SECURITIES & EXCHANGE COMMISSION EDGAR FILING

Lifeloc Technologies Inc

Form: S-1

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As filed with the Securities and Exchange Commission on June 21, 2010

Registration Statement No.

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM S-1

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

LIFELOC TECHNOLOGIES, INC.

(Exact name of registrant as specified in its charter)

Colorado	**3826**	**84-1053680**
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

Lifeloc Technologies, Inc.
12441 West 49th Ave., Unit 4
Wheat Ridge, Colorado 80033
(303) 431-9500
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Vern D. Kornelsen
Lifeloc Technologies, Inc.
12441 West 49th Ave., Unit 4
Wheat Ridge, Colorado 80033
(303) 431-9500
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies of communications to:

Les Woodward
Davis Graham & Stubbs LLP
1550 17th Street, Suite 500
Denver, Colorado 80202
Telephone: (303) 892-9400

Approximate date of distribution to the shareholders: Within 30 days after this registration statement becomes effective.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933 check the following box: ☑

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ❑

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ❑

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ❑

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer ❑	Accelerated filer ❑
Non-accelerated filer ❑	Smaller reporting company ☑
(Do not check if a smaller reporting company)	

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered (1)	Proposed Maximum Offering Price Per Unit (2)	Amount of Registration Fee
Warrants to purchase Common Stock	2,422,416	$ — (2)	$ —(2)
Common Stock, no par value, issuable upon exercise of the Warrants	2,422,416	$ 1.00 (3)	$ $172.72

(1) Pursuant to Rule 416(a) of the Securities Act of 1933, as amended (the “Securities Act”), this registration statement shall be deemed to cover additional securities that may be offered or issued to prevent dilution resulting from stock splits, stock dividends or similar transactions.

(2) One warrant for each share of common stock will be issued to current shareholders. The warrants will be issued without consideration. Pursuant to Rule 457(g), no separate registration fee is payable with respect to the warrants being offered hereby, since the warrants are being offered in the same registration statement as the securities to be offered pursuant thereto.

(3) The price of $1.00 per share, which is the price at which the warrants may be exercised, is set forth solely for purposes of calculating the registration fee pursuant to Rule 457(g) of the Securities Act.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

Subject to Completion, dated _____, 2010

The information in this prospectus is not complete and may be changed. We may not distribute these securities until the registration statement filed with the Securities and Exchange Commission is declared effective. This prospectus is not an offer to sell these securities, and we are not soliciting offers to buy these securities, in any state where the offer or sale is not permitted.

PRELIMINARY PROSPECTUS

LIFELOC TECHNOLOGIES, INC.
WARRANTS TO PURCHASE UP TO 2,422,416 SHARES OF COMMON STOCK
TOGETHER WITH THE SHARES ISSUABLE UPON EXERCISE THEREOF

This prospectus relates to the distribution, at no charge, to holders of our common stock of warrants to purchase up to 2,422,416 shares of our common stock. Each warrant will be exercisable at an exercise price of $1.00. This prospecuts also relates to the common stock issuable upon exercise of the warrants. All costs associated with this registration will be borne by us.

Upon effectiveness of the registration statement of which this prospectus is a part, we will attempt to cause our common stock and warrants to be traded on the OTC Bulletin Board ("OTCBB"). Our securities have not been traded previously.

This is not an underwritten offering. The warrants will be distributed for no consideration to existing shareholders, and must be exercised through a registered broker-dealer of the warrant holder's choice. Each such broker-dealer will be paid a commission of six percent (6%), to be borne by the Company. While such broker-dealer may be deemed a statutory underwriter pursuant to Section 2(11) of the Securities Act, the broker-dealer is not underwriting the offering and has no obligation to purchase or procure purchases of the common stock or warrants offered by this prospectus.

THIS INVESTMENT INVOLVES A HIGH DEGREE OF RISK. YOU SHOULD PURCHASE SECURITIES ONLY IF YOU CAN AFFORD A COMPLETE LOSS.

SEE "RISK FACTORS" BEGINNING ON PAGE 4

You should rely only on the information provided in this prospectus or any supplement to this prospectus. We have not authorized anyone else to provide you with different information. Neither the delivery of this prospectus nor any distribution of the shares of common stock pursuant to this prospectus shall, under any circumstances, create any implication that there has been no change in our affairs since the date of this prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is , 2010.

TABLE OF CONTENTS

ABOUT THIS PROSPECTUS

You should rely only on the information contained in this prospectus, including any information incorporated herein by reference. We have not authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. You should not assume that the information in this prospectus or any document incorporated by reference is accurate as of any date other than the date on its front cover. Our business, financial condition, results of operations and prospects may have changed since the date indicated on the front cover of such documents. This prospectus does not constitute an offer to sell or the solicitation of an offer to buy any securities other than the registered securities to which they relate, nor does this prospectus constitute an offer to sell or the solicitation of an offer to buy securities in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction.

Except as otherwise indicated or where the context otherwise requires, the terms "Lifeloc," "we," "our," "ours," "us," and the “Company” as used in this prospectus refer to Lifeloc Technologies, Inc.

SUMMARY

The following information is a summary of the prospectus and it does not contain all of the information you should consider before making an investment decision. You should read the entire prospectus carefully, including the financial statements and the notes relating to the financial statements.

About Us

Lifeloc is a Wheat Ridge, Colorado–based developer, manufacturer and marketer of portable hand-held breathalyzers and related supplies and education. We design, produce and sell high-quality, fuel-cell based breath alcohol testing equipment. We compete in all major parts of the portable breath alcohol testing instrument market, including law enforcement, workplace, corrections, original equipment manfuacturing (“OEM”) and consumer markets. In addition, we offer a line of supplies, accessories, services, and training to support customers' alcohol testing programs. We sell globally through distributors and sales agents, as well as directly to users.

Designed for the law enforcement market, our Phoenix Classic is a microprocessor controlled portable breath alcohol instrument capable of accurately measuring the breath alcohol level of a subject and recording the test data. The Phoenix Classic was completed and released for sale in 1998, superseding the original model PBA3000. The Phoenix Classic is approved by the U.S. Department of Transportation (“DOT”) as an evidential roadside breath tester, which means that results of a breath test done with the Phoenix Classic during a traffic stop can be admitted as evidence in federal court and in the courts of states where such roadside test results can be admitted as evidence (as opposed to being admitted only to show probable cause).

In 2001, we completed and released for sale the FC Series, designed for the law enforcement and corrections markets. The FC Series, also DOT approved, features multi-language capabilities and software that is adaptable to the specific requirements and regulations of domestic and international markets. The FC Series is currently sold worldwide.

In 2005 and 2006, we introduced two new models for the workplace market: the EV30 and Phoenix 6.0. Like their predecessor, the Phoenix Classic, these instruments are DOT approved.

In 2006, we also commenced the selective marketing of our proprietary designs and patented algorithms on an OEM basis.

In late 2009, Lifeloc released the LifeGuard Personal Breathalyzer, a personal alcohol breath tester that incorporates the same fuel-cell technology used in our professional devices. LifeGuard is one of the first highly accurate personal breathalyzers available. Intended for the growing global consumer breathalyzer market, LifeGuard is FDA cleared and sold direct to consumers in the U.S. and marketed through distributors worldwide.

Lifeloc incorporated in Colorado in December 1983 and has been privately owned since that time. Our fiscal year end is December 31. Our principal executive offices are located at 12441 West 49th Avenue, Unit 4, Wheat Ridge, Colorado 80033-3338. Our telephone number is (303) 431-9500. Our websites are www.lifeloc.com and www.lifeguardbreathtester.com. Information contained on our websites does not constitute part of this prospectus.

The Offering

On May 3, 2010, our shareholders voted to approve a 1 for 2 reverse split of our common stock. At that time, our shareholders also approved the distribution of one warrant for each share of common stock outstanding after the split. The warrants will be distributed within 30 days after the registration statement of which this prospectus is a part has been declared effective by the Securities and Exchange Commission to all shareholders of record as of the date of declaration of such distribution.

