayman's board of directors currently has authority. For example, dividends must be approved by shareholders at the general meeting of Garmin Switzerland shareholders. While we do not believe that the differences between Cayman Islands law and Swiss law relating to our capital management will have an adverse effect on us, we cannot assure you that situations will not arise where such flexibility would have provided substantial benefits to our shareholders.

Garmin Switzerland may not be able to make distributions or repurchase shares without subjecting you to Swiss withholding tax.

If Garmin Switzerland is unable to make distributions, if any, through a reduction of par value or, after January 1, 2011, subject to the adoption of implementing regulations, to pay dividends, if any, out of qualifying capital contribution reserves, then any dividends paid by Garmin Switzerland will generally be subject to a Swiss federal withholding tax at a rate of 35%. The withholding tax must be withheld from the gross distribution and paid to the Swiss Federal Tax Administration. Dividends, if any, paid on Garmin Cayman's shares are not currently subject to withholding tax in the Cayman Islands. A U.S. holder that qualifies for benefits under the Convention between the United States of America and the Swiss Confederation for the Avoidance of Double Taxation with Respect to Taxes on Income, which we refer to as the "U.S.-Swiss Treaty," may apply for a refund of the tax withheld in excess of the 15% treaty rate (or in excess of the 5% reduced treaty rate for qualifying corporate shareholders with at least 10% participation in the voting stock of Garmin Switzerland, or for a full refund in case of qualified pension funds). Payment of a capital distribution in the form of a par value reduction is not subject to Swiss withholding tax. However, there can be no assurance that Garmin Switzerland's shareholders will approve a reduction in par value, that Garmin Switzerland will be able to meet the other legal requirements for a reduction in par value, or that Swiss withholding rules will not be changed in the future. In addition, over the long term, the amount of par value available for Garmin Switzerland to use for par value reductions will be limited. If Garmin Switzerland is unable to make a distribution through a reduction in par value or, after January 1, 2011, subject to the adoption of implementing regulations, to pay a dividend out of qualifying capital contribution reserves, Garmin Switzerland may not be able to make distributions without subjecting you to Swiss withholding taxes.

Under present Swiss tax law, repurchases of shares for the purposes of capital reduction are treated as a partial liquidation subject to 35% Swiss withholding tax on the difference between the par value and the repurchase price. Beginning on January 1, 2011, subject to the adoption of implementing regulations, the portion of the repurchase price that is attributed to the qualifying capital contribution reserves of the shares repurchased will not be subject to the Swiss withholding tax either. Garmin Switzerland may follow a share repurchase process for future share repurchases, if any, similar to a "second trading line" on the Swiss Stock Exchange ("SIX") in which Swiss institutional investors buy shares on the open market and sell these shares to us and are generally able to receive a refund of the Swiss withholding tax. However, if Garmin Switzerland is unable to use this process successfully, Garmin Switzerland may not be able to repurchase shares for the purposes of capital reduction without subjecting you to Swiss withholding taxes. Please see "Material Tax Considerations—Swiss Tax Considerations—Consequences to Shareholders of Garmin Switzerland Subsequent to the Redomestication—Repurchases of Shares."

We will be subject to various Swiss taxes as a result of the Redomestication.

Although we do not expect Swiss taxes to materially affect our worldwide effective corporate tax rate, we will be subject to additional corporate taxes in Switzerland as a result of the Redomestication. Switzerland imposes a corporate federal income tax for holding companies at an effective tax rate of 7.83%, although we should be entitled to a "participation relief" that in most cases will effectively eliminate any Swiss taxation on the profits of our subsidiaries paid by them to Garmin Switzerland as dividends as well as on capital gains related to the sale of participations. We also will be subject to a Swiss issuance stamp tax levied on Garmin Switzerland share issuances, other than in connection with qualifying restructurings like the Redomestication, or increases of Garmin Switzerland's equity at a rate of 1% of the fair market value of the issuance or increase. In addition, Garmin Switzerland will be subject to some other Swiss indirect taxes (e.g., VAT, Swiss issuance stamp tax on certain debt instruments and Swiss securities transfer stamp tax). We currently are not subject to income, capital, stamp or issuance taxes or VAT in the Cayman Islands.

As a Swiss company, we will be required to declare dividends in Swiss francs and any currency fluctuations between the U.S. dollar and Swiss francs will affect the dollar value of the dividends we pay.

Under Swiss corporate law, Garmin Switzerland will be required to declare dividends, including distributions through a reduction in par value, in Swiss Francs. Dividend payments will be made by our transfer agent in U.S. dollars converted at the applicable exchange rate shortly before the payment date. As a result, shareholders will be exposed to fluctuations in the exchange rate between the date used for purposes of calculating the Swiss Franc amount of any proposed dividend or par value reduction and the relevant payment date, which will be determined by the shareholders' meeting.

The Redomestication will result in additional direct and indirect costs, even if it is not completed.

We will incur additional costs as a result of the Redomestication, although we do not expect these costs to be material. We have incurred costs and expenses, including professional fees, to comply with Swiss corporate and tax laws and financial reporting requirements. In addition, we expect to incur attorneys' fees, accountants' fees, filing fees, mailing expenses, proxy solicitation fees and financial printing expenses in connection with the Redomestication, even if the Scheme of Arrangement is not approved or completed. The Redomestication also may negatively affect us by diverting attention of our management and employees from our operating business during the period of implementation and by increasing other administrative costs and expenses.

We may choose to abandon or delay the Redomestication.

We may abandon or delay the Redomestication at any time prior to the Transaction Time, even after the shareholders have approved the Redomestication at the Special Meeting and the Scheme of Arrangement has been approved by the Cayman Court. While we currently expect to complete the Redomestication as soon as practicable after obtaining shareholder approval of the Scheme of Arrangement at the meeting, our board of directors may delay the Redomestication for a significant time or may abandon the Redomestication altogether after the Special Meeting because, among other reasons, the Redomestication is no longer in our best interest or the best interests of our shareholders or may not result in the benefits we expect, or our estimated cost of the Redomestication increases. Additionally, we may not be able to obtain the requisite shareholder or court approvals.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Some of the statements included in this proxy statement and the documents incorporated by reference may include forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 or Section 21E of the Securities Exchange Act of 1934, each as amended, including, in particular, statements about our expectations regarding the change of our place of incorporation from the Cayman Islands to Switzerland. These statements identify prospective information and include words such as "expects," "plans," "anticipates," "believes," "estimates," "predicts," "projects" and similar expressions. These forward-looking statements are based on information available to us as of the date of this proxy statement.

Current expectations, forecasts and assumptions involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those anticipated by these forward-looking statements. Such risks, uncertainties and other factors that could cause actual results and experience to differ from those projected include, but are not limited to, the following:

- the ineffectiveness of our business strategy due to changes in current or future market conditions;
- the effects of our competing in a highly competitive industry, including industry consolidation, pricing competition and development of competing products;
- decreased demand for our products;
- weakness in the global economy and decreased spending by consumers;
- the risk that legislative and regulatory action by the U.S. government could materially and adversely affect our effective tax rate and cash tax position;
- risks associated with the proposed Redomestication and the creation of a new parent holding company in Switzerland;
 - uncertainties relating to governmental and regulatory policies; and
 - tax liabilities such as dividend withholding tax and stamp duty.

The foregoing review of important factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are set forth in this proxy statement, in particular in the section entitled "Risk Factors" and the documents that we file with the Securities and Exchange Commission (the "SEC") from time to time. You may obtain copies of these documents as described under the heading "Where You Can Find More Information."

Except as required under U.S. federal securities laws and the rules and regulations of the SEC, we do not have any intention or obligation to update publicly any forward-looking statements after the distribution of this proxy statement, whether as a result of new information, future events, changes in assumptions or otherwise.

The foregoing factors are in addition to those factors discussed under “Risk Factors,” and “The Redomestication Proposal—Background and Reasons for the Redomestication” and elsewhere in this proxy statement, as well as those in the documents that we incorporate by reference into this proxy statement (including, without limitation, the “Risk Factors” sections of our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and other documents on file with the SEC prior to the date of the Special Meeting). There may be other risks and uncertainties that we are unable to predict at this time. We expressly disclaim any obligation to update or revise these forward-looking statements whether as a result of new information, future developments or otherwise.

THE REDOMESTICATION PROPOSAL

We are seeking your approval of a scheme of arrangement under Cayman Islands law, substantially in the form attached as Annex A to this proxy statement (the "Scheme of Arrangement ") which, upon effectiveness, will result in a newly formed Swiss company serving as the publicly traded parent of the Garmin group of companies (the " Garmin group "). In this proxy statement, we refer to the transaction to be effected pursuant to the Scheme of Arrangement as the "Redomestication" The Redomestication will effectively change the place of incorporation of the publicly traded parent company of the Garmin group from the Cayman Islands to Switzerland and will result in you holding registered shares of a Swiss company instead of common shares of a Cayman Islands company.

The Redomestication involves several steps. On February 9, 2010, Garmin Cayman, the Cayman Islands company whose common shares you currently own, formed Garmin Switzerland as a direct subsidiary. On [**], 2010 we petitioned the Cayman Court to order, among other things, the calling of a meeting of Garmin Cayman common shareholders to approve the Scheme of Arrangement. On ___, 2010 the Cayman Court ordered us to seek your approval of the Scheme of Arrangement. We will hold the Special Meeting to approve the Scheme of Arrangement on May 20, 2010. If we obtain the necessary shareholder approval, the Cayman Court will hold the Sanction Hearing, which is expected to be held on June 4, 2010 to approve the Scheme of Arrangement. Assuming we receive the necessary approvals from the shareholders and the Cayman Court and the conditions to consummation of the Scheme of Arrangement are satisfied (and we do not abandon the Redomestication), we will file the court order approving the Scheme of Arrangement with the Cayman Islands Registrar of Companies. The Scheme of Arrangement is scheduled to become effective on June 27, 2010 or such other date and time as the Board may determine (the “Transaction Time”). We selected this date to coincide with the end of Garmin Cayman’s second fiscal quarter for 2010, which ends on Saturday, June 26, 2010. Our Board cannot delay the Transaction Time to a date later than December 31, 2010 (unless extended with the approval of the Cayman Court) because the Scheme of Arrangement will lapse by its terms if the Transaction Time has not occurred on or prior to that date.

At and shortly following the Transaction Time, the following steps will occur:

1. all issued and outstanding Garmin Cayman common shares will be transferred to Garmin Switzerland; and
2. in consideration therefore, before the opening of trading of the NASDAQ Global Select Market on the business day following the Transaction Time Garmin Switzerland will (a) issue registered shares (on a one-for-one basis) to the holders of the Garmin Cayman common shares that will be transferred to Garmin Switzerland, and (b) increase the par value of the 10,000,000 shares of Garmin Switzerland issued to Garmin Cayman in connection with the formation of Garmin Switzerland (the “Formation Shares”) to the same par value as the shares of Garmin Switzerland to be issued to the Garmin Cayman shareholders, which Formation Shares may subsequently be transferred by Garmin Cayman to one or more other subsidiaries of Garmin Switzerland for future use to satisfy our obligations to deliver shares in connection with awards granted under our equity incentive plans for employees and other general corporate purposes.

As a result, shortly following the Transaction Time and before the opening of trading of the NASDAQ Global Select Market on the business day following the Transaction Time:

- Garmin Switzerland will have outstanding the same number of shares as did Garmin Cayman immediately before the Transaction Time, plus the Formation Shares; and
- Garmin Switzerland will hold all the outstanding shares of Garmin Cayman.

If, and only if, the Scheme of Arrangement is effected, an election will be made to treat Garmin Cayman as a disregarded entity for U.S. federal income tax purposes, effective shortly after the Transaction Time.

As a result of the Redomestication, the shareholders of Garmin Cayman will instead become shareholders of Garmin Switzerland and Garmin Cayman will become a subsidiary of Garmin Switzerland. The members of the Board of Directors of Garmin Cayman then in office will be members of the Board of Directors of Garmin Switzerland at or immediately after the Transaction Time.

In connection with the completion of the Redomestication, Garmin Switzerland will assume, on a one-for-one basis, Garmin Cayman's existing obligations in connection with awards granted under Garmin Cayman's equity incentive plans and other similar equity awards. Any stock options, stock appreciation rights, restricted stock units or performance shares issued by Garmin Cayman that are convertible, exchangeable or exercisable into common shares of Garmin Cayman will become convertible, exchangeable or exercisable, as the case may be, into registered shares of Garmin Switzerland.

As of the Record Date, [**] common shares of Garmin Cayman were issued and outstanding and we had [**] shareholders of record.

There currently are no fractional shares of Garmin Cayman held of record and we do not expect there to be any such fractional shares held of record immediately prior to the Transaction Time.

Following the Redomestication, you will continue to own an interest in a parent company that will continue to conduct, through its subsidiaries, the same businesses as conducted by Garmin Cayman before the Redomestication. The number of shares you will own in Garmin Switzerland immediately after the Redomestication will be the same as the number of shares you owned in Garmin Cayman immediately prior to the Redomestication, and your relative economic interest in the Garmin group will remain unchanged.

The completion of the Redomestication will change the governing corporate law that applies to shareholders of our parent company from Cayman Islands law to Swiss law. The legal system governing corporations organized under Swiss law differs from the legal system governing corporations organized under Cayman Islands law. As a result, we are unable to adopt governing documents for Garmin Switzerland that are identical to the governing documents for Garmin Cayman. We have attempted to preserve in the articles of association and organizational regulations of Garmin Switzerland the same allocation of material rights and powers between the shareholders and our board of directors that exists under Garmin Cayman's memorandum and articles of association. Nevertheless, Garmin Switzerland's proposed articles of association and organizational regulations differ from Garmin Cayman's memorandum and articles of association. We summarize the material differences between the governing documents for Garmin Cayman and Garmin Switzerland, and the changes in your rights as a shareholder resulting from the Redomestication, under "Comparison of Rights of Shareholders."

Background and Reasons for the Redomestication

The original parent company of the Garmin group was Garmin Corporation, a company incorporated in Taiwan. Under the legal framework of Taiwan at the time of Garmin's initial public offering in 2000, it was not practical for Garmin Corporation to offer its shares to the public in the United States. Therefore, on July 24, 2000, we formed

Garmin Ltd. in the Cayman Islands as a holding company for Garmin Corporation in order to facilitate the listing of our common shares in the United States.

While our tenure in the Cayman Islands has served us and our shareholders well, following a thorough review, we have determined that it is in the best interests of Garmin and its shareholders to change the jurisdiction of incorporation of the parent company of the Garmin group to Switzerland. Our board of directors' determination that Switzerland is the preferred choice for the domicile of the parent of the Garmin group was based on many factors, including the following:

- Switzerland is centrally located in Europe in close proximity to our major Western and Eastern European markets and will provide a base for possible expansion of certain corporate functions for our European operations in a centralized European location and a more favorable structure from which to acquire or partner with European businesses;
- the change of our jurisdiction of incorporation will enhance our global business operations and reputation consistent with our status as an international company with significant operations in Asia as well as Europe and North America;
- there has been negative publicity regarding companies that are domiciled in countries such as the Cayman Islands that have low rates of, or no direct taxation and as a consequence do not have a substantial network of tax treaties with the countries where we have operations. Garmin makes no comment on the fairness of that negative publicity;
- legislative bodies in various jurisdictions, including the U.S., have considered proposals and/or introduced legislation that, if enacted, could increase our tax burden if we remained incorporated in the Cayman Islands. It is, of course, not possible for Garmin to predict whether any proposals will in fact be enacted. It is possible that the various proposals will not become law, or that the final form of any legislation would not negatively impact Garmin Cayman if the Redomestication were not to take effect, or would negatively impact Garmin Switzerland even if the Redomestication occurs. However, the Board considers that the current risks associated with potential legislative reforms are, of themselves, sufficient reason to propose and recommend the Redomestication; and
- Switzerland's taxation system and its extensive network of tax treaties with other countries will enable us to maintain a competitive worldwide effective corporate tax rate.

