

Henceforth will be presented a brief description of the resolutions to be brought on the agenda of the Special General Assembly of Visonic Ltd. (hereinafter: the "**Company**"), which is fixed for 3.11.2011 at 12:00 in the offices of Visonic Technologies (1993) Ltd., 23 Habarzel Street (Floor 2) Ramat Hahayal, Tel Aviv (and in case of need of a deferred assembly, it shall convene on 6.11.2011 at the same place and hour).

This brief description is provided for information purposes only and does not purport to be a full description of the items brought up for the approval of the general meeting of the shareholders of the company. In case of any conflict between the above description and the description contained in the merger report issued on 27 September 2011 [submission No. 2011-01-286860] (hereinafter referred to as : "the Immediate Report"), the latter shall prevail.

Section 3.1 of the Voting Letter – The Company's engagement by the Merger Agreement

Confirmation of the Company's engagement by the Merger Agreement dated 15.9.2011 (hereinafter: the "**Merger Agreement**") the parties of which are: (i) the Company; (ii) Tyco International Services Holding GMBH ("**Tyco Switzerland**") – a company in the ownership and control (directly or indirectly) of Tyco International ("**Tyco**"); and (iii) Arrowhead Acquisition Corporation Ltd. (the "**Target Corporation**") which is an Israeli company in the full ownership and control of Tyco Switzerland, that was established for purpose of the engagement by the Merger Agreement.

In accordance with the Merger Agreement, Tyco Switzerland will purchase the entirety of the issued and paid up share capital of the Company, for inclusive consideration in case in the sum of ca. 99.4 million US Dollars (subject to certain negligible adjustments as specified in the Merger Agreement) (the "**Transaction Consideration**"), by manner of inverse triangular merging, according to which the Target Company shall merge with and into the Company as the absorbing company, so that pursuant the merger the Target Company shall cease to exist, the Company shall become a private company in the full ownership and control of Tyco Switzerland and the Company's shares will be written off from the trade in the Tel Aviv Stock Exchange Ltd.

As of the date of signing the Merger Agreement, the Transaction Consideration reflects the price per share of ca. 2.26 US Dollars and an identical price of ca. 2.26 US Dollars for each of the Company's options (in deduction of the relevant realization prices as determined in accordance with the options plans). The Transaction Consideration will not bear interest, and tax at source shall be deducted thereof by virtue of the law. The Transaction Consideration will be paid to the Company's shareholders in US Dollars, in accordance with their relative share in the Company's shares and also to options' owners (workers and service providers of the Company and subsidiary and second tier subsidiary companies of the Company), in consideration of the options for purchase of the Company's shares (the Merger Agreement, the required engagements and any action in connection with the merger, jointly: the "**Merger Transaction**").

Closing of the merger will take place proximately pursuant fulfillment of all the suspending conditions to the merger Transaction which fulfillment is required prior the closing date (or waiver of their fulfillment by the party who is entitled to waive the fulfillment of any suspending conditions whatsoever by virtue of the Merger Agreement) (the "**Closing Date**") and the Merger will enter into force on the date of receipt of the Merger Certificate from the Registrar of Companies, i.e. the Determinant Date, inasmuch as provided upon the Closing Date, or proximately pursuant thereto, inasmuch as possible (the "**Determinant Date**").

In accordance with the Company's estimation, subject to fulfillment of the suspending conditions, the Closing of the Merger Transactions is expected to be executed during December 2011. The last date which is fixed in the Merger Agreement for purpose of the merger's finalization is until and not later than the end of March 2012 and pursuant this date the Merger Agreement shall be cancelled (subject to certain exceptions as fixed in the Merger Agreement). Let it be emphasized that no certainty exists in relation to completion of the Merger Transaction.

Tyco is a company limited by shares incorporated in Switzerland and its securities are traded in the stock exchange in Zurich and in the New York Stock Exchange. Tyco is a global company supplying goods and services to clients in different countries worldwide and is a leading company in supplying goods and services of security, defense from fire, systems and products in the localization field, remote control and additional products.

Tyco Switzerland is a company incorporated in Switzerland and held (directly or indirectly) by Tyco. Tyco Switzerland engages in investments and trademarks' licensing.

Section 3.2 in the Voting Letter – Confirmation of the engagements as required in the Merger Agreement –

On the date of signing the Merger Agreement, and as part of the merger were signed by the parties to the merger or part thereof, or the owner of controlling interest, as applicable also the required engagements as specified henceforth, which confirmation by the General Assembly, jointly with the merger is required en bloc, while it is possible to vote in their matter, only regarding all of them and only by the same manner. Additionally and as was explained in Section 3.1 hereinabove, the General Assembly's confirmation of the required engagements as specified henceforth and in the Immediate Report, constitutes a suspending condition for Closing the Merger Transaction (the "**Required Engagements**").

- a. Supplement dated 14.09.2011 to the Rental Agreement dated 1.12.2002 regarding the plant in Kiryat Gat as signed by the Company (as tenant) and S.M.D Advanced Technologies Ltd, a private company organized under the Israeli law and is held entirely by the controlling shareholder of the Company, Mr. Yaacov Kotlicki ("**SMD**") (as landlord), that includes, *inter alia*, representations and undertakings of the landlord in connection with the asset and its condition as well as representations and undertakings of the tenant in connection with insurance of the asset by it, rights and undertakings of the tenant in connection with repair and improvements in the asset, instructions regarding evacuation of the asset and provision of an option to the tenant to expand the boundaries of the asset that is utilized by it in reality, rental fees to

be paid until 1.2.2018 as well as provision of an option to the tenant to purchase the asset from the landlord (USD29 million if exercised prior to 31 December 2012; USD9 million if exercised after w31 December 2012).