Securities Offered:	Warrants to purchase up to 2,422,416 shares of our common stock, to be distributed solely to existing shareholders as of the date of declaration of such distribution, together with the shares of common stock issuable upon exercise of the warrants.
Offering Price:	The warrants will be issued as a non-cash distribution, for no cash consideration. The exercise price for the warrants will be $1.00.
Plan of Distribution:	Within 30 days after the effective date of the registration statement of which this prospectus is a part, we will declare a distribution and issue the warrants and copies of this prospectus to all holders of our common stock who were holders as of the date of declaration of such distribution, for no cash consideration. The warrants may be exercised only through registered or licensed brokers or dealers. The Company will bear all fees and expenses relating to the offering, including a six percent (6%) commission to be paid to broker-dealers in connection with exercise of the warrants.
Description of Warrants:	The warrants will be exercisable, subject to certain exceptions as described in this prospectus, upon the date of distribution until their expiration on May 3, 2020, at an exercise price of $1.00 per share.
Use of Proceeds:	The Company will receive no proceeds from the issuance of the warrants. The proceeds received by the Company upon exercise of the warrants, net of fees and expenses incurred by us in connection with the offering, will be used for general corporate purposes.
Transferability of Warrants:	The warrants will be transferable following their issuance and through their expiration, subject to compliance with applicable law. Upon effectiveness of the registration statement of which this prospectus is a part, we will attempt to cause the warrants to be quoted on the OTCBB.
Risk Factors:	Investing in our common stock involves a high degree of risk. All investors should carefully read the “Risk Factors” and all other information included in this prospectus and in the documents incorporated herein by reference in its entirety.
Fees and Expenses:	We will bear the fees and expenses relating to the offering, including the six percent (6%) fee associated with exercise of the warrants.
Common stock outstanding as of June 15, 2010:	2,422,416 shares
Common stock outstanding after the offering:	4,844,832 shares, assuming the exercise of all warrants registered herein.
Market for the Securities:	Upon effectiveness of the registration statement of which this prospectus is a part, we will attempt to cause our common stock and warrants to be traded on the OTCBB. There is currently no market for our securities.

RISK FACTORS

Risks Related to Our Business

An investment in our common stock involves a high degree of risk. You should carefully consider the following risk factors and other information included in this prospectus. If any of the following risks actually occur, our business, financial condition or results of operations could be materially and adversely affected and you may lose some or all of your investment.

The current worldwide economic downturn could have a negative impact on our business, operating results and financial condition.

If the economic downturn continues, our customers may delay, reduce or cancel their purchases of our products, particularly if they or their customers have reduced capital budgets or have difficulty obtaining credit, and this would reduce our revenues. The economic downturn could also increase competition, which could have the effect of forcing us to reduce our prices. We could incur losses if a customer's business fails and is unable to pay us, or pay us on a timely basis. Likewise, if our suppliers have difficulty in obtaining credit or in operating their businesses, they may not be able to provide us with the materials we use to manufacture our products. These actions could result in reduced revenues and higher operating costs, and have an adverse effect on our results of operations and financial condition.

We rely on customers who may not consistently purchase our products in the future and if we lose any one of these customers, our revenues may decline.

In the fiscal year ended December 31, 2009, we generated sales from over 2,500 customers, and while no customer contributed more than 10.4% to our total sales in either 2009 or 2008, we are dependent on our customer base for repeat sales. At December 31, 2009, our accounts receivable balance included approximately 15% from one customer.

In the future, a small number of customers may continue to represent a significant portion of our total revenues in any given period. These customers may not consistently purchase our products at a particular rate over any subsequent period. A loss of any of these customers could adversely affect our revenues.

We rely heavily upon the talents of our Chief Executive Officer, the loss of whom could severely damage our business.

Our performance depends to a large extent on a small number of key managerial personnel. In particular, we believe our success is highly dependent upon the services and reputation of our Chief Executive Officer, Mr. Barry R. Knott. Loss of Mr. Knott's services could severely damage our business.

We must continue to be able to attract employees with the scientific and technical skills that our business requires, and if we are unable to attract and retain such individuals, our business could be severely damaged.

Our ability to attract employees with a high degree of scientific and technical talent is crucial to the success of our business. There is intense competition for the services of such persons, and we cannot guarantee that we will continue to be able to attract and retain individuals possessing the necessary qualifications. If we cannot attract such individuals, we may not be able to keep our products current, bring new innovation to market or produce our products. As a result, our business could be damaged.

We are subject to a high degree of regulatory oversight and, if we do not continue to receive the necessary regulatory approvals, our revenues may decline.

The FDA and the Department of Transportation have cleared us to market the alcohol monitoring products we currently sell in the United States. However, further FDA or DOT approval will be required before we can domestically market additional alcohol monitoring products that we may develop in the future. We may also seek to sell current or future medical or drug-related products that require us to obtain FDA or DOT clearance to market such products. We may also be required to obtain regulatory approvals or licenses from other federal, state or local agencies or comparable agencies in other countries.

We may not continue to receive FDA or DOT clearance to market our current products or we may not obtain the necessary regulatory clearance, approvals or licenses for the marketing of any of our future products. Also, we cannot predict the impact on our business of FDA or DOT regulations or determinations arising from future legislation or administrative action. If we lose FDA or DOT permission to market our current products or we do not obtain regulatory permission to market our future products, our revenues may decline and our business may be harmed.

Our business in the domestic law enforcement area is susceptible to changes in state policies and DUI laws.

Portable breath testers ("PBTs") are not used to the same degree in each state. Usage is determined by a complex combination of individual state DUI laws, historical practice, and individual state directions for alcohol testing. In some states, like Texas, despite large populations and high drink/drive incidents, there is low PBT usage. Other states, like New Hampshire, do not accept breath alcohol testing as evidence. Still other states may prefer different breath alcohol testing technology, such as infrared. Lifeloc cannot control the direction or timing of changes to individual state DUI laws, public and political sentiment toward the use of PBTs, or individual state preferences for a specific breath alcohol testing technology. These factors may threaten current state contracts and future state contracts and our revenues may decline, harming our business.

Our business relies on state contracts, governed by state contracting polices that are beyond our control.

Many state purchases of PBTs are governed by state contracts with competitive price bids, multiple year terms and without guarantees of purchases. Other states prefer to share PBT usage across several vendors, also without guarantees of volume. These state practices limit Lifeloc's ability to retain current business, forecast volumes and win new business. Furthermore, a significant amount of our law enforcement business is concentrated in five states. Loss of this business, delays or cancellations in purchasing by these states could seriously impact our law enforcement business.

We are reliant on our sales representative group for access to the channels of distribution.

Lifeloc uses sales representatives to market and sell to the law enforcement markets in an 11-state region. Our sales representatives also represent other companies' law enforcement products. The cancellation of the agreement with our sales representative group, or shift in its focus to products made by companies other than Lifeloc, could negatively impact our current and future sales in these states. Currently Lifeloc is not well known or well represented in other states outside of those in which we currently have state contracts or are represented by sales representatives. New business development in states where we have no significant installed base, sales representation or current business is uncertain.

Third parties may infringe on our patents, and as a result, we could incur significant expense in protecting our patents or not have sufficient resources to protect them.

We hold several patents that are important to our business. Although we are not currently aware of any past or present infringements of our patents, we plan to protect these patents from infringement and obtain additional patents whenever feasible. To this end, we have obtained confidentiality agreements from our employees and consultants and others who have access to the design of our products and other proprietary information. Protecting and obtaining patents, however, is both time consuming and expensive. We therefore may not have the resources necessary to assert all potential patent infringement claims or pursue all patents that might be available to us. If our competitors or other third parties infringe on our patents, our business may be harmed.

Third parties may claim that we have infringed on their patents and as a result, we could be prohibited from using all or part of any technology used in our products.

Should third parties claim a proprietary right to all or part of any technology that we use in our products, such a claim, regardless of its merit, could involve us in costly litigation. If successful, such a claim could also result in us being unable to freely use the technology that was the subject of the claim, or sell products embodying such technology. If we engage in litigation, our expenses may increase and our business may be harmed. If we are prohibited from using a particular technology in our products, our revenues may decline and our business may be harmed.

We depend on the availability of certain key supplies and services that are available from only a few sources, and if we experience difficulty with a supplier, we may have difficulty finding alternative sources of supply.

We require certain key supplies for our products, particularly fuel cells, that are available from only a few sources. Based upon our ordering experience to date, we believe the materials and services required for the production of our products are currently available in sufficient quantities. However, this does not mean that we will continue to have timely access to adequate supplies of essential materials and services in the future or that supplies of these materials and services will be available on satisfactory terms when the need arises. Our business could be severely damaged if we become unable to procure essential materials and services in adequate quantities and at acceptable prices.

From time to time, subcontractors may produce certain of our products for us, and our business is subject to the risk that these subcontractors fail to make timely delivery. Our products and services are also from time to time used as components of the products and services of other manufacturers. We are therefore subject to the risk that manufacturers that integrate our products or services into their own products or services are unable to acquire essential supplies and services from third parties in a timely fashion. If this occurs, we may not be able to deliver our products on a timely basis and our revenues may decline.

Our customers may claim that the products we sold them were defective, and if our insurance is not sufficient to cover a claim, we would be liable for the excess.

Like any manufacturer, we are and always have been exposed to liability claims resulting from the use of our products. We maintain product liability insurance to cover us in the event of liability claims, and as of March 31, 2010, no such claims have been asserted or threatened against us. However, our insurance may not be sufficient to cover all possible future product liabilities.

We could be liable if our business operations harmed the environment, and a failure to maintain compliance with environmental laws could severely damage our business.

Our operations are subject to a variety of federal, state and local laws and regulations relating to the protection of the environment. From time to time, we use hazardous materials in our operations. Although we believe that we are in material compliance with all applicable environmental laws and regulations, our business could be severely damaged by any failure to maintain such compliance.

Our quarterly financial results vary quarter to quarter, which may adversely affect our stock price. We cannot predict with any certainty our operating results in any particular fiscal quarter.