Like the Cayman Islands, Switzerland has a well-developed corporate, legal and regulatory environment and a sophisticated financial and commercial infrastructure. For this reason, as well as for all the other reasons set out above, Garmin considers Switzerland to be an appropriate domicile for its ultimate holding company.

Amendment, Termination or Delay

The Scheme of Arrangement may be amended, modified or supplemented at any time before or after its adoption by the common shareholders of Garmin Cayman at the Special Meeting. However, after adoption, no amendment, modification or supplement may be made or effected that legally requires further approval by Garmin Cayman shareholders without obtaining such approval.

At the Sanction Hearing, the Cayman Court may impose such conditions as it deems appropriate in relation to the Scheme of Arrangement, but may not impose any material changes without the joint consent of Garmin Cayman and Garmin Switzerland. Garmin Cayman may, subject to U.S. securities law constraints, consent to any modification of the Scheme of Arrangement on behalf of the shareholders which the Cayman Court may think fit to approve or impose.

The board of directors of Garmin Cayman may terminate the Scheme of Arrangement and abandon the Redomestication or delay the Redomestication, at any time prior to the Transaction Time, without obtaining the approval of Garmin Cayman shareholders, even though the Scheme of Arrangement may have been approved by such shareholders and approved by the Cayman Court and all other conditions to the Redomestication may have been satisfied, if the board of directors determines that such course is in our best interests and the best interests of our shareholders.

Unless the Scheme of Arrangement has become effective and the Transaction Time has occurred on or before December 31, 2010, or such later date, if any, as Garmin Cayman and Garmin Switzerland may agree and the Cayman Court may allow, the Scheme of Arrangement will lapse by its terms and not come into effect and therefore, the Redomestication will not be effected.

Conditions to Consummation of the Redomestication

The Redomestication will not be completed unless, among other things, the following conditions are satisfied or, if allowed by law, waived:

- a definitive version of this proxy statement has been filed with the SEC;
- the Scheme of Arrangement is approved by the requisite vote of the shareholders of Garmin Cayman at the Special Meeting;
- the requisite court order approving the Scheme of Arrangement is obtained from the Cayman Court, and is duly lodged with the Cayman Islands Registrar of Companies;
- there is no threatened, pending or effective decree, order, injunction or other legal restraint prohibiting the consummation of the Scheme of Arrangement or related Redomestication;
- the Garmin Switzerland shares to be issued pursuant to the Redomestication are authorized for listing on the NASDAQ, subject to official notice of issuance;
- all consents and governmental authorizations that are necessary, desirable or appropriate in connection with the Scheme of Arrangement and related Redomestication are obtained on terms acceptable to Garmin Cayman and are in full force and effect;
- Garmin Cayman receives an opinion from KPMG LLP, in form and substance reasonably satisfactory to it, confirming, as of the Transaction Time, the matters discussed under "Material Tax Considerations—U.S. Federal Income Tax Considerations";
- Garmin Cayman receives an opinion from KPMG AG, in form and substance reasonably satisfactory to it, confirming, as of the Transaction Time, the matters discussed under "Material Tax Considerations—Swiss Tax Considerations;"
- Garmin Cayman receives an opinion from Maples and Calder, in form and substance reasonably satisfactory to it, regarding the matters discussed in Securities Exchange Commission Division of Corporation Finance Legal Bulletin No. 3A (CF) dated June 18, 2008; and
- Garmin Switzerland and Garmin Cayman execute a Transaction Agreement pursuant to which, among other things, Garmin Switzerland agrees to adopt Garmin Cayman's Equity Compensation and Benefit Plans as defined in the

Transaction Agreement. The form of the Transaction Agreement is set forth at Annex F.

Court Approval of the Scheme of Arrangement

Pursuant to Section 86 of the Companies Law (2009 Revision) of the Cayman Islands (the "Cayman Islands Companies Law"), the Scheme of Arrangement must be approved by the Cayman Court. This requires Garmin Cayman to file a petition (the "Petition") for the Scheme of Arrangement with the Cayman Court. Prior to the mailing of this proxy statement, Garmin Cayman obtained directions from the Cayman Court providing for the convening of a meeting of Garmin Cayman's shareholders and other procedural matters regarding the meeting and the further conduct of the Petition, including a date upon which the Cayman Court will hear the Petition. A copy of the Cayman Court's Interlocutory Order is attached as Annex E to this proxy statement.

In making the Interlocutory Order, the Cayman Court expresses no view on the commercial merits of the Redomestication proposal, or as to the validity or otherwise of the Board's reasons given for recommending the Redomestication. The Interlocutory Order is not and should be interpreted as a recommendation by the Cayman Court to vote either "for" or "against" the Redomestication proposal. The Cayman Court has not independently verified and makes no statement as to the correctness of the matters or opinions contained in this Proxy Statement.

Subject to the common shareholders of Garmin Cayman approving the Scheme of Arrangement with the vote required by the Cayman Islands Companies Law, a Sanction Hearing will be required to hear the Petition and approve the Scheme of Arrangement. At the Sanction Hearing, the Cayman Court may impose such conditions as it deems appropriate in relation to the Scheme of Arrangement, but may not impose any material changes without the joint consent of Garmin Cayman and Garmin Switzerland.

Garmin Cayman may, subject to U.S. securities law constraints, consent to any modification of the Scheme of Arrangement on behalf of the shareholders which the Cayman Court may think fit to approve or impose. In determining whether to exercise its discretion and approve the Scheme of Arrangement, the Cayman Court will determine, among other things, whether the Scheme of Arrangement is fair to Garmin Cayman's shareholders. We expect the Sanction Hearing to be held at 10:00 a.m. on June 4, 2010 at the Cayman Court in George Town, Grand Cayman, Cayman Islands. If you are a common shareholder who wishes to appear in person or by counsel at the Sanction Hearing and present evidence or arguments in support of or in opposition to the Scheme of Arrangement, you may do so. In addition, the Cayman Court has wide discretion to hear from interested parties. Garmin Cayman will not object to the participation in the Sanction Hearing by any beneficial holder of common shares who holds shares through a custodian, depository, nominee or broker. In accordance with its terms, the Scheme of Arrangement will become effective on its terms as soon as a copy of the Order of the Cayman Court approving the Scheme of Arrangement has been delivered to the Registrar of Companies of the Cayman Islands for registration as required by Section 86 of the Cayman Islands Companies Law, although on the terms of the Scheme, the Redomestication does not take effect until that and a number of other conditions precedent are satisfied or waived and the Transaction Time occurs. It is anticipated that the Transaction Time will be 3:00 a.m. Cayman Islands time on June 27, 2010, but may be such earlier or later date as Garmin Cayman nominates. Please see above under the caption "—Conditions to Consummation of the Redomestication" for more information on the conditions to the consummation of the Redomestication.

At the Special Meeting, Garmin Cayman's shareholders will be asked to approve the Scheme of Arrangement, substantially in the form attached as Annex A to this proxy statement. If the shareholders approve the Scheme of Arrangement, then Garmin Cayman will apply for sanction of the Scheme of Arrangement at the Sanction Hearing. We encourage you to read the Scheme of Arrangement in its entirety for a complete description of its terms and conditions.

Once the Scheme of Arrangement is effective, the Cayman Court will have exclusive jurisdiction to hear and determine any suit, action or proceeding and to settle any dispute which arises out of or is connected with the terms of

the Scheme of Arrangement or its implementation or out of any action taken or omitted to be taken under the Scheme of Arrangement or in connection with the administration of the Scheme of Arrangement. A common shareholder who wishes to enforce any rights under the Scheme of Arrangement after such time must notify Garmin Cayman in writing of its intention at least five business days prior to commencing a new proceeding. After the Transaction Time, no shareholder may commence a proceeding against Garmin Switzerland or Garmin Cayman before the Cayman Court in respect of or arising from the Scheme of Arrangement except to enforce its rights under the Scheme of Arrangement where a party has failed to perform its obligations under the Scheme of Arrangement.

When under any provision of the Scheme of Arrangement a matter is to be determined by Garmin Cayman, then Garmin Cayman will have discretion to determine those matters under the Scheme of Arrangement in a manner that it considers fair and reasonable, and its decisions will be binding on all concerned.

Federal Securities Law Consequences; Resale Restrictions

The issuance of Garmin Switzerland registered shares to Garmin Cayman shareholders in connection with the Redomestication will not be registered under the Securities Act of 1933 (the "Securities Act"). Section 3(a)(10) of the Securities Act exempts securities issued in exchange for one or more outstanding securities from the general requirement of registration where the terms and conditions of the issuance and exchange of such securities have been approved by any court of competent jurisdiction, after a hearing upon the fairness of the terms and conditions of the issuance and exchange at which all persons to whom such securities will be issued have a right to appear and to whom adequate notice of the hearing has been given. In determining whether it is appropriate to authorize the Scheme of Arrangement, the Cayman Court will consider at the Sanction Hearing whether the terms and conditions of the Scheme of Arrangement are fair to Garmin Cayman shareholders. The Cayman Court has fixed the date and time for the Sanction Hearing, which will be held at the Cayman Court in George Town, Grand Cayman, Cayman Islands, at 10:00 a.m. Cayman Islands time on June 4, 2010. The Garmin Switzerland registered shares issued to Garmin Cayman shareholders in connection with the Redomestication will be freely transferable, except that the board of directors of Garmin Switzerland has the power to decline the registration in Garmin Switzerland's share register of purchasers of shares as shareholders with voting rights in limited circumstances (those purchasers would then be registered in the share register as shareholders without voting rights), and except for restrictions applicable to certain "affiliates" of Garmin Cayman under the Securities Act, as follows:

- Persons who were not affiliates of Garmin Cayman at the Transaction Time and have not been affiliates within 90 days prior to such time will be permitted to sell any Garmin Switzerland registered shares received in the Redomestication without regard to Rule 144 under the Securities Act.
- Persons who were affiliates of Garmin Cayman at the Transaction Time or were affiliates within 90 days prior to such time will be permitted to resell any Garmin Switzerland registered shares they receive pursuant to the Redomestication in the manner permitted by Rule 144. In computing the holding period of the Garmin Switzerland registered shares for the purposes of Rule 144(d), such persons will be permitted to "tack" the holding period of their Garmin Cayman shares held prior to the Transaction Time.
- Persons whose shares of Garmin Cayman are subject to transfer restrictions will receive shares of Garmin Switzerland that are subject to the same transfer restrictions.

Persons who may be deemed to be affiliates of Garmin Cayman and Garmin Switzerland for these purposes generally include individuals or entities that control, are controlled by, or are under common control with, Garmin Cayman or Garmin Switzerland, and would generally not be expected to include shareholders who are not executive officers, directors or significant shareholders of Garmin Cayman or Garmin Switzerland.

We have not filed a registration statement with the SEC covering any resales of the Garmin Switzerland registered shares to be received by Garmin Cayman's shareholders in connection with the Redomestication. Garmin Switzerland intends to file certain post-effective amendments to existing effective registration statements of Garmin Cayman concurrently with the completion of the Redomestication.

Upon consummation of the Redomestication, the registered shares of Garmin Switzerland will be deemed to be registered under Section 12(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), by virtue of Rule 12g-3 under the Exchange Act, without the filing of any Exchange Act registration statement.

Effective Date and Transaction Time

If the Scheme of Arrangement is approved by the requisite shareholder majorities and approved by the Cayman Court and the other conditions to the consummation of the Redomestication are satisfied (and we do not abandon the Redomestication), the Scheme of Arrangement will become effective on its terms upon our filing of the court order approving the Scheme of Arrangement with the Registrar of Companies in the Cayman Islands. However, provided all the conditions precedent set out in the Scheme of Arrangement are satisfied or waived, the Redomestication itself will not take effect until the Transaction Time. The Transaction Time is anticipated to be 3:00 a.m. Cayman Islands time on June 27, 2010, but may be at such earlier or later date as Garmin Cayman determines. Please see "The Redomestication Proposal—Conditions to Consummation of the Redomestication." Various steps of the Redomestication will occur at or shortly following the Transaction Time. Prior to the opening of trading on the NASDAQ Global Select Market on the business day following the Transaction Time Garmin Switzerland will issue registered shares (on a one-for-one basis) to the holders of the Garmin Cayman common shares that will be transferred to Garmin Switzerland. The expected timetable for the Redomestication is set forth in Annex D to this proxy statement.

In the event the conditions to the Redomestication are not satisfied, the Redomestication may be abandoned or delayed, even after approval by the Garmin Cayman shareholders, the approval of the Cayman Court and the lodgment of the court order with the Cayman Islands Registrar of Companies. In addition, the Redomestication may be abandoned or delayed by our board of directors at any time prior to the Transaction Time, without obtaining the approval of the Garmin Cayman shareholders, even though the Scheme of Arrangement may have been approved by Garmin Cayman's shareholders and approved by the Cayman Court and all other conditions to the Redomestication may have been satisfied. Please see "The Redomestication Proposal—Amendment, Termination or Delay."

Management of Garmin Switzerland

If the Redomestication is consummated, the executives and directors of Garmin Cayman immediately prior to the Transaction Time are expected to be the executives and directors of Garmin Switzerland. Garmin Switzerland's articles of association provide for three classes of directors, just as Garmin Cayman currently has, and Garmin Switzerland's Class I, Class II and Class III directors will be subject to re-election at the 2011, 2012 and 2013 annual general meetings of Garmin Switzerland, respectively.

Regulatory Matters

Other than the Scheme of Arrangement, we are not aware of any other governmental approvals or actions that are required to complete the Redomestication other than compliance with U.S. federal and state securities laws and Cayman Islands and Swiss corporate law. We do not believe that any significant regulatory approvals will be required to effect the Redomestication.

No Appraisal Rights

Under Cayman Islands law, none of the common shareholders of Garmin Cayman has any dissenters' rights or right to an appraisal of the value of their shares or receive payment for them in connection with the Redomestication.

Exchange of Shares

At the Transaction Time, your Garmin Cayman common shares will be exchanged for Garmin Switzerland registered shares without any action on your part. You will not be required to exchange any physical share certificates. All of Garmin Switzerland's shares will be issued in uncertificated book-entry form. Consequently, if you currently hold

Garmin Cayman shares in certificated form, following the Redomestication, your Garmin Cayman share certificates will cease to have effect as documents or evidence of title. The transfer agent will make an electronic book-entry in your name and will mail you a statement evidencing your ownership of Garmin Switzerland shares.

Equity Incentive Plans

If the Redomestication is consummated, Garmin Switzerland will assume the existing obligations of Garmin Cayman in connection with awards granted under Garmin Cayman's equity incentive plans. Those plans will be amended as necessary to comply with Swiss law and give effect to the Redomestication, including to provide (1) that Garmin Switzerland registered shares will be issued, held, available or used to measure or satisfy benefits as appropriate under the plans, in substitution for Garmin Cayman common shares; and (2) for the appropriate substitution of Garmin Switzerland for Garmin Cayman in those plans.

