

ELLER DONALD
Form 4
January 17, 2006

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
ELLER DONALD

2. Issuer Name and Ticker or Trading Symbol
GARMIN LTD [GRMN]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
3111 BEL AIR DRIVE, NO. 18G

(Street)

3. Date of Earliest Transaction
(Month/Day/Year)
01/12/2006

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

LAS VEGAS, NV 89109

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
							(1) (2) (3) (4)
Common Shares	01/12/2006		J(1)(2)(3)(4)		169,970	D	1,232,649 (5)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Security (Instr. 3 and 4)
Variable prepaid forward contract (put equivalent position)	<u>(1)</u> <u>(2)</u> <u>(3)</u> <u>(4)</u>	01/12/2006		J <u>(1)(2)(3)(4)</u>	200,000	<u>(1)(2)(3)(4)</u> <u>(1)(2)(3)(4)</u>	Common Shares

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
ELLER DONALD 3111 BEL AIR DRIVE, NO. 18G LAS VEGAS, NV 89109			X	

Signatures

/s/ Donald H. 01/17/2006
Eller

__Signature of Date
Reporting Person

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

On January 12, 2006, the reporting person settled his obligation to deliver common shares of the issuer (Common Shares) or an equivalent amount of cash (if elected by him) pursuant to a prepaid variable forward contract entered into on or about November 22, 2002 with an unaffiliated third party buyer. The contract obligated the reporting person to deliver to the buyer a minimum of 169,970 Common Shares and up to a maximum of 200,000 Common Shares (or an equivalent amount of cash) on the maturity date of the contract (January 12, 2006 or such earlier date as the parties determined). In exchange for assuming this obligation, the reporting person received a cash payment of \$3,977,189.40 as of the date of entering into the contract. The reporting person pledged 200,000 Common Shares to secure his obligations under the contract, and retained voting rights in the pledged shares during the period of the pledge.

(2) The contract provided that the number of Common Shares (or equivalent amount of cash) deliverable by the reporting person on the maturity date would be determined as set forth in footnote (3) below, on the basis of share prices of the Common Shares that were subject to adjustment for events specified in the contract.

(3) (a) If the maturity date closing price (the Settlement Price) had been less than or equal to \$23.91 (the Initial Share Price) the reporting person would have delivered to the buyer 200,000 Common Shares; (b) If the Settlement Price had been between the Initial Share Price and \$33.473 (the Cap Price), the reporting person would have delivered to the buyer a number of shares determined by multiplying 200,000 by the Initial Share Price, and dividing the resulting number by the Settlement Price; and (c) Because the Settlement Price was equal or greater than the Cap Price, the reporting person was required to deliver to the buyer a number of shares determined by multiplying 200,000 by the sum of the Initial Share Price and the excess of the Settlement Price over the Cap Price, and dividing the

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resulting number by the Settlement Price.

- The Settlement Price of the Common Shares was \$63.69. Accordingly, on January 12, 2006, the reporting person settled his obligation by
- (4) delivering to the buyer 169,970 Common Shares, having a value of \$10,825,389, and retaining ownership of the remaining 30,030 pledged Common Shares.
 - (5) Includes 200,000 Common Shares subject to a prepaid variable forward contract described in a Form 4 filed by the reporting person dated December 16, 2004.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.