Our quarterly operating results may vary significantly depending upon factors such as:

- the timing of completion of significant orders;
- the timing and amount of our research and development expenditures;
- the costs of initial production in connection with new products;
- the availability, quality and cost of key components that go into the assembly of our products;
- the timing of new product introductions — both by us and by our competitors;

- changes in the regulatory environment and regulations under which we operate;
- the loss of a major customer;
- the timing and level of market acceptance of new products or enhanced versions of our existing products;
- our ability to retain existing employees, customers and our customers' continued demand for our products and services;
- our customers' inventory levels, and levels of demand for our customers' products and services; and
- competitive pricing pressures.

We may not be able to grow or sustain revenues or achieve or maintain profitability on a quarterly or annual basis, and levels of revenue and/or profitability may vary from one such period to another.

We have a number of large, well-financed competitors who have research and marketing capabilities that are superior to ours.

The industry in which we compete is highly competitive. Many of our existing and potential competitors have greater financial resources and manufacturing capabilities, more established and larger marketing and sales organizations and larger technical staffs than we have. Other companies, some with greater experience in the alcohol monitoring industry, produce products and services that compete with our products and services. If any of our competitors are successful in developing products that are superior to our products, or competing products that sell for lower prices, this may cause a reduction in the demand for our products and a reduction in our revenue and our profits.

Our products rely on technology that may become outdated or out of favor.

All of Lifeloc's products use fuel cell technology for the measurement of breath alcohol results. This technology has been developed and refined over many years by Lifeloc and our major competitors. While we expect it to remain as the dominant technology in breath testing devices, other technologies for the measurement of breath alcohol exist and are employed in other market and application segments where the technology is more suitable or developed to the specific requirements. These other technologies include infrared, semi-conductor, and chemical tests. Nanotechnology is also being investigated for use in breath alcohol testing. It is possible that future development of these technologies could pose a risk to Lifeloc's business.

Risks Related to Our Stock

Trading in our common stock and warrants will be limited, and the prices of our common stock and warrants may be subject to substantial volatility.

After the effective date of the registration statement of which this prospectus is a part, we will attempt to cause our warrants and common stock to be traded on the OTCBB. However, in order to be traded on the OTCBB, at least one broker-dealer must be willing to act as a "market-maker," and this may not occur immediately or at all. In addition, broker-dealers often decline to trade in OTCBB stocks as the market for such securities is often limited, the stocks are more volatile and the risk to investors is greater. These factors may reduce the potential market for our warrants or common stock by reducing the number of potential investors. This may make it more difficult for investors in our warrants or common stock to sell warrants or shares to third parties or to otherwise dispose of their warrants or shares. This could cause the price of our securities to decline or not trade at all.

Additionally, the price of our securities may be volatile as a result of a number of factors, including, but not limited to, the following:

- our ability to successfully conceive and to develop new products and services to enhance the performance characteristics and methods of manufacture of existing products;
- our ability to retain existing customers and customers' continued demand for our products and services;
- the timing of our research and development expenditures and of new product introductions;
- the timing and level of acceptance of new products or enhanced versions of our existing products; and
- price and volume fluctuations in the stock market at large which do not relate to our operating performance.

"Penny stock" rules may make buying or selling our securities difficult, which may make our stock and warrants less liquid and make it harder for investors to buy and sell our securities.

Trading in our securities is subject to the SEC's "penny stock" rules and it is anticipated that trading in our securities will continue to be subject to the penny stock rules for the foreseeable future. The SEC has adopted regulations that generally define a penny stock to be any equity security that has a market price of less than $5.00 per share, subject to certain exceptions. These rules require that any broker-dealer who recommends our securities to persons other than prior customers and accredited investors must, prior to the sale, make a special written suitability determination for the purchaser and receive the purchaser's written agreement to execute the transaction. Unless an exception is available, the regulations require the delivery, prior to any transaction involving a penny stock, of a disclosure schedule explaining the penny stock market and the risks associated with trading in the penny stock market. In addition, broker-dealers must disclose commissions payable to both the broker-dealer and the registered representative and current quotations for the securities they offer. The additional burdens imposed upon broker-dealers by these requirements may discourage broker-dealers from recommending transactions in our securities, which could severely limit the liquidity of our securities and consequently adversely affect the market price for our securities.

We are contractually obligated to issue shares in the future, diluting your interest in us.

An additional 44,000 shares of our common stock are reserved for issuance under our 2002 Stock Option Plan as of June 15, 2010. Moreover, we expect to issue additional shares and options to purchase shares of our common stock to compensate employees, consultants and directors, and we may issue additional shares to raise capital. Any such issuances will have the effect of further diluting the interest of the holders of our securities.

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements that involve risks and uncertainties. You should not place undue reliance on these forward-looking statements. Our actual results could differ materially from those anticipated in the forward-looking statements for many reasons, including the reasons described in the "Risk Factors." Although we believe the expectations reflected in the forward-looking statements are reasonable, they relate only to events as of the date on which the statements are made. We do not intend to update any of the forward-looking statements after the date of this prospectus to conform these statements to actual results or to changes in our expectations, except as required by law.

USE OF PROCEEDS

We cannot predict when or if the warrants registered by the registration statement of which this prospectus is a part will be exercised. It is possible that the warrants may expire and may never be exercised. If we receive proceeds from the exercise of the warrants, we intend to use the proceeds for general corporate purposes. Net of the six percent (6%) broker-dealer fee, proceeds to us will be $0.94 per share. We will not receive proceeds from the issuance of the warrants.

DETERMINATION OF EXERCISE PRICE

Since our common stock is not listed or quoted on any exchange or quotation system, the exercise price for the warrants was arbitrarily determined and does not necessarily bear any relationship to our book value, assets, operating results, financial condition or any other established criteria of value.

PLAN OF DISTRIBUTION

Within 30 days after the effective date of the registration statement of which this prospectus is a part, we will distribute the warrants and copies of this prospectus to the holders of our common stock. The distribution of warrants was approved by the shareholders on May 3, 2010, and will be made share for share to all shareholders of record as of the date of declaration of such distribution, for no cash consideration.

The warrants will be issued as a non-cash distribution to existing shareholders, and must be exercised through a registered broker-dealer of the warrant holder's choice. Such broker-dealers are not underwriting or placing any of the warrants or the shares of our common stock issued in this offering and do not make any recommendation with respect to such warrants (including with respect to the exercise or expiration of such warrants) or shares, but may be deemed statutory underwriters for purposes of Section 4(1) of the Securities Act. We will pay each such broker-dealer a commission of six percent (6%) on each warrant for which that broker-dealer facilitates the exercise pursuant to a selling agent agreement attached as an exhibit to the registration statement of which this prospectus is a part. The broker-dealers' participation in this offering will be subject to customary conditions contained in such selling agent agreement. Pursuant to such agreement, we will indemnify the selling agents and their respective affiliates against certain liabilities arising under the Securities Act of 1933. The Company will bear all fees and expenses relating to the offering, including the six-percent (6%) commission.

Other than as described in this prospectus, we do not know of any existing agreements between any shareholder, broker, dealer, underwriter or agent relating to the sale or distribution of the warrants or underlying common stock.

Upon effectiveness of the registration statement of which this prospectus is a part, we will attempt to cause our common stock and warrants to be traded on the OTCBB. Our securities have not previously been publicly traded.

DESCRIPTION OF WARRANTS

Within 30 days after this filing has been declared effective by the Securities and Exchange Commission, we will distribute, at no charge, to holders of our common stock, warrants to purchase up to 2,422,416 shares of our common stock on a one warrant per share basis. There are no warrants presently outstanding.

The warrants will be separately transferable following their issuance and through May 3, 2020, and will expire thereafter. Each warrant will entitle the holder to purchase one share of Lifeloc common stock at a price of $1.00 per share, subject to adjustment as discussed below, commencing upon issuance and at any time through May 3, 2020. Upon effectiveness of the registration statement of which this prospectus is a part, we will attempt to cause the warrants to be listed on the OTC Bulletin Board.

Certificates for all warrants acquired will be mailed as soon as practicable after the effective date of the registration statement of which this prospectus is a part.

The exercise price of the warrants and the number of shares of common stock issuable upon exercise of the warrants are subject to adjustment in certain circumstances, including a stock split of, stock dividend on, or a subdivision, combination or recapitalization of the common stock. However, the exercise price and number of shares of Company common stock issuable upon exercise of the warrants will not be adjusted for issuances of Company common stock at a price below the warrant exercise price. Upon a merger, consolidation, sale of substantially all of our assets, or other similar transaction, the warrants will automatically expire unless exercised prior to the closing of the transaction. Upon such exercise, the holders of the common stock issued upon exercise of the warrants will participate on the same basis as the other holders of common stock in connection with the transaction.

The warrants will be issued in registered form under a warrant agreement between _____, as warrant agent, and the Company, substantially in the form attached as an exhibit to the registration statement of which this prospectus is a part. You should review a copy of the warrant agreement for a complete description of the terms and conditions applicable to the warrants.