Garmin Switzerland intends to file new registration statements and/or post-effective amendments to certain effective registration statements of Garmin Cayman concurrently with the completion of the Redomestication in connection with its assumption of the existing obligations of Garmin Cayman in connection with awards granted under Garmin Cayman's equity incentive plans.

Holders of outstanding options, stock appreciation rights, restricted stock units or other equity-based awards may be subject to tax as a result of the conversion of the underlying Garmin Cayman common shares to Garmin Switzerland registered shares as of the Transaction Time, depending on the country where the holders are citizens or tax residents or the country where they resided during the life of such equity awards. In general, however, U.S. taxpayers should not recognize ordinary income at the time Garmin Switzerland assumes their equity awards. Tax withholding and/or reporting may be required by Garmin Switzerland or one of its affiliates and/or the holder of the applicable equity award, and certain employer social insurance contributions or other taxes may be due as a result of the conversion of the equity awards. Depending on the country where the holders are citizens or residents or the country where they resided during the life of the Garmin Cayman awards, the conversion of equity awards may trigger certain regulatory filings or notices to employees concerning the tax or regulatory consequences of the Redomestication.

Stock Exchange Listing and Reporting Obligations

Garmin Cayman common shares are expected to continue to trade on the NASDAQ until the Transaction Time.

We expect that, prior to the opening of trading of the NASDAQ Global Select Market on the business day following the Transaction Time, the Garmin Switzerland registered shares (for which there is currently no established public trading market) will be listed on the NASDAQ under the symbol "GRMN", the same symbol under which the Garmin Cayman common shares are currently listed. We do not currently intend to list the Garmin Switzerland registered shares on the SIX Swiss Exchange or any other stock exchange. Upon completion of the Redomestication, we will remain subject to SEC reporting requirements, the mandates of the Sarbanes Oxley Act and the corporate governance rules of the NASDAQ, and we will continue to report our consolidated financial results in U.S. dollars and in accordance with U.S. GAAP.

Accounting Treatment of the Redomestication

Under U.S. GAAP, the Redomestication represents a transaction between entities under common control. Assets and liabilities transferred between entities under common control are accounted for at cost. Accordingly, the assets and liabilities of Garmin Switzerland will be reflected at their carrying amounts in the accounts of Garmin Cayman at the Transaction Time.

Effect of the Redomestication on Potential Future Status as a Foreign Private Issuer

Under SEC rules, companies organized outside of the United States that qualify as "foreign private issuers" remain subject to SEC regulation, but are exempt from certain requirements that apply to U.S. reporting companies. Garmin

Cayman is not a “foreign private issuer” and we do not currently believe that Garmin Switzerland will qualify as a “foreign private issuer” upon completion of the Redomestication. Even if Garmin Switzerland meets the tests for a “foreign private issuer,” we do not currently intend to avail ourselves of the benefits of being a “foreign private issuer.”

Required Vote; Board Recommendation

The Special Meeting will be conducted in accordance with the directions of the Cayman Court. The presence in person or by proxy of at least two registered holders of common shares is required to constitute a quorum. Assuming the presence of a quorum at the meeting, the Scheme of Arrangement must be approved by a majority in number of the registered holders of the Garmin Cayman common shares present and voting on the proposal, whether in person or by proxy, representing 75% or more in value of the Garmin Cayman common shares present and voting on the proposal, whether in person or by proxy. Please see "The Special Meeting—Record Date; Voting Rights; Vote Required for Approval."

GARMIN CAYMAN'S BOARD OF DIRECTORS HAS APPROVED THE REDOMESTICATION AND RECOMMENDS VOTING "FOR" APPROVAL OF THE REDOMESTICATION

MATERIAL TAX CONSIDERATIONS

The information presented under the caption "—U.S. Federal Income Tax Considerations" below is a discussion of the material U.S. federal income tax consequences to U.S. holders and non-U.S. holders (as defined below) of the Redomestication and of owning and disposing of Garmin Switzerland shares received in the Redomestication. The information presented under the caption "—Swiss Tax Considerations" is a discussion of the material Swiss tax consequences (1) to Swiss holders and non-Swiss holders (as defined below) of the Redomestication and of the ownership and disposition of the Garmin Switzerland shares and (2) to Garmin Switzerland of the Redomestication and subsequent operations. The information presented under the caption "—Cayman Islands Tax Considerations" is a discussion of the material Cayman Islands tax consequences of the Redomestication.

You should consult your own tax advisor regarding the applicable tax consequences to you of the Redomestication and of the ownership and disposition of the Garmin Switzerland shares under the laws of the United States (federal, state and local), Switzerland, Cayman Islands and any other applicable foreign jurisdiction.

U.S. Federal Income Tax Considerations

Scope of Discussion

This discussion does not generally address any aspects of U.S. taxation other than U.S. federal income taxation, is not a complete analysis or description of all of the possible tax consequences of the Redomestication or of owning and disposing of Garmin Switzerland shares and does not address all tax considerations that may be relevant to you. Special rules that are not discussed in the general descriptions below may also apply to you. In particular, this discussion deals only with holders that hold their Garmin Cayman shares and will hold their Garmin Switzerland shares as capital assets and does not address the tax treatment of special classes of holders, such as:

- a holder of Garmin Cayman shares who, at any time within the five-year period ending on the date of the Redomestication, has actually or constructively owned 10% or more of the total combined voting power of all classes of stock entitled to vote of Garmin Cayman or who, immediately before the Redomestication, actually or constructively owns at least 5% (by vote or value) of the outstanding stock of Garmin Cayman,

- a holder of Garmin Switzerland shares who, immediately after the Redomestication, actually or constructively owns at least 5% of either the total voting power or the total value of the stock of Garmin Switzerland or who, at any time after the Redomestication, actually or constructively owns 10% or more of the total combined voting power of all classes of stock entitled to vote of Garmin Switzerland,
 - a bank or other financial institution,
 - a tax-exempt entity,
 - an insurance company,
- a person holding shares as part of a "straddle," "hedge," "integrated transaction," or "conversion transaction,"
 - a person holding shares through a partnership or other pass-through entity,
 - a U.S. expatriate,
 - a person who is liable for alternative minimum tax,
 - a broker-dealer or trader in securities or currencies,
 - a U.S. holder whose "functional currency" is not the U.S. dollar,
 - a regulated investment company,
 - a real estate investment trust,
- a trader in securities who has elected the mark-to-market method of accounting for its securities, or
- a holder who received the Garmin Cayman shares through the exercise of employee stock options or otherwise as compensation or through a tax qualified retirement plan.

This discussion is based on the laws of the United States, including the U.S. Internal Revenue Code of 1986, as amended, which we refer to as the "U.S. Code," its legislative history, existing and proposed Treasury regulations promulgated thereunder, judicial decisions, published rulings, administrative pronouncements and income tax treaties to which the United States is a party, each as in effect on the date of this proxy statement. These laws may change, possibly with retroactive effect. There can be no assurance that the United States Internal Revenue Service, which we refer to as the "IRS," will not disagree with or will not successfully challenge any of the conclusions reached and described in this discussion.

For purposes of this discussion, a "U.S. holder" is any beneficial owner of Garmin Cayman shares, or, after the completion of the Redomestication, Garmin Switzerland shares, that for U.S. federal income tax purposes is:

- an individual citizen or resident alien of the United States,
- a corporation (or other entity taxable as a corporation) organized under the laws of the United States or any state thereof including the District of Columbia,
- an estate, the income of which is subject to U.S. federal income taxation regardless of its source; or

- a trust if (1) it validly elects to be treated as a United States person for U.S. federal income tax purposes or (2)(a) its administration is subject to the primary supervision of a court within the United States and (b) one or more United States persons have the authority to control all of its substantial decisions.

A "non-U.S. holder" is any beneficial owner of Garmin Cayman shares, or, after the completion of the Redomestication, Garmin Switzerland shares, other than an entity or arrangement treated as a partnership for U.S. federal income tax purposes, that is not a U.S. holder. For purposes of this summary, "holder" or "shareholder" means either a U.S. holder or a non-U.S. holder or both, as the context may require.

If a partnership (including any entity or arrangement treated as a partnership for U.S. federal income tax purposes) is a beneficial owner of Garmin Cayman shares or Garmin Switzerland shares, the tax treatment of a partner in that partnership will generally depend on the status of the partner and the activities of the partnership. Holders of Garmin Cayman shares or Garmin Switzerland shares that are partnerships and partners in these partnerships are urged to consult their tax advisers regarding the U.S. federal income tax consequences to them of the Redomestication and the ownership and disposition of the Garmin Switzerland shares.

In the discussion that follows, except as otherwise indicated, it is assumed, as Garmin Cayman believes to be the case, that Garmin Cayman has not been and should not be a passive foreign investment company before the Redomestication and that Garmin Switzerland should not be a passive foreign investment company after the Redomestication. See "—Passive Foreign Investment Company Considerations." It is also assumed, as Garmin Cayman believes to be the case, that Garmin Switzerland will continue to be a foreign corporation in the future.

Garmin

Consequences of the Redomestication. Garmin Cayman and Garmin Switzerland generally should not, as a result of the Redomestication, recognize gain or loss for U.S. federal income tax purposes.

U.S. Holders

Consequences of the Redomestication. The Redomestication, together with the subsequent election by Garmin Cayman to be treated as an entity disregarded from its owner for U.S. federal tax purposes, should generally constitute a reorganization within the meaning of Section 368(a)(1)(F) of the U.S. Code. The material U.S. federal income tax consequences of the Redomestication to U.S. holders are as follows:

- U.S. holders generally should recognize no gain or loss in the Redomestication;
- A U.S. holder's tax basis in the Garmin Switzerland shares received in the Redomestication generally should equal the U.S. holder's tax basis in its shares of Garmin Cayman common stock exchanged in the Redomestication; and
- The holding period of the Garmin Switzerland shares received by a U.S. holder in the Redomestication will include the period during which the U.S. holder held its shares of Garmin Cayman common shares exchanged in the Redomestication.

Shareholders who hold their Garmin Cayman shares with differing bases or holding periods are urged to consult their tax advisors with regard to identifying the bases and holding periods of the particular Garmin Switzerland shares received in the Redomestication.

Taxation of Dividends on the Garmin Switzerland Shares. Any cash dividends paid in the future on Garmin Switzerland shares generally should be subject to U.S. federal income tax in the manner described below.

The gross amount of a distribution paid with respect to Garmin Switzerland shares, including the full amount of any Swiss withholding tax on such amount (please refer to the discussion under "—Consequences to Shareholders of Garmin Switzerland Subsequent to the Redomestication—Swiss Withholding Tax—Distributions to Shareholders" below), generally should be a dividend for U.S. federal income tax purposes to the extent of Garmin Switzerland's current or accumulated earnings and profits (as determined for U.S. tax purposes).

With respect to non-corporate U.S. holders, certain dividends received in taxable years beginning before January 1, 2011 from a "qualified foreign corporation" generally should be subject to U.S. federal income tax at a maximum rate of 15%. In general, Garmin Switzerland generally should be treated as a qualified foreign corporation if the Garmin Switzerland shares are listed on the NASDAQ Global Select Market or certain other exchanges or Garmin Switzerland qualifies for benefits under the income tax treaty between the United States and Switzerland. This reduced rate is subject to a U.S. holder's satisfaction of certain significant holding period and other applicable requirements, including that Garmin Switzerland cannot be a passive foreign investment company (as described below), and will not be available in all situations. Accordingly, U.S. holders should consult their own tax advisors regarding the application of the relevant rules to their particular circumstances. Dividends received by a corporate U.S. holder generally should not be eligible for the dividends received deduction, which is generally allowed to U.S. corporate shareholders on dividends received from a U.S. corporation.

To the extent that a distribution exceeds Garmin Switzerland's current or accumulated earnings and profits (as determined for U.S. tax purposes), it will be treated as a nontaxable return of capital to the extent of the U.S. holder's basis in its Garmin Switzerland shares, and thereafter generally should be treated as a capital gain. We do not maintain calculations of earnings and profits for U.S. tax purposes. Special rules not here described may apply to shareholders who do not have a uniform basis and holding period in all of their Garmin Switzerland shares. These shareholders should consult their own tax advisors regarding the application of these special rules.

Subject to complex limitations, Swiss withholding tax generally should be treated for U.S. tax purposes as a foreign tax that may be claimed as a foreign tax credit against the U.S. federal income tax liability of a U.S. holder. Subject to the succeeding sentence, any dividends paid to you with respect to Garmin Switzerland shares should generally be treated as foreign source income, which may be relevant in calculating your foreign tax credit limitation. However, it is also possible for a portion of the dividends paid to you by Garmin Switzerland to be treated as U.S. source income instead of foreign source income. A portion of the dividends would be treated as U.S. source income if: (1) 50 percent or more of the total vote or value of Garmin Switzerland were owned directly or constructively by U.S. holders; and (2) Garmin Switzerland had earnings and profits for the taxable year, and 10 percent or more of such earnings and profits were attributable to sources within the United States. The limitation on foreign taxes eligible for credit is calculated separately with respect to specific classes of income. For this purpose, dividends distributed by Garmin Switzerland generally should constitute "passive category income" or, in the case of certain U.S. holders, "general category income." In the case of a non-corporate U.S. holder, special rules apply in determining the foreign tax credit limitation with respect to dividend income that is subject to the maximum 15% tax rate. The rules relating to the determination of the foreign tax credit are complex, and you should consult your own tax advisors to determine whether and to what extent a credit would be available. In lieu of claiming a credit, U.S. holders may claim a deduction of foreign taxes paid in the taxable year. Unlike a tax credit, a deduction generally does not reduce U.S. tax on a dollar-for-dollar basis.

Dispositions of Garmin Switzerland Shares. A U.S. holder of Garmin Switzerland shares generally should recognize capital gain or loss for U.S. federal income tax purposes on the sale, exchange or other disposition of Garmin Switzerland shares in an amount equal to the difference between the amount realized (i.e., the amount of cash plus the

fair market value of any property received) on such sale, exchange or other disposition and the holder's adjusted tax basis in Garmin Switzerland shares. Such capital gain or loss will be long-term capital gain or loss if the holder's holding period for Garmin Switzerland shares exceeds one year at the time of the sale, exchange or other disposition. Under current law, long-term capital gain of non-corporate U.S. shareholders is subject to tax at a maximum rate of 15%. However, this reduced rate is scheduled to expire effective for taxable years beginning after December 31, 2010. The deductibility of capital losses is subject to limitations.

Passive Foreign Investment Company Considerations. The treatment of U.S. holders could be materially different from that described above if, at any time during the U.S. holder's holding period, Garmin Cayman or Garmin Switzerland were a passive foreign investment company. For U.S. tax purposes, a foreign corporation, such as Garmin Cayman or Garmin Switzerland, is classified as a passive foreign investment company, which we refer to as a "PFIC," for any taxable year in which either (1) 75% or more of its gross income is passive income (as defined for U.S. tax purposes) or (2) the average percentage of its assets which produce passive income or which are held for the production of passive income is at least 50%. For purposes of applying the tests in the preceding sentence, the foreign corporation is deemed to own its proportionate share of the assets, and to receive directly its proportionate share of the income, of any other corporation of which the foreign corporation owns, directly or indirectly, at least 25% by value of the stock.

