

SILICON LABORATORIES INC
 Form 4
 December 21, 2005

FORM 4

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

OMB APPROVAL

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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 *
GAY GARY R

2. Issuer Name and Ticker or Trading Symbol
**SILICON LABORATORIES INC
 [SLAB]**

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
4635 BOSTON LANE
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
12/19/2005

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
Vice President

AUSTIN, TX 78735

(City) (State) (Zip)

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

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 Ownership: Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock, \$0.0001 par value	12/19/2005		A		12,786 <u>(1)</u>	A	\$ 0.0001 53,484
						D	

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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 (9-02)

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

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 Underlying Security (Instr. 3 and 4)
Non-Qualified Stock Option (right to buy)	\$ 36.81	12/19/2005		A	17,683	12/19/2006 ⁽²⁾ 12/19/2015	Common Stock, \$0.0001 par value

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
GAY GARY R 4635 BOSTON LANE AUSTIN, TX 78735			Vice President	

Signatures

Bruce A. Maurer, Power of Attorney for Gary R. Gay
 12/21/2005

**Signature of Reporting Person

Date

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).
- Reflects the grant of restricted stock units that will entitle the Reporting Person to receive one share of common stock per restricted stock unit. The restricted stock units vest at the rate of 20% per year on each anniversary date after December 19, 2005 and will be settled pursuant to the terms of the Issuer's 2000 Stock Incentive Plan.
- (1) Option vests and becomes exercisable with respect to (i) twenty percent (20%) of the option shares upon optionee's completion of one year of service measured from the grant date and (ii) the balance of the option shares in a series of forty-eight (48) successive monthly installments over the forty-eight (48) month period measured from the first year anniversary of the grant date.
 - (2) Not applicable per instruction 4(c)(iii).
 - (3) Not applicable per instruction 4(c)(iii).

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.