The warrants may be exercised upon surrender of the warrant certificate on or prior to the expiration date at the offices of the warrant agent, with the exercise form on the reverse side of the warrant certificate completed and executed as indicated, accompanied by full payment of the exercise price, by certified or official bank check payable to the Company, for the number of warrants being exercised. The warrantholders do not have any rights or privileges as holders of Company common stock or any voting rights until they exercise their warrants and receive shares of Company common stock. After the issuance of shares of Company common stock upon exercise of the warrants, each holder will be entitled to one vote for each share held of record on all matters to be voted on by stockholders.

No warrants will be exercisable unless at the time of exercise a prospectus relating to the issuance of Company common stock upon exercise of the warrants is current and the issuance has been registered or qualified or deemed to be exempt under the securities laws of the state of residence of the holder of the warrants. The terms of the warrant agreement require the Company to use its commercially reasonable efforts to effectuate and maintain the effectiveness of a registration statement covering such shares and maintain a current prospectus relating to common stock issuable upon exercise of the warrants until the expiration of the warrants. However, no assurances can be provided that the Company will be able to do so, and if the condition is not met, holders will be unable to exercise their warrants and the Company will not be required to settle any such warrant exercise during the period in which there is no registration statement effective. If the prospectus relating to the Company common stock issuable upon the exercise of the warrants is not current or if the Company common stock is not registered, qualified or exempt from registration or qualification in the jurisdictions in which the holders of the warrants reside, the Company would not be required to net cash settle or cash settle the warrant exercise until a current prospectus becomes effective, the warrants may have no value and the market for the warrants may be limited during the interim period, and the warrants may expire worthless.

If, upon exercise of the Warrants, a holder would be entitled to receive a fractional interest in a share, the Company may, but shall not be required to, issue fractions of a share. If the Company does not issue fractions of a share, it shall (1) pay in cash the fair value of fractions of a share as of the time when those entitled to receive such fractions are determined, or (2) issue scrip or warrants in registered form (either represented by a certificate or uncertificated) or bearer form (represented by a certificate) which shall entitle the holder to receive a full share upon the surrender of such scrip or warrants aggregating a full share.

DESCRIPTION OF COMMON STOCK

The following description of our capital stock and provisions of our Articles of Incorporation and By-laws, each as amended, is only a summary. You should also refer to our Articles of Incorporation and our By-laws, copies of which are included as exhibits to the registration statement of which this prospectus is a part and are hereby incorporated by reference. Our authorized capital stock consists of 50,000,000 shares of common stock, no par value per share.

Holders of our common stock are entitled to one vote for each share held on all matters submitted to a vote of our stockholders. Holders of our common stock have no rights under our Articles of Incorporation or our By-laws regarding dividends unless and until dividends are declared by the board of directors, nor do they have any rights under our Articles of Incorporation or our By-laws regarding preemptive rights. The outstanding shares of common stock are fully paid and non-assessable.

MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES

The following is a summary of the material U.S. federal income tax consequences of the issuance and ownership to U.S. holders and non-U.S. holders (each defined below) of warrants to purchase Company common stock .

For purposes of this discussion, a U.S. holder is a beneficial owner of Company common stock or warrants to purchase Company common stock that is:

- an individual who is a citizen or resident of the United States;
- a Corporation (or other entity taxed as a Corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or 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 (i) a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or (ii) it has in effect a valid election to be treated as a U.S. person.

For purposes of this discussion, a non-U.S. holder is a beneficial owner of Company common stock or warrants to purchase Company common stock that is not a U.S. holder.

This section is based on current provisions of the Internal Revenue Code of 1986, as amended, the Code, current and proposed Treasury regulations promulgated thereunder, and administrative and judicial decisions as of the date hereof, all of which are subject to change, possibly on a retroactive basis.

Changes in these authorities may cause the tax consequences to vary substantially from the consequences described below. No ruling has been sought from the U.S. Internal Revenue Service (the "IRS") as to the federal income tax consequences of the transactions described herein. Furthermore, this summary is not binding on the IRS, and the IRS is not precluded from adopting a contrary position.

This section does not purport to be a comprehensive description of all of the tax considerations that may be relevant to each holder of Company common stock or warrants to purchase Company common stock. This section does not address all aspects of U.S. federal income taxation that may be relevant to any particular investor based on such investor's individual circumstances. In particular, this section considers only U.S. holders and non-U.S. holders that hold Company common stock or warrants to purchase Company common stock as capital assets (and will hold any Company common stock or warrants to purchase Company common stock as capital assets) and does not address the potential application of the alternative minimum tax or the U.S. federal income tax consequences to investors that are subject to special treatment, including:

- broker-dealers;
- insurance companies;
- taxpayers who have elected mark-to-market accounting;
- tax-exempt organizations;
- regulated investment companies;
- real estate investment trusts;
- financial institutions or "financial services entities;"
- taxpayers who hold Company common stock or warrants to acquire Company common stock as part of a straddle, hedge, conversion transaction or other integrated transaction;
- holders that acquired their Company common stock or warrants to acquire Company common stock through the exercise of employee stock options or other compensation arrangements;
- controlled foreign Corporations;
- passive foreign investment companies;
- certain expatriates or former long-term residents of the United States; and
- U.S. holders whose functional currency is not the U.S. dollar.

The following does not address any aspect of U.S. federal gift or estate tax laws, or state, local or non-U.S. tax laws. In addition, the section does not consider the tax treatment of entities taxable as partnerships for U.S. federal income tax purposes or other pass-through entities or persons who hold Company common stock or warrants to acquire Company common stock (or will hold Company common stock or warrants exercisable for Company common stock) through such entities. Prospective investors are urged to consult their tax advisors regarding the specific tax consequences to them of the transactions and the ownership or disposition of shares of Company common stock or warrants to acquire Company common stock in light of their particular circumstances.

Tax Consequences of the Issuance of Warrants Exercisable for Company Common Stock

U.S. Holders

The distribution of the warrants exercisable for Company common stock should be a non-taxable distribution to U.S. Holders under Section 305(a) of the Code. This position is not binding on the IRS, or the courts, however. If this position is finally determined by the IRS or a court to be incorrect, the fair market value of the subscription rights would be taxable to holders of our common stock as a dividend to the extent of the holder's *pro rata* share of our current and accumulated earnings and profits, if any, with any excess being treated as a return of capital to the extent thereof and then as capital gain.

The distribution of the warrants exercisable for Company common stock would be taxable under Section 305(b) of the Code if it were a distribution or part of a series of distributions, including deemed distributions, that have the effect of the receipt of cash or other property by some of our shareholders and an increase in the proportionate interest of other shareholders in our assets or earnings and profits, if any. Distributions having this effect are referred to as "disproportionate distributions."

The remaining description assumes that U.S. Holders who receive the warrants exercisable for Company common stock on account of their common stock will not be subject to U.S. federal income tax on such receipt.

Tax Basis and Holding Period of the Warrants Exercisable for Company Common Stock

A U.S. Holder's tax basis in the warrants exercisable for Company common stock will depend on the fair market value of the warrants exercisable for Company common stock and the fair market value of our common stock at the time of the distribution.

- If the total fair market value of the warrants exercisable for Company common stock being distributed in this offering to holders of our common stock represents 15 percent or more of the total fair market value of our common stock at the time of the distribution, a holder must allocate the basis of the holder's shares of common stock (with respect to which the warrants exercisable for Company common stock were distributed) between such stock and the warrants exercisable for Company common stock received by such holder. This allocation is made in proportion to the fair market value of the common stock and the fair market value of the warrants exercisable for Company common stock at the date of distribution.

- If the total fair market value of the warrants exercisable for Company common stock being distributed in this offering to holders of our common stock is less than 15 percent of the total fair market value of our common stock at the time of the distribution, the basis of such warrants exercisable for Company common stock will be zero unless the holder elects to allocate part of the basis of the holder's shares of common stock (with respect to which the warrants exercisable for Company common stock were distributed) to the warrants exercisable for Company common stock. A holder makes such an election by attaching a statement to the holder's tax return for the year in which the warrants exercisable for Company common stock are received. This election, once made, will be irrevocable with respect to those rights. Any holder that makes such election should retain a copy of the election and of the tax return with which it was filed in order to substantiate the use of an allocated basis upon a subsequent disposition of the stock acquired by exercise. If the basis of a holder's warrants exercisable for Company common stock is deemed to be zero because the fair market value of the warrants exercisable for Company common stock at the time of distribution is less than 15 percent of the fair market value of our common stock and because the holder does not make the election described above, the holder's basis of the shares of common stock with respect to which such rights are received will not change. If an allocation of basis is made between the warrants exercisable for Company common stock and common stock, and the warrants exercisable for Company common stock are later exercised, the tax basis in the common stock originally owned by the holder will be reduced by an amount equal to the tax basis allocated to the warrants exercisable for Company common stock. In addition, any tax basis allocated to the warrants exercisable for Company common stock must be apportioned between the right to acquire common stock and the right to receive a warrant exercisable for Company common stock in proportion to their values on the date of distribution. For these purposes, the value of the right to acquire common stock will be that amount which bears the same ratio to the value of a warrant exercisable for Company common stock as the value of one share of common stock bears to the value of one package, consisting of one share of common stock and one warrant. The value of the right to receive a warrant will be the difference between the value of the warrant exercisable for Company common stock t and the right to acquire common stock as determined above.