We believe that Garmin Cayman has not been a PFIC in any prior taxable year and should not be a PFIC for the taxable year that includes the Redomestication. In addition, we do not expect Garmin Switzerland to be or become a PFIC following the Redomestication. This conclusion, however, is a factual determination that is made annually and thus is uncertain and may be subject to change. If Garmin Switzerland were treated as a PFIC, certain "excess distributions" received by you on the shares and any gain realized on your sale or other disposition of Garmin Switzerland shares should be subject to specific adverse treatment. Such excess distributions or gains should be treated as if you had realized such gain or excess distributions (if any) received on the shares, ratably over your holding period for the shares, as calculated for purposes of the PFIC rules, and should be taxed at the highest tax rate in effect for each such year to which the gain was allocated, and subject to an interest charge in respect of the tax attributable to each such year. In addition, in any tax year in which Garmin Switzerland is a PFIC, dividends, if any, paid by Garmin Switzerland generally should not be eligible to be taxed at the reduced rates for non-corporate shareholders described above under "—Taxation of Dividends on the Garmin Switzerland Shares."

If Garmin Switzerland should determine in the future that it is a PFIC, it will endeavor to so notify U.S. holders of Garmin Switzerland shares, although there can be no assurance that it will be able to do so in a timely and complete manner. U.S. holders of Garmin Switzerland shares should consult their own tax advisors about the PFIC rules, including the availability of certain elections, which may mitigate certain adverse tax consequences of owning shares of a PFIC.

Information Reporting and Backup Withholding. Dividends on Garmin Switzerland shares paid within the United States or through certain U.S.-related financial intermediaries are subject to information reporting and may be subject to backup withholding (currently at a 28% rate) unless the holder (1) is a corporation or other exempt recipient or (2) provides a taxpayer identification number and satisfies certain certification requirements. Information reporting requirements and backup withholding may also apply to the cash proceeds of a sale of the Garmin Switzerland shares.

In addition to being subject to backup withholding, if a U.S. holder of Garmin Switzerland shares does not provide us (or our paying agent) with the holder's correct taxpayer identification number or other required information, the holder may be subject to penalties imposed by the IRS. Any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against the holder's U.S. federal income tax liability, provided that the holder timely furnishes certain required information to the IRS.

Non-U.S. Holders

Consequences of the Redomestication and Subsequent Disposition of the Garmin Switzerland Shares. In general, a non-U.S. holder of Garmin Cayman shares generally should not be subject to U.S. federal income or withholding tax on any gain with respect to the Redomestication and generally should not be subject to U.S. federal income or withholding tax on any gain recognized on a subsequent disposition of the Garmin Switzerland shares received in the Redomestication, unless: (1) such gain is effectively connected with the conduct by the holder of a trade or business within the United States and, if a tax treaty applies, is attributable to a permanent establishment or fixed place of business maintained by such holder in the United States, (2) in the case of a holder who is an individual, such holder is present in the United States for 183 days or more during the taxable year in which the gain is recognized and certain other conditions are met, or (3) such holder is subject to backup withholding tax (as described below).

Taxation of Dividends on the Garmin Switzerland Shares. A non-U.S. holder generally should not be subject to U.S. federal income tax on dividends received on its Garmin Switzerland shares, unless the dividends are effectively connected with the holder's conduct of a trade or business in the United States and, if a tax treaty applies, the dividends are attributable to a permanent establishment or fixed place of business maintained by the holder in the United States, or such holder is subject to backup withholding tax (as described below).

Except to the extent otherwise provided under an applicable tax treaty, a non-U.S. holder generally should be taxed in the same manner as a U.S. holder on dividends paid and gains recognized that are effectively connected with the holder's conduct of a trade or business in the United States. Effectively connected dividends received and gains recognized by a corporate non-U.S. holder may also, under certain circumstances, be subject to an additional "branch profits tax" at a 30% rate (or, if applicable, a lower treaty rate), subject to certain adjustments

Information Reporting and Backup Withholding. In order not to be subject to backup withholding tax on (i) the receipt of cash in lieu of fractional shares in the Redomestication, or (ii) distributions and disposition proceeds with respect to Garmin Switzerland shares, a non-U.S. holder may be required to provide a taxpayer identification number, certify the holder's foreign status, or otherwise establish an exemption. Non-U.S. holders of Garmin Switzerland shares should consult their tax advisers regarding the application of information reporting and backup withholding in their particular situations, the availability of exemptions, and the procedure for obtaining such an exemption, if available. Any amount withheld from a payment to a non-U.S. holder under the backup withholding rules will be allowable as a credit against the holder's U.S. federal income tax liability and may be refunded to the extent the amount withheld exceeds the holder's U.S. federal income tax liability, provided that the required information is timely furnished to the IRS.

THE U.S. FEDERAL INCOME TAX CONSIDERATIONS SUMMARIZED ABOVE ARE FOR GENERAL INFORMATION ONLY. EACH GARMIN CAYMAN SHAREHOLDER SHOULD CONSULT HIS OR HER TAX ADVISOR AS TO THE PARTICULAR CONSEQUENCES THAT MAY APPLY TO SUCH SHAREHOLDER.

Swiss Tax Considerations

Scope of Discussion

This discussion does not generally address any aspects of Swiss taxation other than federal, cantonal and communal income taxation, federal withholding taxation, and federal issuance stamp tax and transfer stamp tax. This discussion is not a complete analysis or listing of all of the possible tax consequences of the Redomestication or of holding and disposing of Garmin Switzerland shares and does not address all tax considerations that may be relevant to you. Special rules that are not discussed in the general descriptions below may also apply to you.

This discussion is based on the laws of the Confederation of Switzerland, including the Federal Income Tax Act of 1990, the Federal Harmonization of Cantonal and Communal Income Tax Act of 1990, The Federal Withholding Tax Act of 1965, the Federal Stamp Duty Act of 1973, as amended, which we refer to as the "Swiss tax law," existing and proposed regulations promulgated thereunder, published judicial decisions and administrative pronouncements, each as in effect on the date of this proxy statement or with a known future effective date. These laws may change, possibly with retroactive effect.

For purposes of this discussion, a "Swiss holder" is any beneficial owner of Garmin Cayman shares, or, after the completion of the Scheme of Arrangement, Garmin Switzerland shares, that for Swiss federal income tax purposes is:

- an individual resident of Switzerland or otherwise subject to Swiss taxation under article 3, 4 or 5 of the Federal Income Tax Act of 1990, as amended, or article 3 or 4 of the Federal Harmonization of Cantonal and Communal Income Tax Act of 1990, as amended;
- a corporation or other entity taxable as a corporation organized under the laws of Switzerland under article 50 or 51 of the Federal Income Tax Act of 1990, as amended, or article 20 or 21 of the Federal Harmonization of Cantonal and Communal Income Tax Act of 1990, as amended; or
- an estate or trust, the income of which is subject to Swiss income taxation regardless of its source.

A "non-Swiss holder" of Garmin Cayman shares, or, after the completion of the Scheme of Arrangement, Garmin Switzerland shares, is a holder that is not a Swiss holder. For purposes of this summary, "holder" or "shareholder" means either a Swiss holder or a non-Swiss holder or both, as the context may require.

Consequences of the Redomestication

Shareholder Tax Consequences

No Swiss tax is due for non-Swiss holders upon the receipt of Garmin Switzerland shares pursuant to the Redomestication.

If Swiss holders are beneficial owners of Garmin Cayman shares or Garmin Switzerland shares, the Redomestication may result in Swiss tax consequences to them and they are therefore urged to consult their tax advisers.

Swiss Corporate Tax Consequences

Under Swiss tax law as it applies to corporations, the Redomestication is considered to be a tax neutral restructuring for Garmin Cayman and Garmin Switzerland. Therefore, no Swiss income taxes will be due with respect to these companies as a result of the Redomestication. As a qualifying restructuring, the Redomestication is also exempt from the Swiss withholding tax, issuance stamp tax and transfer stamp tax.

Taxation of Garmin Switzerland Subsequent to the Redomestication

Income Tax

A Swiss resident company is subject to income tax at federal, cantonal and communal levels on its worldwide income. However, a holding company, such as Garmin Switzerland, is generally exempt from cantonal and communal income tax (with the exception of income generated in relation to Swiss real estate and/or income for which taxation is a condition to rely on a withholding tax relief provided under the applicable double tax treaty or the applicable bilateral agreement with the respective source country) and therefore is only subject to Swiss federal income tax at an effective tax rate of 7.83%. At the federal level, qualifying net dividend income and qualifying net capital gains on the sale of qualifying investments in subsidiaries is exempt from federal income tax. Consequently, Garmin Switzerland expects dividends from its subsidiaries and capital gains from sales of investments in its subsidiaries to be exempt from federal income tax.

Swiss Net Wealth Tax

As a Swiss resident company Garmin Switzerland is subject to Swiss net wealth tax at a privileged holding company tax rate of 0.00525%.

Issuance Stamp Tax

Swiss issuance stamp tax is a federal tax levied on the issuance of shares and increases in the equity of Swiss corporations. The applicable tax rate is 1% of the fair market value of the assets contributed to equity. Exemptions are available in qualifying restructuring transactions, such as the Scheme of Arrangement. As a result, any future issuance of shares by Garmin Switzerland may be subject to the issuance stamp tax unless the shares are issued in the context of qualifying restructuring transactions.

The issuance stamp tax is also levied on the issuance of certain debt instruments. In such case, the rate would amount to 0.06% to 0.12% of the nominal value of the debt issued per year of duration of the instrument (the rate depending on the type of debt instrument). No Swiss issuance stamp tax (at the rate described above) should be due on debt instruments issued by non-Swiss subsidiaries of Garmin Switzerland, if Garmin Switzerland does not guarantee the debt instruments, or if such a guarantee is provided, the proceeds from the issuance by the non-Swiss subsidiary are not used for financing activities in Switzerland.

Swiss Transfer Stamp Tax

The transfer of taxable Swiss and foreign securities (e.g., shares) in which a Swiss bank or other Swiss securities dealers (as defined in the Swiss Federal Stamp Tax Act) participate as contracting parties or as intermediaries is typically subject to Swiss transfer tax at the rate of 0.15% (for securities issued by a resident of Switzerland) and 0.3% (for securities issued by a resident of a foreign country). However, the transfer of taxable securities within qualifying restructuring transactions is exempt from transfer stamp tax. After the Transaction Time, Garmin Switzerland will qualify as a securities dealer and will be subject to stamp tax after a period of six months after the end of the first financial year after the Redomestication.

Swiss Withholding Tax on Certain Interest Payments

A federal withholding tax is levied on the interest payments of certain debt instruments. In such case, the rate would amount to 35% of the gross interest payment to the debtholders. No Swiss withholding tax would be due on interest payments on debt instruments issued by non-Swiss subsidiaries of Garmin Switzerland, provided that Garmin Switzerland does not guarantee the debt instruments, or if such a guarantee is provided, the proceeds from the issuance by the non-Swiss subsidiary are not used for financing activities in Switzerland. Any such withholding tax may be fully or partially refundable to qualified debtholders either based on Swiss domestic tax law or based on existing double taxation treaties.

Consequences to Shareholders of Garmin Switzerland Subsequent to the Redomestication

The tax consequences discussed below are not a complete analysis or listing of all the possible tax consequences that may be relevant to you. You should consult your own tax advisor in respect of the tax consequences related to receipt, ownership, purchase or sale or other disposition of Garmin Switzerland shares and the procedures for claiming a refund of withholding tax.

Swiss Income Tax on Dividends and Similar Distributions

A Swiss holder is required to include dividends and similar distributions in his income tax return and is liable for Swiss income taxes on any net taxable income according to general rules.. Various deductions and exemptions may apply. Therefore Swiss holders are urged to contact their tax advisors.

A non-Swiss holder will not be subject to Swiss income taxes on dividend income and similar distributions in respect of Garmin Switzerland shares, unless the shares are attributable to a permanent establishment or a fixed place of business maintained in Switzerland by such non-Swiss holder. However, dividends and similar distributions are subject to Swiss withholding tax. See "—Swiss Withholding Tax—Distributions to Shareholders."

Swiss Income Tax on Capital Gains upon Disposal of Garmin Switzerland Shares

A Swiss holder might be subject to Swiss taxation on capital gains on the disposal of shares according to general rules. Various deductions and exemptions may apply. Swiss holders are therefore urged to contact their tax advisors.

A non-Swiss holder will not be subject to Swiss income taxes for capital gains unless the holder's shares are attributable to a permanent establishment or a fixed place of business maintained in Switzerland by such non-Swiss holder. In such case, the non-Swiss holder is required to recognize capital gains or losses on the sale of such shares, which will be subject to cantonal, communal and federal income tax as required under the relevant tax laws.

Swiss Net Wealth Tax

Swiss holders need to include shares in their net asset basis that is subject to Swiss net wealth tax according to general rules.

A non-Swiss holder will not be subject to Swiss net wealth taxes unless the holder's Garmin Switzerland shares are attributable to a permanent establishment or a fixed place of business maintained in Switzerland by such non-Swiss holder.

Swiss Withholding Tax—Distributions to Shareholders

A Swiss withholding tax of 35% is due on dividends and similar distributions to Garmin Switzerland shareholders from Garmin Switzerland, regardless of the place of residency of the shareholder (subject to the exceptions discussed under "—Exemption from Swiss Withholding Tax—Distributions to Shareholders" below). Garmin Switzerland will be required to withhold at such rate and remit on a net basis any payments made to a holder of Garmin Switzerland shares and pay such withheld amounts to the Swiss federal tax authorities. Please see "—Refund of Swiss Withholding Tax on Dividends and Other Distributions."

Exemption from Swiss Withholding Tax—Distributions to Shareholders

Under present Swiss tax law, distributions to shareholders in relation to a reduction of par value are exempt from Swiss withholding tax. Beginning on January 1, 2011, distributions to shareholders out of qualifying capital contribution reserves are as a matter of principle exempt from the Swiss withholding tax. The particulars of this general principle are, however, subject to regulations still to be promulgated by the competent Swiss authorities. Garmin Switzerland expects that its qualifying capital contribution reserves will be sufficient to allow a substantial amount of any potential future distributions to be exempt from Swiss withholding tax.

Swiss Withholding Tax - Repurchases of Shares

The repurchase of shares for purposes other than capital reduction, such as to retain as treasury shares for use in connection with stock incentive plans, convertible debt or other instruments within certain periods, will generally not be subject to Swiss withholding tax provided the threshold of 10% (or, in certain cases, 20%) of the registered share capital as required by the Swiss Code is satisfied (see "Description of Garmin Switzerland Shares—Repurchases of Shares" below) and the shares are resold within certain periods prescribed by Swiss law (either six years or, in certain

cases, up to twelve years). In addition, see "Comparison of Rights of Shareholders" for a discussion on the limitations on the amount of repurchased shares that can be held as treasury shares.

Under present Swiss tax law, repurchases of shares for the purposes of capital reduction are treated as a partial liquidation subject to the 35% Swiss withholding tax. However, the portion of the repurchase price that is attributed to the par value of the shares repurchased will not be subject to the Swiss withholding tax. Beginning on January 1, 2011, subject to the adoption of implementing regulations, the portion of the repurchase price that is attributed to the capital contribution reserves of the shares repurchased will also not be subject to the Swiss withholding tax. Therefore, Garmin Switzerland would be required to withhold at such rate the tax from the difference between the repurchase price and the related amount of par value and, beginning on January 1, 2011, the related amount of qualifying capital contribution reserves. Garmin Switzerland would be required to remit on a net basis the purchase price with the Swiss withholding tax deducted to a holder of Garmin Switzerland shares and pay the withholding tax to the Swiss federal tax authorities. However, Garmin Switzerland expects that its qualifying capital contribution reserves will be sufficient to allow a substantial amount of any potential future repurchases of shares to be exempt from Swiss withholding tax.