- b. Supplement dated 14.09.2011 to the Rental Agreement dated 30.6.2001 between the Company (as tenant) and Mr. Yaacov Kotlitcki (as landlord), regarding the offices in 24 Habarzel Street in Ramat Hahayal, Tel Aviv (part of floor C and a number of parking spaces in the building), were the Company's management offices are located ("Supplement of the Ramat Hahayal Rental Agreement"): the Supplement of the Ramat Hahayal Rental Agreement determines, *inter alia*, provisions regarding extending the rental period until 31.12.2014, the monthly rental fees, some representations and undertakings of the tenant as well as provisions in relation to repairs and improvements in the rented property and in connection with its evacuation.
- c. Separation Agreement dated 14.9.2011 between Mr. Yaacov Kotlitcki and the Company, providing, *inter alia*, that upon completion of the merger the working relations between the aforementioned parties shall terminate, Yaacov Kotlitcki shall resign his office as an active chairperson of the Company's Board of Directors and the employment agreement by virtue of which he is employed in the Company, shall be cancelled.
- d. Consultation Agreement dated 14.09.2011 between the Company and Yaacov Kotlitcki, determining, *inter alia*, the provision of consultation services by Mr. Yaacov Kotlitcki to the Company during 12 months from the Closing Date, on partial scope (subject to its completion prior the date under certain circumstances), continuation of receipt of certain services from the Company as well as the due consideration.
- e. Indemnification and Trusteeship Agreement dated 14.9.2011 between Tyco Switzerland and the owner of controlling interest (Yaacov Kotlitcki and SMD) according to which, subject to approval of the Merger Transaction by the General Assembly of the shareholders of the Company, and subject to the terms as provided in the Indemnification and Trusteeship Agreement, the controlling shareholder will deposit in trust, out of his relative share in the Transaction Consideration, a sum of up to 5 million US Dollars in order to guarantee to Tyco Switzerland indemnification due to damages and losses to caused thereto as result of the Company's breach of the Company's representations as specified in the Merger Agreement.

Section 3.3 of the Voting Letter – provision of Exemption and Indemnification Letters to Directors in the Company including to the holder of controlling interest Mr. Yaacov Kotlitcki, subject to the provisions of the Companies Law.

Section 3.4 of the Voting Letter – Confirmation to purchase Directors and Office Holders Liability Insurance policy (Run – Off)

The object of the policy is to provide insurance coverage to directors and office holders in the Company, including to the owner of controlling interest Mr. Yaacov Kotlitcki, for a period of 7 years from the Closing Date, with insurance coverage and scope not diminished from the insurance coverage by virtue of the existent policy. In accordance with the Merger Agreement the premium that the Company will be required to pay for the insurance coverage shall not exceed 300% of the premium paid by the Company for the existent policy in the passing year for the same directors and office holders and for the same insurance coverage (the amount of the insurance premium paid last year is 17 thousand Dollars).

Section 3.5 of the Voting Letter – retroactive confirmation, with advanced validity, of certain alterations in the Employment Agreement of the Company with Mr. Oren Kotlitcki, the son of the holder of controlling interest Mr. Yaacov Kotlitcki, who serves as Manager of Business Development in the Company, as well as extending the engagement with him for a period of three (3) years as a public company and for an indefinite time period as a private company, and all subject and in accordance with the provisions of the Companies Law and the provisions of any law, as provided in Section 1.7 of the Immediate Report.

The alterations to appear in his employment agreement are: the right to receive a vehicle from the Company through a leasing company, study fund as well as two salary increases (the "**Employment Agreement Alterations**"). The Employment Agreement Alterations were confirmed by the Company's Inspection Committee as well as by the Company's Board of Directors (retroactively or not retroactively).

Let it be noted that Oren Kotlitcki current salary (including 20 overtime hours) totals in the sum of ca. NIS 29,200 gross per month.

Section 3.6 of the Voting Letter – Confirmation, in force and in advance, of granting options to Oren Kotlitcki, that were granted thereto as part of granting options to the Company's employees, including confirmation of amendment of the options plans in relation to him:

3.6.1 Henceforth are the amount of options granted and the dates of their grant:

- Allotment Letter dated 15.04.2004 – 7,250 options in realization sum of 0.88 Pound.
- Allotment Letter dated 10.04.2007 – 5,000 options in realization sum of 0.77 Pound.
- Allotment Letter dated 11.03.2008 – 5,000 options in realization sum of 0.49 Pound.
- Allotment Letter dated 30.03.2009 – 5,000 options in realization sum of 0.425 Pound.
- Allotment Letter dated 21.03.2010 – 5,000 options in realization sum of NIS 5.962.
- Allotment Letter dated 31.05.2011 – 9,000 options in realization sum of NIS 3.325.

- 3.6.2 Let it be noted that granting of the options as hereinabove stated were confirmed through the authorized organs in the Company in advance or retroactively, and were provided in parallel to granting options to other employees and service providers in the Company.
- 3.6.3 Description of the requested amendment, only in relation to Oren Kotlitzki, in the options plans by virtue of which options were granted thereto:

Within the scope of confirmations by the Inspection Committee and the Company's Board, dated 12.09.2011 and dated 14.09.2011 to the Merger Transaction, as henceforth specified, the Inspection Committee and the Company's Board confirmed, amendment of the Company's options plans, by virtue of which employees and service providers were granted options to shares of the Company, by manner that Tyco Switzerland will be able to purchase from them their right for options in consideration for a price that equals the share price in the Merger Transaction, minus the options realization price, as applicable. The plans' amendment was required, *inter alia*, regarding the issue of defining the term "Transaction" in the options plans, which enable the Company to accelerate and advance the options' ripening dates, by manner that will refer also to an inverse triangular Merger Transaction as well.