The holding period for the warrants exercisable for Company common stock received by a U.S. Holder on account of common stock in the rights offering will include the holder's holding period for the common stock with respect to which the warrants exercisable for Company common stock were received.

Non-U.S. Holders

Exercise or Lapse of a Warrant

The U.S. federal income tax treatment of a non-U.S. holder's exercise or lapse of a warrant exercisable for Company common stock generally will correspond to the U.S. federal income tax treatment of the exercise or lapse of a warrant by a U.S. holder, as described under "*U.S. Holders — Exercise or Lapse of a Warrant Exercisable for Company Common Stock*" above. However, capital loss recognized by a non-U.S. Holder on lapse of a warrant exercisable for Company Common Stock will generally be taken into account for U.S. income tax purposes only in the circumstances described under "*— Gain on Disposition of Common Stock or Warrants Exercisable for Company Common Stock*".

Tax Basis and Holding Period of the Warrants Exercisable for Company Common Stock

The U.S. federal income tax determination of a non-U.S. holder's tax basis and holding period of warrants exercisable for Company common stock generally will correspond to the U.S. federal income tax determination of tax basis and holding period for a U.S. holder, as described under "*U.S. Holders — Tax Basis and Holding Period of the Warrants Exercisable for Company Common Stock*" above.

Tax Consequences of Owning Company Common Stock and Warrants Exercisable for Company Common Stock

U.S. Holders

Exercise or Lapse of a Warrant Exercisable for Company Common Stock

A U.S. holder generally will not recognize gain or loss upon the exercise of a warrant exercisable for shares of Company common stock. Company common stock acquired pursuant to the exercise of such a warrant will have a tax basis equal to the U.S. holder's tax basis in the warrant increased by the exercise price paid to exercise the warrant. The holding period of such Company common stock will begin on the date of exercise of the warrant (or possibly the date following the date of exercise).

If a warrant is allowed to lapse unexercised, a U.S. holder may have a capital loss equal to such holder's tax basis in the warrant, although authority exists for the proposition that such tax basis should be transferred back to the Company common stock with respect to which the warrant was received. Any such loss will be long term if the warrant has been held for more than one year.

Adjustment to Exercise Price

Under Section 305 of the Code, if certain adjustments are made (or not made) a U.S. holder may be deemed to have received a constructive distribution to the number of shares to be issued upon the exercise of a warrant or to the warrant's exercise price. A U.S. holder may also be deemed to have received a constructive distribution, which could result in the inclusion of dividend income.

Dividends and Other Distributions on the Company Common Stock

Distributions on the Company common stock will constitute dividends for U.S. federal income tax purposes to the extent paid from the Company's current or accumulated earnings and profits, as determined under U.S. federal income tax principles. If a distribution exceeds the Company's current or accumulated earnings and profits, the excess will be treated first as a tax-free return of capital and will reduce (but not below zero) the U.S. holder's adjusted tax basis in the Company common stock, and any remaining excess will be treated as capital gain from a sale or exchange of the Company common stock, subject to the tax treatment described below in "*Gain on Disposition of Common Stock*"

Dividends received by a Corporate U.S. holder generally will qualify for the dividends received deduction if the requisite holding period is satisfied. With certain exceptions, and provided certain holding period requirements are met, dividends received by a non-Corporate U.S. holder generally will constitute "qualified dividends" that will be subject to tax at the maximum tax rate accorded to capital gains for tax years beginning on or before December 31, 2010, after which the rate applicable to dividends is currently scheduled to return to the tax rate generally applicable to ordinary income.

Gain on Disposition of Common Stock

Upon the sale, exchange or other disposition of Company common stock, a U.S. holder will recognize gain or loss in an amount equal to the difference between the amount realized on the sale, exchange or other disposition of Company common stock and the U.S. holder's adjusted basis in such stock. Generally, such gain or loss will be capital gain or loss and will be long term capital gain or loss if the U.S. holder's holding period for the shares exceeds one year. Long term capital gains of non-Corporate U.S. holders are currently subject to a reduced maximum tax rate of 15% for tax years beginning on or before December 31, 2010. After December 31, 2010, the maximum capital gains rate is scheduled to increase to 20%. The deductibility of capital losses is subject to limitations.

Surtax on Unearned Income.

For tax years beginning after Dec. 31, 2012, a 3.8% surtax called the Unearned Income Medicare Contribution, would be placed on net investment income of a taxpayer earning over $200,000 ($250,000 for a joint return). Net investment income would be interest, dividends, royalties, rents, gross income from a trade or business involving passive activities, and net gain from disposition of property (other than property held in a trade or business). Net investment income would be reduced by properly allocable deductions to such income.

Non-U.S. Holders

Dividends and Other Distributions on the Company Common Stock

In general, any distributions made to a non-U.S. holder of shares of Company common stock (and any constructive distributions a non-U.S. holder may be deemed to receive, see "*U.S. Holders — Adjustment to Exercise Price*"), to the extent paid out of current or accumulated earnings and profits of the Company (as determined under U.S. federal income tax principles), will constitute dividends for U.S. federal income tax purposes. Provided such dividends are not effectively connected with the non-U.S. holder's conduct of a trade or business within the United States, such dividends generally will be subject to withholding of U.S. federal income tax at a 30% rate or such lower rate as may be specified by an applicable income tax treaty.

Any distribution not constituting a dividend will be treated first as a tax-free return of capital and will reduce (but not below zero) the non-U.S. holder's adjusted tax basis in its shares of Company common stock and any remaining excess will be treated as gain realized from the sale or other disposition of the common stock, as described under "*— Gain on Disposition of Common Stock or Warrants*" below.

Dividends paid to a non-U.S. holder that are effectively connected with such non-U.S. holder's conduct of a trade or business within the United States generally will not be subject to U.S. withholding tax, provided such non-U.S. holder complies with certain certification and disclosure requirements (usually by providing an IRS Form W-8ECI). Instead, such dividends generally will be subject to U.S. federal income tax at the same graduated individual or corporate rates applicable to U.S. holders. If the non-U.S. holder is a Corporation, dividends that are effectively connected income may also be subject to a "branch profits tax" at a rate of 30% or such lower rate as may be specified by an applicable income tax treaty.

A non-U.S. holder who wishes to claim the benefit of an applicable treaty rate for dividends will be required (a) to complete IRS Form W-8BEN (or other applicable form) and certify under penalty of perjury that such holder is not a United States person as defined under the Code and is eligible for treaty benefits or (b) if the Company Common Stock is held through certain foreign intermediaries, to satisfy the relevant certification requirements of applicable U.S. Treasury regulations.

A non-U.S. holder eligible for a reduced rate of U.S. federal withholding tax pursuant to an income tax treaty may obtain a refund of any excess amounts withheld by filing an appropriate claim for refund with the IRS.

Gain on Disposition of Common Stock or Warrants Exercisable for Company Common Stock

A non-U.S. holder generally will not be subject to U.S. federal income or withholding tax in respect of gain recognized on a sale, exchange or other disposition of Company common stock or warrants exercisable for Company common stock (including redemption of such warrants) unless:

• the gain is effectively connected with the conduct of a trade or business by the non-U.S. holder within the United States;

• the non-U.S. holder is an individual who is present in the United States for 183 days or more in the taxable year of disposition and certain other conditions are met; or

• the Company is or has been a “United States real property holding Corporation” for U.S. federal income tax purposes at any time during the shorter of the five-year period ending on the date of disposition or the period that the non-U.S. holder held Company Common Stock or warrants exercisable for shares of Company Common Stock.

Unless an applicable treaty provides otherwise, gain described in the first bullet point above will be subject to tax at generally applicable U.S. federal income tax rates. Any gain described in the first bullet point above of a non-U.S. holder that is a foreign corporation may also be subject to an additional “branch profits tax” at a 30% rate or such lower rate as may be specified by an applicable income tax treaty. Gain described in the second bullet point above (which may be offset by U.S. source capital losses) will be subject to a flat 30% U.S. federal income tax.

With respect to the third bullet point above, the Company believes that it will not be a “United States real property holding corporation” for U.S. federal income tax purposes.