With respect to the refund of Swiss withholding tax from the repurchase of shares, see "—Refund of Swiss Withholding Tax on Dividends and Other Distributions" below.

Swiss companies listed on the SIX Swiss Exchange ("SIX") generally carry out share repurchase programs through a "second trading line" on the SIX. Swiss financial institutions (e.g. Swiss banks) typically purchase shares from shareholders on the open market and then sell the shares on the second trading line back to the company. The Swiss financial institutions are generally able to receive a full refund of the Swiss withholding tax.

We do not expect to be able to use the SIX second trading line process to repurchase our shares because we do not intend to list our shares on the SIX. We do, however, intend to follow an alternative process whereby we expect to be able to repurchase our shares in a manner that should allow Swiss institutional market participants selling the shares to us to receive a refund of the Swiss withholding tax.

Refund of Swiss Withholding Tax on Dividends and Other Distributions

Swiss Holders. A Swiss tax resident, corporate or individual, can recover the withholding tax in full if such resident is the beneficial owner of the Garmin Switzerland shares at the time the dividend or other distribution becomes due and provided that such resident reports the gross distribution received on such resident's income tax return, or in the case of an entity, includes the taxable income in such resident's income statement.

Non-Swiss Holders. If the shareholder that receives a distribution from Garmin Switzerland is not a Swiss tax resident, does not hold the Garmin Switzerland shares in connection with a permanent establishment or a fixed place of business maintained in Switzerland, and resides in a country that has concluded a treaty for the avoidance of double taxation with Switzerland for which the conditions for the application and protection of and by the treaty are met, then the shareholder may be entitled to a full or partial refund of the withholding tax described above. The procedures for claiming treaty refunds (and the time frame required for obtaining a refund) may differ from country to country.

Switzerland has entered into bilateral treaties for the avoidance of double taxation (including a Savings Agreement with the European Union) with respect to income taxes with numerous countries, including the United States, whereby under certain circumstances all or part of the withholding tax may be refunded.

U.S. Residents. The Swiss-U.S. tax treaty provides that U.S. residents eligible for benefits under the treaty can seek a refund of the Swiss withholding tax on dividends for the portion exceeding 15% (leading to a refund of 20%), for the portion exceeding 5% (leading to a refund of 30% for qualifying corporate shareholders holding at least 10% of the voting stock of the dividend paying corporation) or a full refund in the case of qualified pension funds. Please refer to the discussion under "—U.S. Federal Income Tax Considerations—U.S. Holders—Taxation of Dividends on the Garmin

Switzerland Shares" for applicability of U.S. foreign tax credits for any net withholding taxes paid.

As a general rule, the refund will be granted under the treaty if the U.S. resident can show evidence of:

- beneficial ownership,
- U.S. residency, and
- meeting the U.S.-Swiss tax treaty's limitation on benefits requirements.

The claim for refund must be filed with the Swiss federal tax authorities (Eigerstrasse 65, 3003 Berne, Switzerland), not later than December 31 of the third year following the year in which the dividend payments became due. The relevant Swiss tax form is Form 82C for companies, 82E for other entities and 82I for individuals. These forms can be obtained from any Swiss Consulate General in the United States or from the Swiss federal tax authorities at the address mentioned above. Each form needs to be filled out in triplicate, with each copy duly completed and signed before a notary public in the United States. You must also include evidence that the withholding tax was withheld at the source.

Swiss Transfer Stamp Tax. The purchase or sale of Garmin Switzerland shares may be subject to Swiss federal transfer stamp taxes on the transfer of taxable securities irrespective of the place of residency of the purchaser or seller if the transaction takes place through or with a Swiss bank or other Swiss securities dealer, as those terms are defined in the Swiss Federal Stamp Tax Act and no exemption applies in the specific case. If a purchase or sale is not entered into through or with a Swiss bank or other Swiss securities dealer, then no stamp tax will be due. The applicable stamp tax rate is 0.15% (for securities issued by a resident in Switzerland) or 0.3% (for securities issued by a resident in a foreign country) on the purchase price or sales proceeds. If the transaction does not involve cash consideration, the transfer stamp duty is computed on the basis of the market value of the consideration. After the Transaction Time, Garmin Switzerland will qualify as a securities dealer and will be subject to stamp tax after a period of six months after the end of the first financial year after the Redomestication.

THE SWISS TAX CONSIDERATIONS SUMMARIZED ABOVE ARE FOR GENERAL INFORMATION ONLY. EACH GARMIN CAYMAN SHAREHOLDER SHOULD CONSULT HIS OR HER TAX ADVISOR AS TO THE PARTICULAR CONSEQUENCES THAT MAY APPLY TO SUCH SHAREHOLDER.

Cayman Islands Tax Considerations

The Redomestication will not result in any income tax consequences under Cayman Islands law to Garmin Cayman or Garmin Switzerland or their respective shareholders.

DESCRIPTION OF GARMIN SWITZERLAND SHARES

The following description of Garmin Switzerland's share capital is a summary. This summary is not complete and is subject to the complete text of Garmin Switzerland's proposed articles of association and organizational regulations attached as Annex B and Annex C, respectively, to this proxy statement. Except where otherwise indicated, the description below reflects Garmin Switzerland's articles of association and organizational regulations as those documents will be in effect upon completion of the Redomestication. We encourage you to read those documents carefully.

Capital Structure

Following the Redomestication, Garmin Switzerland will only have one class of shares outstanding, registered shares with a par value per share equal to the lesser of (A) 10.00 Swiss Francs and (B) 30 percent of the fair market value of a Garmin-Cayman common share calculated on the basis of the closing price of such a share on the NASDAQ Global Select Market on the last trading day before the Transaction Time, plus a share premium, converted into Swiss Francs at the then existing exchange rate between Swiss francs and U.S. dollars and rounded down to the nearest whole number.

Issued Share Capital. Immediately prior to the Redomestication, the registered share capital of Garmin Switzerland will amount to 100,000 Swiss Francs, comprised of the 10,000,000 Formation Shares with a par value of 0.01 Swiss Francs per share. In the Redomestication, Garmin Switzerland will increase the par value of the Formation Shares and will issue one registered share for each Garmin Cayman common share. To achieve the foregoing, Garmin Cayman, acting on behalf of its shareholders, will enter into a Contribution-In-Kind Agreement with Garmin Switzerland under which it will contribute all of its outstanding common shares to Garmin Switzerland in consideration of the increase of the par value of the Formation Shares and the issuance of new shares in Garmin Switzerland to the common shareholders of Garmin Cayman and Garmin Switzerland will amend its articles of association to reflect this increase of its share capital. In addition, Garmin Switzerland will assume Garmin Cayman's existing obligation to deliver shares under its equity incentive plans and agreements. Garmin Cayman may subsequently transfer the Formation Shares to one or more other subsidiaries of Garmin Switzerland, for future use to satisfy our obligation to deliver shares in connection with awards granted under our employee benefit plans and other general corporate purposes. Upon completion of the Redomestication, the registered share capital of Garmin Switzerland is expected to be approximately 2,106,700,000 Swiss Francs (assuming a par value of 10.00 Swiss Francs per share), comprised of approximately 210,670,000 registered shares, including the Formation Shares (10 million shares) held by Garmin Cayman or other subsidiaries of Garmin Switzerland.

Authorized Share Capital. Upon completion of the Redomestication, Garmin Switzerland's articles of association as amended by its shareholders meeting will authorize the board of directors to issue new registered shares at any time during a two-year period and thereby increase the share capital, without obtaining additional shareholder approval, by a maximum amount of 50% of the share capital registered in the commercial register. After the expiration of the initial two-year period, authorized share capital will be available to the board of directors for issuance of additional registered shares only if such authorization has again been approved by shareholders at a shareholders' meeting. Each such authorization may last for up to two years.

The board of directors determines the time of the issuance, the issuance price, the manner in which the new registered shares have to be paid in, the date from which the new registered shares carry the right to dividends and, subject to the provisions of Garmin Switzerland's articles of association, the conditions for the exercise of the preemptive rights with respect to the issuance and the allotment of preemptive rights that are not exercised. The board of directors may allow preemptive rights that are not exercised to expire, or it may place such rights or registered shares, the preemptive rights of which have not been exercised, at market conditions or use them otherwise in the interest of Garmin Switzerland.

In an authorized capital increase, Garmin Switzerland shareholders would have preemptive rights to obtain newly issued registered shares in an amount proportional to the par value of the registered shares they already hold. However, the board of directors may withdraw or limit these preemptive rights in certain circumstances. For further details on these circumstances, see "— Preemptive Rights."

Conditional Share Capital. Upon completion of the Redomestication, Garmin Switzerland's articles of association as amended by its shareholder meeting will provide for a conditional capital that, following the effectiveness of the

Redomestication, will allow the issuance of additional registered shares up to a maximum amount of 50% of the share capital, registered in the commercial register without obtaining additional shareholder approval at a shareholder meeting. These registered shares may be issued through the exercise of stock options (which includes stock-settled stock appreciation rights) granted to employees and / or members of the board of directors of Garmin Switzerland or its subsidiaries.

The preemptive rights of shareholders are excluded with respect to registered shares issued out of conditional share capital.

Other Classes or Series of Shares. Under the Swiss Code, the board of directors of Garmin Switzerland may not create shares with increased voting powers without a resolution of the general meeting of shareholders passed by at least two thirds of the votes represented at such meeting and the “absolute majority” of the par value of the shares represented. With respect to the par value of shares represented at a general meeting, the term “absolute majority” means the approval of at least (a) fifty percent (50%) of the aggregate par value of the shares represented at such general meeting, including abstentions, unmarked, invalid or non-exercisable votes (which includes broker non-votes) plus (b) the par value of one share.

The shareholders acting at a shareholders’ meeting may create preferred shares with a resolution passed by the majority of the votes cast (excluding unmarked, invalid and non-exercisable votes (which includes broker non-votes)). Any preferential rights of individual classes of shares must be set forth in the articles of association.

Preemptive Rights

Under the Swiss Code, holders of Garmin Switzerland registered shares generally will have preemptive rights and preferential rights to subscribe for newly issued securities of Garmin Switzerland. The shareholders may, by a resolution passed by at least two thirds of the votes represented at a general meeting and the “absolute majority” of the par value of the shares represented, withdraw or limit the preemptive rights for important reasons (such as a merger or acquisition).

If a general meeting of shareholders has approved, by amendment of the articles of association, the creation of authorized capital, it may at the same time delegate to the board of directors the decision whether to withdraw or limit the preemptive rights for important reasons, provided that the basic principles are set forth in its delegation. Garmin Switzerland’s articles of association provide for this delegation with respect to Garmin Switzerland’s authorized share capital in the circumstances described below. See “— Authorized Share Capital” and “— Conditional Share Capital.”

Authorized Share Capital. The board of directors is authorized to withdraw or limit the preemptive rights of the shareholders and to allot them to third parties for important reasons, including if:

- the issue price of the registered shares is determined by reference to the market price;
- the registered shares are issued in connection with the acquisition of an enterprise or any part of an enterprise or participations, the financing or refinancing of any such transactions or the financing of new investment plans of Garmin Switzerland; or
- the registered shares are issued in connection with the intended broadening of the shareholder constituency of Garmin Switzerland in certain financial or investor markets, for the purposes of the participation of strategic partners, or in connection with the listing of the shares of Garmin Switzerland on domestic or foreign stock exchanges.

Courts in Switzerland have not addressed whether certain of the reasons above qualify as important reasons under Swiss law, in particular, any issuances contemplated by the first bullet above and for purposes of the participation of strategic partners.

In order to be an important reason justifying the withdrawal of the preemptive right such withdrawal must in any case

- be in the interest of Garmin Switzerland and necessary for the pursuit of its lawful goals; and

- observe the principles of the equal treatment of shareholders and of the considerate exercise of rights.

Conditional Share Capital. The share capital of Garmin Switzerland may be increased through the exercise of option rights (including stock-settled stock appreciation rights) which are granted to employees and / or members of the board of directors of Garmin Switzerland or its subsidiaries. Shareholders will not have preferential subscription rights in connection with the granting of such options nor will they have preemptive rights with respect to any registered shares issued from Garmin Switzerland's conditional share capital upon the exercise of such employee stock options.

For more information on authorized and conditional capital, see “— Capital Structure” above.

Dividends

Under Swiss law, dividends may be paid out only if the company has sufficient distributable profits from the previous fiscal year, or if the company has freely distributable reserves, each as will be presented on the audited annual stand-alone statutory balance sheet. Dividend payments out of the share capital (in other words, the aggregate par value of Garmin Switzerland's share capital) are not allowed. The affirmative vote at a shareholders' meeting of a majority of the votes cast (excluding unmarked, invalid and non-exercisable votes (which includes broker non-votes) must approve distributions of dividends. The board of directors may propose to the shareholders' meeting that a dividend be paid but cannot itself authorize the dividend.

Under the Swiss Code, if Garmin Switzerland's general reserves amount to less than 20% of the aggregate par value of Garmin Switzerland's registered capital, then at least 5% of Garmin Switzerland's annual profit must be retained as general reserves. The Swiss Code and Garmin Switzerland's articles of association permit the general meeting of the shareholders of Garmin Switzerland to decide upon the accrual of additional general reserves. In addition, Garmin Switzerland is required to create a special reserve on its stand-alone annual statutory balance sheet in the amount of the purchase price of registered shares it or any of its subsidiaries repurchases, which amount may not be used for dividends or subsequent repurchases.

Swiss companies generally must maintain a separate stand-alone “statutory” balance sheet for the purpose of, among other things, determining the amounts available for the return of capital to shareholders, including by way of a distribution of dividends. Garmin Switzerland's auditor must confirm that a dividend proposal made to the general meeting of the shareholders conforms with the requirements of the Swiss Code and Garmin Switzerland's articles of association. Dividends are due and payable upon the shareholders' meeting having passed a resolution approving the payment subject to the right of the shareholders' meeting to adopt a resolution providing for payment on a later date or dates. For information about deduction of withholding tax from dividend payments, see “Material Tax Considerations — Swiss Tax Considerations.”

Garmin Switzerland will be required under Swiss law to declare the amount available for any dividends and other capital distributions in Swiss Francs. Garmin Switzerland intends to exchange such Swiss Franc amounts into U.S. Dollars and make any dividend payments to holders of Garmin Switzerland shares in U.S. Dollars. Garmin Switzerland's transfer agent, Computershare Trust Company, N.A. will be responsible for paying the U.S. Dollars to registered holders of shares, less any amounts subject to withholding for taxes.

Repurchases of Shares

The Swiss Code limits a company's ability to hold or repurchase its own shares. Garmin Switzerland and its subsidiaries may only repurchase shares if and to the extent that sufficient freely distributable reserves are available, as described above under "— Dividends." Also, the aggregate par value of all Garmin Switzerland registered shares held by Garmin Switzerland and its subsidiaries may not exceed 10% of the registered share capital. However, Garmin Switzerland may repurchase its own registered shares beyond the statutory limit of 10% if the shareholders at a shareholders' meeting have passed a resolution authorizing the board of directors to repurchase registered shares in an amount in excess of 10% and the repurchased shares are dedicated for cancellation. Any registered shares repurchased under such an authorization must then be cancelled in the course of a capital reduction procedure to be resolved by the next general meeting. The corresponding resolution must be passed with a majority of the votes cast, excluding unmarked, invalid and non-exercisable votes (which includes broker non-votes). Repurchased shares held by Garmin Switzerland or its subsidiaries do not carry any rights to vote at a general meeting of shareholders but are entitled to the economic benefits generally associated with the shares. For information about Swiss withholding tax and share repurchases, see "Material Tax Considerations — Swiss Tax Considerations."