Information Reporting and Back-up Withholding

A U.S. holder may be subject to information reporting requirements with respect to dividends paid on Company common stock, and on the proceeds from the sale, exchange or disposition of Company common stock or warrants exercisable for Company common stock. In addition, a U.S. holder may be subject to back-up withholding (currently at 28%) on dividends paid on Company common stock, and on the proceeds from the sale, exchange or other disposition of Company common stock or warrants exercisable for Company common stock, unless the U.S. holder provides certain identifying information, such as a duly executed IRS Form W-9 or appropriate W-8, or otherwise establishes an exemption. Back-up withholding is not an additional tax and the amount of any back-up withholding will be allowable as a credit against a U.S. holder’s U.S. federal income tax liability and may entitle such holder to a refund, provided that certain required information is timely furnished to the IRS. In general, a non-U.S. holder will not be subject to information reporting and backup withholding. However, a non-U.S. holder may be required to establish an exemption from information reporting and backup withholding by certifying the non-U.S. holder’s non-U.S. status on Form W-8BEN. Holders are urged to consult their own tax advisors regarding the application of the information reporting and back-up withholding rules to them.

INTERESTS OF NAMED EXPERTS AND COUNSEL

No expert or counsel named in this prospectus as having prepared or certified any part of this prospectus or having given an opinion upon the validity of the securities being registered or upon other legal matters in connection with the registration or offering of the common stock was employed for such purpose on a contingency basis, or had, or is to receive, in connection with this offering, a substantial interest, direct or indirect, in us or any of our subsidiaries, nor was any such person connected with us as a promoter, managing or principal underwriter, voting trustee, director, officer, or employee.

INFORMATION ABOUT THE COMPANY

Alcohol abuse exacts a large human and economic toll on societies around the world. Our products are utilized where alcohol use or abuse must be detected, measured and deterred: in law enforcement, the workplace, clinics and hospitals, schools, and throughout the criminal justice corrections and rehabilitation infrastructure. We sell our products domestically and internationally, both directly to consumers and through distributors and sales agents.

History

We incorporated in Colorado in December 1983 and have been privately-owned since that time. Since 1986, we have developed, manufactured and sold proprietary, fuel-cell based, breath alcohol testing equipment. Lifeloc competes in the market for alcohol testing equipment and supplies. We sell professional breath alcohol testing instruments, supplies and components into the law enforcement, corrections, workplace, consumer, and OEM markets.

Principal Products and Services and Methods of Distribution

In the Fall of 1995, Lifeloc introduced its first model, the PBA3000, developed in conjunction with a state forensic laboratory, for conducting evidential roadside testing for DUI enforcement. Our Phoenix Classic was completed and released for sale in 1998, superseding the PBA3000. It is a microprocessor-controlled portable breath alcohol instrument which is capable of accurately detecting the blood alcohol level of a subject and recording the test data without peripheral equipment. The Phoenix product line is approved by the DOT as an evidential breath tester for use in regulated transportation industries. We sell this product through distributors in the U.S. and worldwide.

In 2001, the Company completed and released for sale an additional product line, its new FC Series, designed specifically for the law enforcement and corrections markets. FC Series of portable breath alcohol testers are currently being sold worldwide, having contributed to Lifeloc's growth since their introduction. The FC Series is designed to meet the needs of domestic and international law enforcement for roadside drink/drive testing and post-arrest parolee testing.

In 2005 and 2006, the Company introduced two new models, the EV30 and Phoenix 6.0, forming a family of state-of-the-art evidential workplace devices. In addition, we offer a comprehensive line of supplies, accessories, services, and training to support customers' alcohol testing programs. In 2006, Lifeloc also commenced the selective marketing of its proprietary designs and componentry on an OEM basis. In 2009, we released for sale LifeGuard, a personal breath tester that incorporates the fuel-cell based technology employed in the FC series. At this time, we sell this product via the internet (www.lifeloc.com). Lifeloc constantly enhances and upgrades its products in order to maintain a competitive advantage in its marketplace.

Competition and Markets

We sell our products in a highly competitive market and we compete for business with both foreign and domestic manufacturers. Most of our current competitors are larger and have substantially greater resources than we do. In addition, there is an ongoing risk that other domestic or foreign companies who do not currently service or manufacture products for our target markets may seek to produce products or services that compete directly with ours.

We believe that competition for sales of our alcohol monitoring products and services is based on product performance, product delivery, quality, service, training, price, device reliability, ease of use and speed. We sell certain of our components to customers for incorporation into their own product lines and for resale under their own name. We believe that, while our resources are more limited than those of our competitors, we will continue to compete successfully on the basis of product innovation, quality, reputation and continued customer service excellence.

One leading competitor is Intoximeters, Inc. of St. Louis, Missouri, a long-established company with strong name recognition in the field of alcohol monitoring. It has well established sales channels, a large customer base, and a broad product line. CMI of Owensboro, Kentucky, another major competitor, also has a well established name, strong position in stationary units used in police work, and international market coverage. Draeger Corporation, based in Germany, manufactures safety and gas testing equipment. Its breathalyzer division produces breath alcohol testers that are respected for their quality and performance. Each of the above companies manufactures its own fuel cells, a key component in the manufacture and success of portable breath-alcohol testers.

Marketing

Marketing activities associated with our business include the communication of our value proposition through direct mail, direct and indirect sales channels, trade shows and an information-rich online presence. We sell our products to the workplace and law enforcement markets primarily through distributors, while we sell our corrections, consumer and OEM products directly to the end user. Thus, leveraging our installed base is important, as is maintaining a well trained distributor network. In 2009, we revised our workplace distributor program to place additional emphasis on joint demand generation programs and additional volume incentives for growth.

International Business

Alcohol enforcement has long been a major concern, primarily in North America and northern Europe. Reflecting a strong recent trend, however, countries around the world are instituting tougher alcohol abuse prevention laws, strengthening the enforcement of current laws, or both. These laws set limits on the amount of alcohol an individual may have in the blood at specific times (e.g., while driving or during safety-sensitive work activities), or at any time for parolees and probationers. Lifeloc has sold instruments via distributors to thousands of customers in 39 countries on six continents worldwide.

Research and Development

We believe that our future success depends to a large degree on our ability to conceive and develop new alcohol detection and measurement products and related services that (1) open new markets to Lifeloc, (2) enhance the performance of our current products and (3) lower our costs or otherwise improve our methods of manufacture. Accordingly, we expect to continue to invest in research and development. We spent $256,361 and $398,916 during fiscal years 2009 and 2008, respectively, on research and development. The amount spent in 2009 was lower than the amount spent in 2008 because more of the cost to develop LifeGuard was incurred in 2008 than in 2009.

Raw Materials and Principal Suppliers

The basic component of our instrument product line is the fuel cell, which we obtain from a few suppliers. We believe that our demand for this component is small relative to the total supply, and that the materials and services required for the production of our products are currently available in sufficient production quantities and will be available for the foreseeable future. However, there are relatively few suppliers of the high-quality fuel cell which our breathalyzers require. Any sudden disruption to the supply of our fuel cells would pose a significant risk to our business. New sources of fuel cells are uncertain at this time and changes to our fuel cells would require approval by the DOT, which could have a material effect on our revenues in the law enforcement and workplace areas.

To address this concern, we are in the process of negotiating a technology transfer agreement with an unrelated third-party manufacturer with an established reputation for manufacturing fuel cells. We have tested their fuel cells in our LifeGuard consumer product, and pursuant to the technology transfer agreement, we expect to be able to manufacture our own fuel cells commencing later in 2010.

Patents and Trademarks

We rely, in part, upon patents, trade secrets and proprietary knowledge as well as personnel policies and employee confidentiality agreements concerning inventions and other creative efforts to develop and to maintain our competitive position. We do not believe that our business is dependent upon any patent, patent pending or license, although we believe that trade secrets and confidential know-how may be important to our commercial success.

We plan to file for patents, copyrights and trademarks in the United States to protect our intellectual property rights to the extent practicable. We hold the rights to several United States patents and have one patent application pending. These patents have expiration dates ranging from June 2020 to March 2029. We are not aware of any infringements of our patents. We plan to protect our patents from infringement in each instance where we determine that doing so would be economical in light of the expense involved and the level and availability of our financial resources. We may not be able to successfully defend these patents or effectively limit the development of competitive products and services. We have one pending application for a patent. While we believe that the application relates to a patentable device or concept, the patent may not be issued.

Employees

As of June 15, 2010, we had 21 full-time employees and two part-time employees. There were nine employees in manufacturing, two in engineering/research and development, eight in sales and marketing and four in finance and administration. We are not a party to any collective bargaining agreements. We believe our relations with our employees are good.

Customers

Revenues from our largest customers, as a percentage of total revenues, for fiscal years 2009 and 2008 were as follows:

	2009	2008
Customer A	10%	10%
Customer B	8	7
Customer C	4	4
All Others	78	79
	100%	100%

No other customer accounted for more than 10% of our revenues in fiscal years 2009 and 2008. At December 31, 2009, receivables from our three largest customers were 27% of the total accounts receivable.

Environmental Matters

Our operations are subject to a variety of federal, state and local laws and regulations relating to the discharge of materials into the environment or otherwise relative to the protection of the environment. From time to time, we use a small amount of hazardous materials in our operations. We believe that we comply with all applicable environmental laws and regulations.

Government Regulations on the Business

We are subject to regulation by the United States Food and Drug Administration (“FDA”) so far as our LifeGuard is concerned. The FDA provides regulations governing the manufacture and sale of our LifeGuard product, and we are subject to inspections by the FDA to determine our compliance with these regulations. FDA inspections are conducted periodically at the discretion of the FDA. As of December 31, 2009, we had not been inspected by the FDA; however, we believe we were in substantial compliance with all known regulations.

We are also subject to regulation by the United States Department of Transportation and by various state departments of transportation so far as our other products are concerned. We believe that we were in substantial compliance with all known regulations as of December 31, 2009 for our products sold into these markets and states.

Reports to Security Holders

Upon effectiveness of the registration statement of which this prospectus is a part, we will be required to comply with the reporting requirements of the Securities and Exchange Act of 1934, as amended (the "Exchange Act"), pursuant to Section 15(d) of the Exchange Act. We will be required to file annual, quarterly and other reports with the SEC and, accordingly, will furnish an annual report with audited financial statements to our stockholders. Copies of this registration statement and all subsequent filings we make with the SEC may be inspected, without charge, at the SEC's Public Reference Room at 100 F Street N.E., Washington, D.C. 20549, on official business days during the hours of 10 a.m. and 3 p.m. The public may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. Copies of this material also should be available through the Internet by using the SEC's EDGAR Archive, which is located at http://www.sec.gov. We will also make such material available on our own website, which is located at http://www.lifeloc.com.

DESCRIPTION OF PROPERTY

We conduct all of our operations at a leased facility at 12441 West 49th Avenue, Unit 4, Wheat Ridge, Colorado under lease agreements that run through April 30, 2015. Rent expense for our facility for the fiscal years ended December 31, 2009 and 2008 was $92,343 and $96,039, respectively. On May 1, 2010, we amended and extended our lease, which, when added to our existing space, provides us with 11,655 square feet of office and manufacturing/warehouse space at an average monthly cost of $8,866 over the life of the lease. We believe this facility is adequate for our current operations and adequately covered by insurance. Significant increases in production or the addition of significant equipment additions or manufacturing capabilities in connection with the production of our line of breathalyzers and other products may, however, require the acquisition or lease of additional facilities. We may establish production facilities domestically or overseas to produce key assemblies or components for our products. Overseas facilities, if established, may subject us to the political and economic risks associated with overseas operations. The loss of or inability to establish or maintain such additional domestic or overseas facilities, if acquired, could materially adversely affect our competitive position and profitability.

LEGAL PROCEEDINGS

We may be involved from time to time in litigation, negotiation and settlement matters that may have a material effect on our operations or finances. We are not aware of any pending or threatened litigation against us or our officers or directors in their capacity as such that could have a material impact on our operations or finances.

MARKET PRICE OF AND DIVIDENDS ON COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

Shares Eligible for Future Sale

Upon effectiveness of the registration statement of which this prospectus is a part, we will attempt to cause our common stock and warrants to be traded on the OTCBB.

Prior to this offering, there has not been a public market for our securities, and we cannot predict what effect, if any, market sales of shares of our securities or the availability of our securities for sale will have on the market price of our securities prevailing from time to time. Nevertheless, sales of substantial amounts of our securities, including the warrants and/or shares issued upon the exercise of the warrants, in the public market, or the perception that such sales could occur, could materially and adversely affect the market price of our securities and could impair our future ability to raise capital through the sale of our equity or equity-related securities at a time and price that we deem appropriate.

Warrants to purchase an aggregate of up to 2,422,416 shares of our common stock will be outstanding as of the closing of this offering. If all the warrants are exercised, we will have 4,844,832 shares of common stock issued and outstanding. Of the outstanding shares, the shares issued upon exercise of the warrants will be freely tradable without restriction or further registration under the Securities Act, except that any shares held by our affiliates, as that term is defined under Rule 144 of the Securities Act, may be sold only in compliance with the limitations described below. The remaining outstanding shares of common stock will be deemed restricted securities, as defined under Rule 144. Restricted securities may be sold in the public market only if registered or if they qualify for an exemption from registration under the Securities Act.

The restricted shares and the shares held by our affiliates will be available for sale in the public market at various times after the date of this prospectus pursuant to Rule 144. In general, under Rule 144 as in effect on the date of this prospectus, a person who is not one of our affiliates at any time during the three months preceding a sale, and who has beneficially owned shares of our common stock for at least six months, would be entitled to sell an unlimited number of shares of our common stock provided current public information about us is available and, after owning such shares for at least one year, would be entitled to sell an unlimited number of shares of our common stock without restriction. Our affiliates who have beneficially owned shares of our common stock for at least six months are entitled to sell within any three-month period a number of shares that does not exceed the greater of:

- 1% of the number of shares of our common stock then outstanding; or

- the average weekly trading volume of our common stock during the four calendar weeks preceding the filing of a notice on Form 144 with respect to the sale.

Sales under Rule 144 by our affiliates are also subject to manner of sale provisions and notice requirements and to the availability of current public information about us.

Holders

As of June 15, 2010, we had approximately 85 holders of record of our common stock. Holders of record include nominees who may hold shares on behalf of multiple owners.

Dividends

We have not declared any dividends since our inception in 1983, and at present have no plans to do so. We intend to retain our earnings, if any, to finance research and development and working capital for expansion of our business.

Equity Compensation Plan Information

We adopted our 2002 Stock Option Plan (the "Plan") to promote our and our stockholders' interests by helping us to attract, retain and motivate our key employees and associates. Under the terms of the Plan, the Board of Directors may grant either "nonqualified" or "incentive" stock options, as defined by the Internal Revenue Code and related regulations. The purchase price of the shares subject to a stock option will be the fair market value of our common stock on the date the stock option is granted. Generally, vesting of stock options occurs immediately at the time of the grant of such option and all stock options must be exercised within five years from the date granted. All outstanding key employee stock options were exercised or had lapsed as of May 5, 2010, and none are outstanding as of June 15, 2010. The number of common shares reserved for issuance under the Plan as of June 15, 2010 is 44,000, subject to adjustment for dividends, stock splits or other relevant changes in our capitalization. Information set forth herein gives effect to a 1 for 2 reverse stock split on May 3, 2010.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	—	$ —	44,000
Equity compensation plans not approved by security holders	—	—	—
Total	—	$ —	44,000

FINANCIAL STATEMENTS

See our financial statements beginning on page F-1 of this prospectus.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following is a discussion of our financial condition and results of operations, and should be read in conjunction with our financial statements and the related notes included elsewhere in this prospectus. Certain statements contained in this section are not historical facts, including statements about our strategies and expectations about new and existing products, market demand, acceptance of new and existing products, technologies and opportunities, market and industry segment growth, and return on investments in products and markets. These statements are forward looking statements and involve substantial risks and uncertainties that may cause actual results to differ materially from those indicated by the forward-looking statements. All forward-looking statements in this section are based on information available to us on the date of this document, and we assume no obligation to update such forward looking statements. Readers of this prospectus are strongly encouraged to review the section titled *"Risk Factors."*

Overview

We have been a developer and manufacturer of advanced alcohol monitoring instruments since 1986. We design and produce high-quality, high precision measurement, fast recovery alcohol monitoring instruments for use in the workplace, clinics, schools, law enforcement, corrections, and other applications where the presence of alcohol cannot be tolerated, and we offer accessories, support, training and supplies. Our internet website is www.lifeloc.com. Information contained on our website does not constitute part of this prospectus.

The areas in which we do business are highly competitive and include both foreign and domestic competitors. Most of our competitors are larger and have substantially greater resources than we do. Furthermore, other domestic or foreign companies, some with greater financial resources than we have, may seek to produce products or services that compete with ours. We routinely outsource specialized production efforts as required, both domestic and offshore, to obtain the most cost effective production.

We believe that competition for sales of our alcohol monitoring products and services, which have been principally sold to distributors and direct to users, is based on performance and other technical features, as well as other factors, such as service, scheduling and reliability, in addition to competitive price.

We believe that our future success depends to a large degree on our ability to continue to conceive and to develop new alcohol monitoring products and services to enhance the performance characteristics and methods of manufacture of existing products. Accordingly, we expect to continue to seek to invest resources in research and development, to the extent funds are available.

Outlook

Installed Base of Breathalyzers. We believe that sales of the installed base of our breathalyzers will increase as the inherent risks associated with drinking while driving, and while working in sensitive jobs, become more widely acknowledged and as our network of direct and independent sales representatives grows. We expect that the replacement sales of our instruments and accessories will also increase as additional workplace environments, law enforcement agencies, schools, clinics, and other venues are converted to fuel cell technology. We believe that increased marketing efforts, the introduction of new products and the expansion of our network of sales representatives, may provide the basis for increased sales and continuing profitable operations. However, these measures, or any others that we may adopt, may not result in either increased sales or continuing profitable operations.

Possibility of Operating Losses. We achieved profitable operations in 2003, and have operated profitably each year since then. Previously, we incurred losses since our inception and at December 31, 2009 have an accumulated deficit of $2,228,540. There is no assurance that we will not incur operating losses in any given quarter or year in the future.