Reduction of Share Capital

Capital distributions may also take the form of a distribution of cash or property that is based upon a reduction of Garmin Switzerland's share capital registered in the commercial register. The resolution of the shareholders' meeting regarding such a capital reduction must be passed with a majority of the votes cast, excluding unmarked, invalid non-exercisable votes (which includes broker non-votes). A special audit report must confirm that creditors' claims remain fully covered despite the reduction in the share capital registered in the commercial register. Upon approval by the general meeting of shareholders of the capital reduction, the board of directors must give public notice of the capital reduction resolution in the Swiss Official Gazette of Commerce three times and notify creditors that they may request, within two months of the third publication, satisfaction of or security for their claims.

General Meetings of Shareholders

The general meeting of shareholders is Garmin Switzerland's supreme corporate body. Common and extraordinary shareholders' meetings may be held. The following powers will be vested exclusively in the shareholders' meeting:

- adoption and amendment of Garmin Switzerland's articles of association with minor formal exceptions;
- determination of the number of members of the Board of Directors as well as their appointment and removal;
- appointment and removal of the auditors;
- approval of the annual report of the board of directors and the approval of the annual financial accounts and (if applicable) the group accounts;
- the allocation of profits shown in the balance sheet, in particular, the determination of dividends and the profit share of the board of directors;
- discharge of the members of the board of directors and the persons entrusted with management;
- any other resolution on matters which are reserved to the general meeting of the shareholders either by law or the articles of association; and

- the approval of Business Combinations (as defined in the articles of association) if and to the extent such approval (i) is not covered already by the powers entrusted on the general meeting by law and the articles of association and (ii) is not an inalienable power of another corporate body of Garmin Switzerland.

Under the Swiss Code and Garmin Switzerland's articles of association, Garmin Switzerland must hold an annual general meeting of shareholders within six months after the end of each fiscal year for the purpose, among other things, of approving the annual financial statements and the annual business report, the appointment of auditors and the annual election of members of the board of directors for the class whose term is expiring. The official means of publication of Garmin Switzerland is the Swiss Official Gazette of Commerce. The invitation notice regarding the annual general meetings and the extraordinary general meetings must be published at least 20 days prior to the date of such general meeting in the Swiss Official Gazette of Commerce. The other mandatory notification to registered shareholders in connection with the annual general meeting of the shareholders (information regarding the right to inspect or request delivery of the annual business report and the annual report of the auditor) must be sent to the registered shareholders by regular mail or electronic mail to the last address registered in the share register at least 20 days prior to the annual general meeting of the shareholders. The invitation notice of a general meeting must state the items on the agenda, the proposals and, in case of elections, the names of the nominated candidates. No resolutions may be passed at a shareholders' meeting concerning agenda items for which proper notice was not given. This does not apply, however, to proposals made during a shareholders' meeting to convene an extraordinary shareholders' meeting or to initiate a special investigation or the appointment of auditors at the request of a shareholder pursuant to the Swiss Code. No previous notification will be required for proposals concerning items included on the agenda or for debates as to which no vote is taken.

Annual general meetings of shareholders will be convened by the board of directors or, under certain circumstances, by the auditor. Liquidators and representatives of bond creditors are also entitled to call a general meeting of shareholders. A general meeting of shareholders can be held anywhere, except in cases where shareholders would be unduly hindered to participate in the meeting.

Garmin Switzerland expects to set the record date for each general meeting of shareholders on a date that is less than 20 calendar days prior to the date of each general meeting and to announce the date of the general meeting of shareholders prior to the record date. See "Comparison of Rights of Shareholders — Record Dates for Shareholder Meetings."

An extraordinary general meeting of Garmin Switzerland may be called upon the resolution of the board of directors or, under certain circumstances, by the auditor. Liquidators and representatives of bond creditors are also entitled to call a general meeting of shareholders. In addition, the board of directors is required to convene an extraordinary general meeting of shareholders if so resolved by the general meeting of shareholders, or if so requested by one or more shareholders holding an aggregate of at least 10% of the share capital (according to leading Swiss legal scholars, also shareholders who own shares with a par value of at least one million Swiss Francs may request a shareholders' meeting) specifying, among other things, the items for the agenda and their proposals, or if it appears from the stand-alone annual statutory balance sheet that half of the company's share capital and statutory reserves are not covered by the company's assets. In the latter case, the board of directors must immediately convene an extraordinary general meeting of shareholders and propose financial restructuring measures.

Shareholders representing a share capital of at least one million Swiss Francs or holding an aggregate of at least 10% of the share capital may request that an item be put on the agenda at a general meeting of shareholders.

Garmin Switzerland's articles of association provide that the adoption of any resolution or election requires the presence of at least a majority of the total number of shares entitled to vote at a general meeting of the shareholders (whether or not represented at such meeting) at the time when the general meeting of the shareholders proceeds to business. The shareholders present at a general meeting of the shareholders may continue to transact business, despite the withdrawal of shareholders from such general meeting of the shareholders following announcement of the quorum at that meeting.

Under Swiss law, in the absence of a quorum of the required minimum number of shareholders, the applicable general meeting of shareholders terminates and a new general meeting of shareholders must be called in accordance with Garmin Switzerland's articles of association. For any new general meeting, the applicable requirements for calling the meeting and setting a record date, as described above, would need to be satisfied.

Garmin Switzerland's annual report and auditor's report must be made available for inspection by the shareholders at Garmin Switzerland's place of incorporation no later than 20 days prior to the general meeting. Each shareholder is entitled to request immediate delivery of a copy of these documents free of charge. Shareholders of record will be notified of this in writing.

Voting

Each Garmin Switzerland registered share carries one vote at a general meeting of shareholders. Voting rights may be exercised by shareholders registered in Garmin Switzerland's share register or by a duly appointed proxy of a registered shareholder, which proxy need not be a shareholder. Garmin Switzerland's articles of association do not limit the number of registered shares that may be voted by a single shareholder.

To be able to exercise voting rights, holders of the shares must apply to us for enrollment in our share register as shareholders with voting rights. Registered holders of shares may obtain the form of application from our transfer agent. The form of application includes a representation that the holder is holding shares for his own account. Certain exceptions exist for nominees. The board of directors will register Cede & Co., as nominee of The Depository Trust Company ("DTC"), with voting rights with respect to shares held in "street name" through DTC.

If the board of directors refuses to register a shareholder as a shareholder with voting rights, the board will notify the shareholder of such refusal within 20 days of the receipt of the application. Furthermore, the board may cancel, with retroactive application, the registration of a shareholder with voting rights if the initial registration was on the basis of false information in the shareholder's application. Shareholders registered without voting rights may not participate in or vote at Garmin Switzerland's shareholders' meetings, but will be entitled to dividends, preemptive rights and liquidation proceeds. Only shareholders that are registered as shareholders with voting rights on the relevant record date are permitted to participate in and vote at a general shareholders' meeting.

Treasury shares (including the Formation Shares so long as they are owned by Garmin Switzerland or one of its subsidiaries), whether owned by Garmin Switzerland or one of its majority-owned subsidiaries, will not be entitled to vote at general meetings of shareholders.

With respect to the election of the members of the board of directors, each holder of shares entitled to vote at the general meeting has the right to vote, in person or by proxy, the number of shares held by him or her for as many persons as have been nominated to be elected as members of the board of directors. Garmin Switzerland's articles of association do not provide for cumulative voting for members of the board of directors. Members of the board of directors are elected by a majority of the votes cast in the general meeting, excluding unmarked, invalid and non-exercisable votes (which includes broker non-votes). Where the votes are tied, the decision shall be by lot.

Pursuant to Garmin Switzerland's articles of association, the shareholders generally pass resolutions and votes with a majority of the votes cast, excluding unmarked, invalid and non-exercisable votes (which includes broker non-votes), unless otherwise provided by law or Garmin Switzerland's articles of association.

The Swiss Code and Garmin Switzerland's articles of association require the affirmative vote of at least two thirds of the shares represented, and the absolute majority of the par value of the shares represented, at a general meeting to approve the following matters:

- the amendment to or the modification of the objects of Garmin Switzerland;
- the creation of shares with privileged voting rights;

- the restriction on the transferability of registered shares;

- an authorized or conditional increase of the share capital;
- a capital increase out of equity, by way of contributions in kind or for the purpose of acquisition of assets and the granting of special benefits;
- the restriction or withdrawal of subscription rights;
- the relocation of the registered office of Garmin Switzerland;
- the dissolution of Garmin Switzerland; and
- a merger, demerger or transformation resolution pursuant to the Swiss Federal Act on Mergers, Demergers, Transformations and the Transfer of Assets (the “Swiss Merger Act”).

Swiss law may also impose this supermajority voting requirement in connection with the sale by Garmin Switzerland of “all or substantially all of its assets.” See “— Compulsory Acquisitions; Appraisal Rights.”

Subject to certain exceptions (such as where the decision would be covered by the inalienable powers of another corporate body), Garmin Switzerland’s articles of association require the affirmative vote of holders of at least 75% of the shares represented at a general meeting (a) for Garmin Switzerland to engage in any Business Combination (as such term is defined in Garmin Switzerland’s articles of association); and (b) for any change to this provision.

Garmin Switzerland’s articles of association require the affirmative vote of at least two thirds of the total number of shares entitled to vote at a general meeting of the shareholders, whether or not represented at such meeting, (a) for a resolution with respect to the removal of a serving member of the board of directors and (b) for any change to this provision.

Garmin Switzerland’s articles of association require the affirmative vote of at least 75% of the total number of shares entitled to vote at a general meeting of the shareholders, whether or not represented at such meeting, (a) for any increase or reduction in the number of members of the board of directors specified in the articles of association and (b) for any change to this provision.

Quorum for General Meetings

The presence of shareholders, in person or by proxy, holding at least a majority of the total number of shares entitled to vote at a general meeting of the shareholders whether or not represented at such meeting (“Total Voting Shares”), is a quorum for the adoption of any resolution or election. The shareholders present at a general meeting may continue to transact business, despite the withdrawal of shareholders from such general meeting following announcement of the presence quorum at that meeting.

Under the Swiss Code, the board of directors has no authority to waive quorum requirements stipulated in the articles of association.

Inspection of Books and Records

Although not explicitly stated in the Swiss Code, a shareholder has a right to inspect the share register with regard to his own shares. With respect to the right to inspect the share register with regard to the shares of other shareholders, the inspection right and the related procedure is disputed among legal scholars. The majority of legal scholars in Switzerland are of the opinion that Article 697 of the Swiss Code is applicable, which provides that the board of

directors or alternatively the shareholders' meeting is competent to decide. Should the inspection be denied the shareholder may challenge the decision in court. Also according to the majority of the legal scholars, a shareholder may only require inspection if he or she has an interest worthy of protection. An inspection of the whole share register is not possible. The books and correspondence of a Swiss company may be inspected with the express authorization of the general meeting of shareholders or by resolution of the board of directors and subject to the safeguarding of the company's business secrets. At a general meeting of shareholders, any shareholder is entitled to request information from the board of directors concerning the affairs of Garmin Switzerland. Shareholders may also ask the auditor questions regarding its audit of the company. The board of directors and the auditor must answer shareholders' questions to the extent necessary for the exercise of shareholders' rights and subject to prevailing business secrets or other material interests of Garmin Switzerland.

Special Investigation

Generally, if the shareholders' inspection and information rights as outlined above have been exercised and prove to be insufficient, any shareholder may propose to a general meeting of shareholders that specific facts be examined by a special commissioner in a special investigation. Such shareholder is not required to comply with the advance notice requirements described above in "— General Meetings of Shareholders" because this matter is not required to be included in the agenda. However, if a shareholder wishes to call an extraordinary general meeting and propose that specific facts be examined by a special commissioner in a special investigation, the shareholder must comply with the requirements to call an extraordinary general meeting and the advance notice requirements described above in "— General Meetings of Shareholders." If one or more shareholders desires to call an extraordinary general meeting of shareholders to consider the proposal, the shareholders must hold an aggregate of at least 10% of the share capital recorded in the commercial register (according to leading Swiss legal scholars, also shareholders who own shares with a par value of at least one million Swiss francs. may request a shareholders meeting) See "— General Meetings of Shareholders." If the general meeting of shareholders approves the proposal, Garmin Switzerland or any shareholder may, within 30 calendar days after the general meeting of shareholders, request the court at Garmin Switzerland's registered office to appoint a special commissioner. If the general meeting of shareholders rejects the proposal, one or more shareholders representing at least 10% of the share capital or holders of registered shares in an aggregate par value of at least two million Swiss Francs may, within three months, request the court to appoint a special commissioner. The court will issue such an order if the petitioners can demonstrate that corporate bodies or the founders of Garmin Switzerland infringed the law or Garmin Switzerland's articles of association and thereby damaged Garmin Switzerland or its shareholders. The costs of the investigation would generally be allocated to Garmin Switzerland and only in exceptional cases to the petitioners.

Compulsory Acquisitions; Appraisal Rights

Business combinations and other transactions that are binding on all shareholders are governed by the Swiss Merger Act. A merger or demerger requires that at least two thirds of the votes represented at the general meeting of shareholders and the absolute majority of the par value of the shares represented vote in favor of the transaction. Under the Swiss Merger Act, a "demerger" may take two forms:

- a legal entity may divide all of its assets and transfer such assets to other legal entities, with the shareholders of the transferring entity receiving equity securities in the acquiring entities and the transferring entity dissolving upon deregistration in the commercial register; or
- a legal entity may transfer all or a portion of its assets to other legal entities, with the shareholders of the transferring entity receiving equity securities in the acquiring entities.

If a transaction under the Swiss Merger Act receives the necessary shareholder approvals as described above, all shareholders would be compelled to participate in the transaction. See "— Voting."

Swiss companies may be acquired by an acquirer through the direct acquisition of the share capital of the Swiss company. With respect to companies limited by shares, such as Garmin Switzerland, the Swiss Merger Act provides for the possibility of a so-called “cash-out” or “squeeze-out” merger if the acquirer controls 90% of the outstanding registered shares entitled to vote at a general meeting. In these limited circumstances, minority shareholders of the company being acquired may be compensated in a form other than through shares of the acquiring company (for instance, through cash or securities of a parent company of the acquiring company or of another company). Under the Swiss Merger Act, a shareholder has the right to request a court to review the adequacy of the compensation within two months upon the shareholders’ resolution in favor of the transaction.

In addition, under Swiss law, the sale by Garmin Switzerland of “all or substantially all of its assets” may require a resolution of the general meeting of shareholders passed by holders of at least two thirds of the voting rights and the absolute majority of the par value of the registered shares, each as represented at the general meeting. Whether or not a shareholder resolution is required depends on the particular transaction, including whether the following test is satisfied:

- Garmin Switzerland sells a core part of its business, without which it is economically impracticable or unreasonable to continue to operate the remaining business;
- Garmin Switzerland’s assets, after the divestment, are not invested in accordance with Garmin Switzerland statutory business purpose; and
- the proceeds of the divestment are not earmarked for reinvestment in accordance with Garmin Switzerland’s business purpose but, instead, are intended for distribution to shareholders or for financial investments unrelated to the Garmin Switzerland’s business.

If all of the foregoing apply, a shareholder resolution would likely be required.

Anti-Takeover Provisions

Garmin Switzerland’s articles of association have provisions that could have an anti-takeover effect. These provisions are intended to enhance the likelihood of continuity and stability in the composition of the board of directors and its policies, and the ability of the board of directors to negotiate with any potential acquirer terms that are more favorable to shareholders. These provisions may have the effect of discouraging actual or threatened changes of control by limiting certain actions that may be taken by a potential acquirer prior to its having obtained sufficient control to adopt a special resolution amending Garmin Switzerland’s articles of association.

The articles of association provide that Garmin Switzerland’s board of directors will be divided into three classes serving staggered three-year terms.

Garmin Switzerland’s articles of association provide that, in general, the approval of not less than 75% of the shareholders of Garmin Switzerland represented at a general meeting of shareholders is required for any of the following (any of such transactions being referred to as a “Business Combination”) provided that the matter is not covered by the inalienable powers of another corporate body, such as the board of directors:

- (i) any merger or consolidation of Garmin Switzerland or any subsidiary with (i) any Interested Shareholder or (ii) any other company or other entity (whether or not itself an Interested Shareholder) which is, or after such merger or consolidation would be, an affiliate of an Interested Shareholder; or
- (ii)

any sale, lease, exchange, mortgage, pledge, transfer or other disposition (in one transaction or a series of transactions) to or with any Interested Shareholder, or any affiliate of any Interested Shareholder, of any assets of Garmin Switzerland or any subsidiary having an aggregate fair market value equaling or exceeding 25% of the fair market value of the combined assets immediately prior to such transfer of Garmin Switzerland and its subsidiaries; or

- (iii) the issuance or transfer by Garmin Switzerland or any subsidiary (in one transaction or a series of transactions) to any Interested Shareholder or any affiliate of any Interested Shareholder in exchange for cash, securities or other property (or a combination thereof), of any securities of Garmin Switzerland or any subsidiary having an aggregate fair market value equaling or exceeding 25% of the fair market value of the combined assets immediately prior to such transfer of Garmin Switzerland and its subsidiaries except pursuant to an employee benefit plan of the Garmin Switzerland or any subsidiary thereof; or
- (iv) the adoption of any plan or proposal for the liquidation or dissolution of the Garmin Switzerland proposed by or on behalf of any Interested Shareholder or any affiliate of any Interested Shareholder; or
- (v) any reclassification of securities of Garmin Switzerland (including any reverse share split), recapitalization of Garmin Switzerland, merger or consolidation of Garmin Switzerland with any of its subsidiaries or other transaction (whether or not with or into or otherwise involving an Interested Shareholder), which has the effect, directly or indirectly, of increasing the proportionate share of the outstanding shares of any class of equity or convertible securities of Garmin Switzerland or any subsidiary which is directly or indirectly owned by any Interested Shareholder or any affiliate of any Interested Shareholder (a “Disproportionate Transaction”); provided, however, that no such transaction shall be deemed a Disproportionate Transaction if the increase in the proportionate ownership of the Interested Shareholder or affiliate as a result of such transaction is no greater than the increase experienced by the other stockholders generally.

The above 75% shareholder vote requirement does not apply to a Business Combination if the Business Combination has been approved by a majority of Garmin Switzerland’s Disinterested Directors.

As defined in Garmin Switzerland’s articles of association, an Interested Shareholder generally includes any person who, together with that person’s affiliates or associates, (1) is the beneficial owner, directly or indirectly, of more than 20% of the voting power of the outstanding shares of Garmin Switzerland or (2) is an affiliate of Garmin Switzerland and owned 20% or more of the issued shares of the voting power of the outstanding shares of Garmin Switzerland at any time within the previous two years.

As defined in Garmin Switzerland’s articles of association, a Disinterested Director means any member of Garmin Switzerland’s board of directors who is unaffiliated with the Interested Shareholder and who was a member of the board of directors prior to the time that the Interested Shareholder became an Interested Shareholder, and any member of the board of directors who is thereafter chosen to fill any vacancy on the board of directors or who is elected and who, in either event, is unaffiliated with the Interested Shareholder, and in connection with his or her initial assumption of office is recommended for appointment or election by a majority of Disinterested Directors then on the board of directors.

Swiss law generally does not prohibit business combinations with interested shareholders. However, in certain circumstances, shareholders and members of the board of directors of Swiss companies, as well as certain persons associated with them, must refund any payments they receive that are not made on an arm’s length basis.

Upon completion of the Redomestication, Garmin Switzerland’s articles of association as amended by its shareholders’ meeting will include an authorized share capital, according to which the board of directors is authorized, at any time during a maximum two-year period, to issue a number of registered shares of up to 50% of the share capital registered in the commercial register and to limit or withdraw the preemptive rights of the existing shareholders for important reasons, including if (i) the issue price of the newly issued shares is determined by reference to the market price; or (ii) for the acquisition of an enterprise, part(s) of an enterprise or participations, or for the financing or refinancing of any of such transactions, or for the financing of new investment plans of Garmin Switzerland; or (iii) for purposes of broadening the shareholder constituency of Garmin Switzerland in certain financial or investor markets, for purposes

of the participation of strategic partners, or in connection with the listing of new issued shares on domestic or foreign exchanges.

Courts in Switzerland have not addressed whether certain of the provisions related to interested shareholders contained in the Articles of Association are valid under Swiss law.

In order to be an important reason justifying the withdrawal of the preemptive right such withdrawal must in any case

- be in the interest of Garmin Switzerland and necessary for the pursuit of its lawful goals; and
- observe the principles of the equal treatment of shareholders and of the considerate exercise of rights.

For other provisions that could be considered to have an anti-takeover effect, see “— Preemptive Rights” and “— General Meetings of Shareholders.”

Legal Name; Formation; Fiscal Year; Registered Office; Notices and Announcements

The legal and commercial name of Garmin Switzerland is Garmin Ltd. Garmin Switzerland’s articles of association were adopted on February 8, 2010 at the incorporation meeting, and Garmin Switzerland was incorporated on February 9, 2010. Garmin Switzerland is domiciled in the Canton of Schaffhausen, Switzerland, and operates under the Swiss Code as a share corporation (Aktiengesellschaft). Garmin Switzerland is registered in the commercial register of the Canton of Schaffhausen with the registration number CH-290.3.016.704-3. Garmin Switzerland’s fiscal year is the calendar year.

The address of Garmin Switzerland’s registered office is Garmin Ltd., c/o Klauser & Partner AG, Pestalozzistrasse 2, 8200 Schaffhausen, Switzerland, and the telephone number at that address is +41 (52) 633 03 03.

The official means of publication of Garmin Switzerland is the Swiss Official Gazette of Commerce. The invitation notice regarding general meetings must be published at least 20 days prior to the date of such general meeting in the Swiss Official Gazette of Commerce. The other mandatory notification to registered shareholders in connection with the annual general meeting of the shareholders (information regarding the right to inspect or request delivery of the annual business report and the annual report of the auditor) must be sent to the registered shareholders by regular mail or electronic mail to the last address registered in the share register at least 20 days prior to the annual general meeting of the shareholders.

Corporate Objects

Currently, Garmin Switzerland is a subsidiary of Garmin Cayman. Upon completion of the Redomestication, Garmin Switzerland will become the new holding company of the Garmin group. The purpose of Garmin Switzerland will be to acquire, hold, finance, manage and sell participations in Swiss and foreign enterprises of all types. Garmin Switzerland may set up branch offices and subsidiaries in Switzerland and abroad and may acquire, hold, manage, encumber and sell real estate and intellectual property rights in Switzerland and abroad. Garmin Switzerland may provide any kind of financial assistance, including guarantees, to and for Garmin group companies. Garmin Switzerland may engage in any type of commercial activity that is directly or indirectly related to its objects and take any measures it determines appropriate to promote the objects of Garmin Switzerland, or that are connected with such objects.

Members of the Board of Directors

Upon consummation of the Redomestication, Garmin Switzerland expects to have the same members of the board of directors as Garmin Cayman.

Auditor

Ernst & Young AG, in the city of Zurich in the Canton of Zurich, Switzerland, has been appointed as Garmin Switzerland's Swiss statutory auditor, and Ernst & Young LLP in the United States has been appointed as Garmin Switzerland's independent registered public accounting firm.

Duration; Dissolution; Rights upon Liquidation

Garmin Switzerland's duration is unlimited. Under the Swiss Code, Garmin Switzerland may be dissolved at any time upon a resolution of the general meeting of shareholders passed by at least two thirds of the shares represented at such meeting and the absolute majority of the par value of such shares. Dissolution by court order is possible if Garmin Switzerland becomes bankrupt, or for cause at the request of shareholders holding at least 10% of Garmin Switzerland's share capital, or if in the course of incorporation, legal provisions or provisions of the articles of association have been disregarded, and the interests of the creditors or shareholders have been severely jeopardized or infringed thereby. Under the Swiss Code, unless otherwise provided for in the articles of association, any surplus arising out of liquidation, after the settlement of all claims of all creditors, will be distributed to shareholders in proportion to the paid-up par value of registered shares held, with due regard to the preferential rights of individual classes of shares, and subject to Swiss withholding tax requirements.

Uncertificated Shares

Holders of registered shares of Garmin Switzerland will not have the right to require Garmin Switzerland to issue certificates for their shares. Garmin Switzerland will only issue uncertificated registered shares.

Stock Exchange Listing

Upon the completion of the Redomestication, we expect that the registered shares will be listed on the NASDAQ Global Select Market and trade under the symbol "GRMN."

No Sinking Fund

The registered shares have no sinking fund provisions.

No Liability for Further Calls or Assessments

The registered shares to be issued in the Redomestication will be duly and validly issued, fully paid and nonassessable.

No Redemption and Conversion

The general meeting of the shareholders of Garmin Switzerland may at any time convert registered shares into bearer shares and vice versa by amending the articles of association. Furthermore, the [general meeting of shareholders is authorized to split shares into shares with lower par value or, with the approval of all shareholders, to consolidate shares into shares with higher par value. The shares of Garmin Switzerland are not subject to redemption either by Garmin Switzerland or the holder of the shares.

Transfer and Registration of Shares

Except as described above in “— Voting,” no restrictions apply to the transfer of Garmin Switzerland registered shares. Garmin Switzerland’s share register will initially be kept by Computershare Trust Company, which acts as transfer agent and registrar. The share register reflects only record owners of Garmin Switzerland shares. A shareholder of Garmin Switzerland who holds shares beneficially will not be the holder of record of such shares. Instead, the depository (for example, Cede & Co., as nominee for DTC) or other nominee will be the holder of record of such shares. Accordingly, a transfer of shares from a person who holds such shares beneficially to a person who also holds such shares beneficially through a depository or other nominee will not be registered in Garmin Switzerland’s official share register, as the depository or other nominee will remain the record holder of such shares.

COMPARISON OF RIGHTS OF SHAREHOLDERS

Your rights as a shareholder of Garmin Cayman are governed by Cayman Islands corporate law and Garmin Cayman's memorandum and articles of association. If the Redomestication is consummated, you will become a shareholder of Garmin Switzerland, and your rights will be governed by Swiss corporate law and Garmin Switzerland's articles of association and organizational regulations.

Many of the principal attributes of Garmin Cayman's common shares and Garmin Switzerland's registered shares will be similar. However, there are differences between your rights under Swiss corporate law and under the corporate statutory and common law of the Cayman Islands, which is modeled on certain provisions of the corporate statutory law of England and Wales and in respect of which the corporate common law of England and Wales provides interpretive guidance. In addition, there are differences between Garmin Cayman's memorandum and articles of association and Garmin Switzerland's articles of association and organizational regulations. Furthermore, the counterparts of some provisions that are included in Garmin Cayman's articles of association are included in Garmin Switzerland's organizational regulations. We have been advised by Swiss counsel that these counterparts generally must be included in the organizational regulations because Swiss law stipulates that, among other things, the organizational regulations govern the delegation of management by the Board of Directors and the organization and management of the company, determine the positions required with respect to management of the company, define the duties of management and regulate reporting obligations. Garmin Switzerland's board of directors will be able to amend the provisions in the organizational regulations without shareholder approval, which Garmin Cayman's board of directors is currently unable to do with respect to any provisions in the Garmin Cayman memorandum and articles of association.

The following discussion summarizes material changes in your rights resulting from the Redomestication. This summary is not complete and does not set forth all of the differences between Swiss corporate law and Cayman Islands corporate law affecting companies and their shareholders or all the differences between Garmin Cayman's memorandum and articles of association and Garmin Switzerland's articles of association and organizational regulations. This summary is subject to the complete text of the relevant provisions of the Swiss Code of Obligations (the "Swiss Code"), particularly articles 620 through 763 of the Swiss Code, the Swiss Merger Act, the Swiss Federal Act on Private International Law, and the Cayman Islands Companies Law. Garmin Cayman's memorandum and articles of association and Garmin Switzerland's articles of association and organizational regulations. We encourage you to read those laws and documents. Garmin Switzerland's articles of association and organizational regulations are attached to this proxy statement as Annex B and Annex C, respectively. For information as to how you can obtain Garmin Cayman's memorandum and articles of association, see "Where You Can Find More Information."

Provision	Garmin Cayman	Garmin Switzerland
Capitalization	As of the date of this proxy statement, Garmin Cayman's authorized share capital is US \$6,000,000, divided into 1,000,000,000 common shares, par value US \$0.05 per share, and 1,000,000 preferred shares, par value US \$1.00 per share.	Upon completion of the Redomestication, the registered share capital of Garmin Switzerland is expected to be approximately 2,106,700,000 Swiss Francs (assuming a par value of 10.00 Swiss Francs per share) comprised of approximately 210,670,000 registered shares with a par value per share equal to the lesser of (A) 10.00 Swiss francs and (B) 30 percent of the fair market value of a Garmin-Cayman common share calculated on the basis of the closing price of such a share on the NASDAQ Global Select Market on the last trading day

before the Transaction Time, plus a share premium, converted into Swiss francs at the then existing exchange rate between Swiss francs and U.S. dollars and rounded down to the nearest whole number.

Provision	Garmin Cayman	Garmin Switzerland
	<p>Under Garmin Cayman's articles of association the directors of Garmin Cayman may issue new common or preferred shares out of authorized but unissued share capital, at such times and on such terms as Board shall determine. Further, the board of direct may determine the preferred, deferred qualified or other rights or restrictions, whether in regard to dividends, voting, return of share capital, or otherwise, that will attach to such common or preferred shares.</p> <p>In accordance with Garmin Cayman's articles of association and the provisions of the Cayman Islands Companies Law, the authorized share capital may be increased, altered or reduced by way of a resolution of a majority of votes cast by Garmin Cayman's shareholders at a general meeting.</p> <p>As permitted by the Cayman Islands Companies Law, Garmin Cayman may issue fractional shares but Garmin Cayman does not have fractional shares outstanding.</p> <p>Garmin Cayman may, by special resolution of its shareholders, reduce its authorized but unissued share capital. No court approval is required for a reduction of authorized but unissued share capital. Garmin Cayman may also by a special resolution of its shareholders and, subject to confirmation by the Cayman Court, authorize the reduction in any manner of its issued share capital or any share premium account.</p>	<p>There is no concept under Swiss law of “blank check” preferred shares. Any preferential rights of individual classes of shares must be specifically approved by shareholders and set forth in the articles of association, rather than determined by the board of directors. Since it is not possible under Swiss law for the articles of association to effectively delegate to the board of directors the authority to issue “blank check” preferred shares in the future, and since there currently are no preferred shares of Garmin Cayman outstanding, the articles of association of Garmin Switzerland do not provide for any class of preferred shares or any blank check preferred shares. Under the Swiss Code, the board of directors of Garmin Switzerland may not create shares with increased voting powers without a resolution of the general meeting of shareholders passed by at least two thirds of the votes represented at such meeting and an absolute majority of the par value of the shares represented. The shareholders at a shareholders’ meeting may create preferred shares with a resolution passed by the majority of the votes cast (excluding unmarked, invalid and non-exercisable votes (which includes broker non-votes)).</p> <p>Immediately after the Redomestication, Garmin Switzerland will only have one class of shares outstanding, so all references to “voting rights” in this “Comparison of Rights of Shareholders” will mean the voting rights of Garmin Switzerland’s registered shares, with a par value per share as determined above, unless another class of shares is subsequently created. Likewise, a “majority of the par value of the registered shares” will mean a majority of the par value of Garmin Switzerland’s registered shares.</p>

Provision

Garmin Cayman

Garmin Switzerland

Upon completion of the Redomestication and amendment of the Articles of Association, Garmin Switzerland will have two types of capital that the board of directors is authorized to issue without further shareholder approval. These are authorized share capital and conditional capital. The instances in which conditional capital may be issued by the board of directors are limited as discussed below. The instances in which authorized share capital may be issued by the board of directors are not similarly limited. Authorized capital is, in this regard, similar to authorized but unissued common shares of Garmin Cayman, which may be issued by the board of directors of Garmin Cayman without shareholder approval. Immediately after consummation of the Redomestication, we expect Garmin Switzerland's authorized share capital and conditional capital to be approximately 589.66 million shares less than what we expect would then be the authorized but unissued share capital of Garmin Cayman. We currently have no plans to issue such shares.

Garmin Switzerland's articles of association will provide for authorized share capital that will authorize the board of directors to issue new registered shares at any time during a two-year period and thereby increase the share capital, without obtaining additional shareholder approval, by a maximum amount of 50% of the share capital registered in the commercial register. After the expiration of the initial two-year period, authorized share capital will be available to the board of directors for issuance of additional registered shares only if such authorization has been approved again by the shareholders at a shareholders' meeting. Each such authorization may last for up to two years.

In an authorized capital increase, Garmin Switzerland shareholders would have preemptive rights to obtain newly issued registered shares in an amount proportional to the par value of the registered shares they

already hold. However, the board of directors may withdraw or limit these preemptive rights for important reasons. For further details on these important reasons, see “— Preemptive Rights”

Provision	Garmin Cayman	Garmin Switzerland
		<p>Garmin Switzerland's articles of association will provide for a conditional capital that will allow the issuance of additional registered shares up to a maximum amount of 50% of the share capital registered in the commercial register without obtaining additional shareholder approval at a shareholders' meeting. These registered shares may be issued through the exercise of option rights which includes stock-settled stock appreciation rights granted to employees and / or members of the board of directors of Garmin Switzerland or its subsidiaries.</p> <p>The preemptive rights of shareholders are excluded with respect to registered shares issued out of conditional share capital.</p>
Preemptive Rights	<p>Holders of Garmin Cayman common shares do not have any preemptive or preferential rights under the Cayman Islands Companies Law or in Garmin Cayman's articles of association over further issuances of shares of Garmin Cayman. As a result, the board of directors may authorize the issuance of shares without offering the shares to each holder of Garmin Cayman common shares, including issuances that could discourage a takeover or other transaction as described below under "— Other Anti-Takeover Measures."</p> <p>There are no statutory provisions that prescribe or restrict the issuance of share options or warrants. The articles of association of Garmin Cayman provide that the board is authorized: (i) to grant options of the shares of the Company to such persons, at such times and for such consideration, and upon such terms as the board shall determine; and (ii) to issue warrants to subscribe for any class of shares of the Company on such terms as it may from time to time determine .</p>	<p>Holders of Garmin Switzerland registered shares generally will have preemptive rights to purchase newly issued securities of Garmin Switzerland. The shareholders may, by a resolution passed by at least two thirds of the votes represented at a general meeting and the absolute majority of the par value of the shares represented, withdraw or limit the preemptive rights for important reasons (such as a merger or acquisition).</p> <p>If a general meeting of shareholders approves, by amendment of the articles of association, the creation of authorized capital, it may at the same time delegate to the board of directors the decision whether to withdraw or limit the preemptive rights for important reasons, provided that the basic principles are set forth in its delegation. Garmin Switzerland's articles of association provide for this delegation with respect to Garmin Switzerland's authorized share capital in the circumstances described below.</p> <p>The board of directors is authorized to withdraw or limit the preemptive rights with respect to the issuance of registered shares from authorized capital for important reasons, including if:</p>

Provision

Garmin Cayman

Garmin Switzerland

- the issue price of the registered shares is determined by reference to the market price;
- the registered shares are issued in connection with the acquisition of an enterprise or any part of an enterprise, the financing or refinancing of any such transactions or the financing of new investment plans of Garmin Switzerland; or
- the registered shares are issued in connection with the intended broadening of the shareholder constituency of Garmin Switzerland in certain financial or investor markets, for the purposes of the participation of strategic partners, or in connection with the listing of the shares of Garmin Switzerland on domestic or foreign stock exchanges.

Courts in Switzerland have not addressed whether certain of the reasons above qualify as important reasons under Swiss law, in particular, any issuances contemplated by the first bullet above and for purposes of the participation of strategic partners.

In order to be an important reason justifying the withdrawal of the preemptive right such withdrawal must in any case

- be in the interest of Garmin Switzerland and necessary for the pursuit of its lawful goals; and
- observe the principles of the equal treatment of shareholders and of the considerate exercise of rights.

In connection with the issuance of stock options to employees and members of the board of directors, shareholders will not have preemptive rights with respect to registered shares issued from Garmin Switzerland's conditional share capital upon exercise of

such options.

Provision	Garmin Cayman	Garmin Switzerland
		<p>Garmin Switzerland's articles of association grant the board of directors the authority to withdraw or limit preemptive rights, as described above, to provide the board of directors flexibility with regard to the issuance of shares. Under the Swiss Code the shareholders have no preferential subscription rights with regard to options granted to employees and members of the board of directors of the issuer or of the latter's subsidiaries. Under the Cayman Islands Companies Law and the articles and memorandum of association of Garmin Cayman, shareholders of Garmin Cayman do not have preemptive rights. The limitations on those rights contained in Garmin Switzerland's articles of association are intended to replicate the flexibility afforded the Garmin Cayman board of directors with regard to when shares may be issued without existing shareholders having preemptive rights.</p>
<p>Distributions and Dividends; Repurchases and Redemptions</p>	<p>Under the Cayman Islands Companies Law Garmin Cayman is not required to present proposed dividends or distributions to its shareholders for approval or adoption. Under the Cayman Islands Companies Law, the board of directors of Garmin Cayman may declare the payment of dividends to the common shareholders out of Garmin Cayman's:</p> <p style="padding-left: 40px;">profits available for distribution; or</p> <p style="padding-left: 40px;">“share premium account,” which represents the excess of the price paid to Garmin Cayman on issue of its shares over the par or “nominal” value of those shares, which is similar to the U.S. concept of additional paid-in capital.</p> <p>However, no dividends may be paid if, after payment, Garmin Cayman would not be able to pay its debts as they come due in the common course of business.</p> <p>Dividends on common shares, if any, are at the discretion of the directors and depend on, among other things, the results of operations of</p>	<p>Under the Swiss Code, dividends may be paid out only if the company has sufficient distributable profits from the previous fiscal year, or if the company has freely distributable reserves, each as will be presented on the audited annual stand-alone statutory balance sheet. Dividend payments out of the registered share capital (in other words, the aggregate par value of Garmin Switzerland's registered shares) are not allowed. The shareholders' meeting with a majority of the votes cast excluding unmarked, invalid and non-exercisable votes (which includes broker non-votes)) must approve distributions of dividends. The board of directors may propose to the shareholders at a shareholders' meeting that a dividend be paid but cannot itself authorize the dividend.</p> <p>Under the Swiss Code, if Garmin Switzerland's general reserves amount to less than 20% of the aggregate par value of Garmin Switzerland's registered capital, then at least 5% of Garmin Switzerland's annual profit must be retained as general reserves. The Swiss</p>

Garmin Cayman, cash requirements and surplus, financial condition, contractual restrictions and other factors that the directors deem relevant in compliance with the Cayman Islands Companies Law.

Code and Garmin Switzerland's articles of association permit the general meeting of the shareholders of Garmin Switzerland to decide upon the accrual of additional general reserves. In addition, Garmin Switzerland is required to create a special reserve on its stand-alone annual statutory balance sheet in the amount of the purchase price of registered shares it or any of its subsidiaries repurchases, which amount may not be used for dividends or subsequent repurchases.

Provision

Garmin Cayman

Garmin Switzerland

Garmin Cayman may pay dividends in any currency.

Under the articles of association of Garmin Cayman and the Cayman Islands Companies Law, issued shares may, if its articles of association so provide, be redeemed or repurchased by the company out of profits of the company, out of the proceeds of a new issuance of shares made for that purpose or out of capital (including the share premium account), provided that the company has the ability to pay its debts as they come due in the ordinary course of business. The Cayman Islands Companies Law requires that the articles of association of a Cayman Islands company set out, or the shareholders approve, the manner of any repurchase of shares of the company.

Under Garmin Cayman's articles of association, Garmin Cayman may purchase any issued common shares in the circumstances and on the terms as are agreed by Garmin Cayman and the holder of the shares, whether or not Garmin Cayman has made a similar offer to all or any other holder of common shares.

Under Garmin Cayman's articles of association, Garmin Cayman may issue shares that may be, at the option of the company or the holder are liable to be redeemed on such terms and in such manner as the board of directors may deem fit.

Pursuant to the Cayman Islands Companies Law, no share may be redeemed or repurchased unless it is fully paid up and unless such redemption or repurchase is not of all outstanding shares. No share may be redeemed after a company has commenced liquidation.

Redeemed or repurchased shares of Garmin Cayman will automatically be cancelled. Cayman Islands law does not recognize any concept of treasury shares.

Swiss companies generally must maintain a separate stand-alone statutory balance sheet for the purpose of, among other things, determining the amounts available for the return of capital to shareholders, including by way of a distribution of dividends. Garmin Switzerland's auditor must confirm that a dividend proposal made to shareholders conforms with the requirements of the Swiss Code and Garmin Switzerland's articles of association. Dividends are due and payable upon the shareholders having passed a resolution approving the payment subject to the right of the shareholders to adopt a resolution providing for payment on a later date or dates. For information about deduction of withholding tax from dividend payments, see "Material Tax Considerations — Swiss Tax Considerations."

The Swiss Code limits a company's ability to hold or repurchase its own shares. Garmin Switzerland and its subsidiaries may only repurchase shares if and to the extent that sufficient freely distributable reserves are available, as described above. Also, the aggregate par value of all Garmin Switzerland registered shares held by Garmin Switzerland and its subsidiaries may not exceed 10% of the registered share capital. However, Garmin Switzerland may repurchase its own registered shares beyond the statutory limit of 10% if the shareholders at a shareholders' meeting have passed a resolution authorizing the board of directors to repurchase registered shares in an amount in excess of 10% and the repurchased shares are dedicated for cancellation. Any registered shares repurchased under such an authorization must then be cancelled. The corresponding resolution must be passed with a majority of the votes cast, (excluding unmarked, invalid and non-exercisable votes (which include broker non-votes)). Repurchased shares held by Garmin Switzerland or its subsidiaries do not carry any rights to vote at a general meeting of shareholders but are entitled to the economic

benefits generally associated with the shares.
For information about withholding tax and
share repurchases, see “Material Tax
Considerations — Swiss Tax Considerations.”

Provision	Garmin Cayman	Garmin Switzerland
	<p>Under the Cayman Islands Companies Law, it is permissible for a Cayman Islands or non-Cayman Islands subsidiary to purchase shares of Garmin Cayman. While the subsidiary holds the shares of Garmin Cayman, there is no statutory prohibition with respect to such shareholder exercising voting rights in respect of those shares; however, there may be circumstances in which such shares could not be voted by the subsidiary.</p>	<p>Capital distributions may also take the form of a distribution of cash or property that is based upon a reduction of Garmin Switzerland's share capital registered in the commercial register. The resolution of the shareholders' meeting regarding such a capital reduction must be past with a majority of the votes cast (excluding unmarked, invalid and non-exercisable votes (which includes broker non-votes)). A special audit report must confirm that creditors' claims remain fully covered despite the reduction in the share capital registered in the commercial register. Upon approval by the general meeting of shareholders of the capital reduction, the board of directors must give public notice of the capital reduction resolution in the Swiss Official Gazette of Commerce three times and notify creditors that they may request, within two months of the third publication, satisfaction of or security for their claims. Garmin Switzerland will be required under Swiss law to declare the amount available for any dividends and other capital distributions in Swiss francs. Garmin Switzerland intends to exchange such Swiss Franc amounts into U.S. Dollars and make any dividend payments to holders of Garmin Switzerland shares in U.S. Dollars. Computershare will be responsible for paying the U.S. Dollars amounts to registered holders of shares, less any amounts subject to withholding for taxes.</p>
Shareholder Approval of Business Combinations	<p>There are a number of mechanisms for acquiring a Cayman Islands company including:</p>	<p>Business combinations and other transactions that are binding on all shareholders are governed by the Swiss Merger Act. A merger or demerger requires that at least two thirds of the votes represented at the general meeting of shareholders and the absolute majority of the par value of shares represented vote in favor of the transaction. Under the Swiss Merger Act, a "demerger" may take two forms:</p>

Provision	Garmin Cayman	Garmin Switzerland
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(a) a court-approved “scheme of arrangement” under the Cayman Islands Companies Law. A scheme of arrangement with one or more class or series of shareholders requires the sanction of the scheme of arrangement by the Cayman Court and the approval of (1) a majority in number of the registered holders of each participating class or series of shares voting on the scheme of arrangement, and (2) holders representing 75% or more in value of the shares of each participating classes or series voted on such proposal at the relevant meeting excluding any shares held by the acquiring party. If a scheme of arrangement receives the approval of shareholders of a company and is subsequently sanctioned by the Cayman Islands court, all holders of common shares of the company will be bound by the terms of the scheme of arrangement. Garmin’s Cayman Islands counsel, Maples and Calder, has advised that where the statutory procedures have been complied with, the Cayman Islands court is likely to sanction such a scheme of arrangement that has been approved by the requisite votes of shareholders in the absence of bad faith, fraud or unequal treatment of shareholders;

(b) through a tender offer by a third party. The Cayman Islands Companies Law provides that when an offer is made for shares of any class or series of a Cayman Islands company and, within four

months of the offer, the holders of not less than 90% of those such class or series accept the offer, the offeror may, for two months after that four-month period, require the remaining shareholders of the relevant class or series to transfer their shares on the same terms as the original offer. In those circumstances, nontendering shareholders will be compelled to sell their shares, unless within one month from the date on which the notice to compulsorily acquire was given to the nontendering shareholder, the nontendering shareholder is able to convince a Cayman Islands court to order otherwise; and