Sales Growth. We expect to generate increased sales in the U.S. and worldwide from sales to new breathalyzer customers as our network of direct and independent sales representatives becomes more proficient and expands the number of new accounts. We believe that the visibility and credibility of our technology will contribute to new accounts and increased sales in fiscal year 2010. We have recently begun using our technology to manufacture ignition interlock components for sale on an OEM basis, and expect that acting as a supplier of OEM components will lead to increased participation in our OEM business. The consumer market for individual use of fuel cell based breathalyzers is expected to grow, and we believe our Lifeguard unit will enable us to participate in what we perceive to be a rapidly growing opportunity.

Sales and Marketing Expenses. We continue our efforts to expand domestic and international distribution capability, and we believe that sales and marketing expenses will need to be maintained at a healthy level in order to expand our market visibility and optimize the field sales capability of converting new customers to fuel cell technology. Sales and marketing expenses are expected to increase as we increase our direct sales representatives and market penetration. In fiscal year 2010, we expect to have approximately 80 active distributors and two internal business development managers.

Research and Development Expenses. Research and development expenses are expected to increase to support development of refinements to our breathalyzer product line, as well as to support development of additional products.

Results of Operations

Net sales. Our sales for the year ended December 31, 2009 ("FY 09") were $4,287,597, a decrease of 4% from $4,464,742 in the fiscal year ended December 31, 2008 ("FY 08"). This decrease is due to the economic environment, as most of our customers across all market areas were faced with constrained budgets. We benefited from a high customer retention rate and a recurring sales stream from the purchases of replacement instruments in existing accounts.

Our sales for the quarter ended March 31, 2010 ("Q1 10") were $1,315,730, an increase of 21.9% from $1,079,673 in the quarter ended March 31, 2009 ("Q1 09"). This increase was due to a high customer retention rate and a recurring sales stream from the purchases of replacement instruments in existing accounts, partially offset by the residual effects of the general economic environment.

Gross profit. Gross profit in FY 09 improved from 46.5% in FY 08 to 48.3% in FY 09, and in Q1 10 from 47.3% in Q1 09 to 50.5% in Q1 10. This improvement in both periods was primarily the result of a sales mix that favored slightly higher margins, as well as aggressive cost reduction efforts.

Research and development expenses. Research and development expenses were $256,361 in FY 09, a decrease of $142,555, or 35.7%, from $398,916 in FY 08. In Q1 $59,392, research and development expenses decreased $11,887, or 16.7%, from $71,279 in Q1 09 to $59,392 in Q1 10. The decrease in both periods was primarily a result of a decrease in outside services related to new product development, and greater utilization of internal staff.

Sales and marketing expenses. Sales and marketing expenses were $785,026 in FY 09, an increase of $121,675, or 18%, from $663,351 in FY 08. The increase resulted from additions to our direct sales and marketing staff, and increased spending on such items as advertising, internet site development, and public relations.

Sales and marketing expenses were $194,172 in Q1 10, a decrease of $7,389, or 4%, from $201,561 in Q1 09. The decrease resulted from a decrease in our direct sales and marketing staff, and increased spending on such items as advertising and public relations.

General and administrative expenses. General and administrative expenses were $700,100 in FY 09, an increase of $44,018, or 6.7%, from $656,082 in FY 08. The increase was primarily the result of compensation increases and increased regulatory compliance expense.

General and administrative expenses were $191,933 in Q1 10, an increase of $10,930, or 6%, from $181,003 in Q1 09. The increase was primarily the result of compensation increases and increased professional fees as a result of registering our warrant distribution with the SEC, as well as increased regulatory compliance fees incurred in connection with registering the LifeGuard with the FDA, partially offset by lower internet expense.

Net income. Net income in FY 09 of $177,621 represented a net income increase of $9,400 compared to FY 08 net income of $168,221. The increase is a result of a decrease in sales, offset in part by a decrease in the loss on currency exchange and by a lower provision for federal and state income taxes.

Net income in Q1 of $130,245 represented a net income increase of $90,351 compared to Q1 09 net income of $39,894. The increase is a result of an increase in sales, offset in part by an increase in the loss on currency exchange of $14,138 and by a higher provision for federal and state income taxes. The loss on currency exchange in Q1 10 of $14,138 resulted from the purchase of components from a European vendor, whereas none were purchased in Q1 09.

Trends and Uncertainties That May Affect Future Results

Although revenues in 2009 were down approximately 4% from revenues in 2008, our fiscal year 2009 revenues were the second highest in seven years. Revenues in Q1 10 were up approximately 21.9% from revenues in Q1 09. This was due in large part to shipments of the FC product series targeting the law enforcement sector, as well as continued steady growth in the workplace and corrections markets. We expect our quarter-to-quarter revenue fluctuations to continue, due to the introductory stage of our LifeGuard product and the unpredictable timing of orders from customers and the size of those orders in relation to total revenues. Going forward, we intend to focus our development efforts on products we believe offer the best prospects to increase our intermediate and near-term revenues.

Our property and equipment expenditures, and patents, during the years ended December 31, 2009 were $36,600 compared to $127,473 for 2008, and were $8,995 in Q1 10 compared to $1,134 in Q1 09. Future capital equipment expenditures will depend on future sales and success of on-going research and development efforts.

We believe that the unique performance of our fuel cell based breathalyzer technology provides an opportunity for continued market share growth. We believe that the market awareness of fuel cell technology is improving and that this will benefit sales efforts in FY 10 and beyond. We believe that we enter FY 10 having achieved improvements in the credibility of our technology. Our FY 10 operating plan is focused on growing sales, increasing gross profits, increasing research and development costs as appropriate while increasing profits and positive cash flows. We cannot predict with certainty the expected sales, gross profit, net income or loss and usage of cash and cash equivalents for FY 10. However, we believe that cash resources and borrowing capacity will be sufficient to fund our operations for at least the next twelve months under our current operating plan. If we are unable to manage the business operations in line with our budget expectations, it could have a material adverse effect on business viability, financial position, results of operations and cash flows. Further, if we are not successful in sustaining profitability and remaining at least cash flow break-even, additional capital may be required to maintain ongoing operations.

Critical Accounting Policies and Estimates

Our financial statements and accompanying notes have been prepared in accordance with United States generally accepted accounting principles applied on a consistent basis. The preparation of financial statements in conformity with United States generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods.

We regularly evaluate the accounting policies and estimates that we use to prepare our financial statements. In general, management's estimates are based on historical experience, on information from third party professionals, and on various other assumptions that are believed to be reasonable under the facts and circumstances. Actual results could differ from those estimates made by management.

See Note 2 of our financial statements for our years ended December 31, 2009 and 2008 for a summary of significant accounting policies.

Liquidity and Capital Resources

We compete in a highly technical, very competitive and, in most cases, price driven segment of the alcohol monitoring marketplace, where products can take years to develop and introduce to distributors and end users. Furthermore, research and development, manufacturing, marketing and distribution activities are strictly regulated by the FDA, the DOT, and other regulatory bodies that, while intended to enhance the ultimate quality and functionality of products produced, can contribute to the significant cost and time needed to maintain existing products and develop and introduce product enhancements and new product innovations.

We have traditionally funded working capital needs through product sales, management of working capital components of our business, and by cash received from private offerings of our common stock, warrants to purchase shares of our common stock and notes. In our earlier years, we incurred quarter to quarter operating losses to develop current product applications, utilizing a number of proprietary and patent-pending technologies. Although we have been profitable during the last several years, we expect that operating losses could well occur in the future. Should that situation arise, we may not be able to obtain working capital funds necessary in the time frame needed and at satisfactory terms or at all.

On May 11, 2004, we entered into a credit facility agreement with Citywide Bank, which was renewed for one year on May 11, 2010. The terms of the credit facility include a line of credit for $150,000 for one year at an interest rate calculated at prime rate plus 1%. Our borrowing under the credit facility is limited by our eligible receivables and inventory at the time of borrowing. At December 31, 2009 and 2008, we had not borrowed any amounts from the credit facility. The credit facility requires us to meet certain financial covenants. At December 31, 2009 and at March 31, 2010, we were in compliance with the financial covenants.

As of December 31, 2009, cash and cash equivalents were $1,021,135, accounts receivable were $329,701 and current liabilities were $333,316 resulting in a net liquid asset amount of $1,017,520. As of March 31, 2010, cash was $1,145,391, accounts receivable were $517,850 and current liabilities were $520,948 resulting in a net liquid asset amount of $1,142,293. We believe that the introduction of several new products during the last several fiscal years, along with new and on-going customer relationships, will continue to generate sufficient revenues, which are required in order for us to maintain profitability. If these revenues are not achieved on a timely basis, we will be required to implement cost reduction measures, as necessary.

We generally provide a standard one-year warranty on materials and workmanship to our customers. We provide for estimated warranty costs at the time product revenue is recognized. Warranty costs are included as a component of cost of goods sold in the accompanying statements of operations. For the years ended December 31, 2009 and 2008, and for the quarter ended March 31, 2010, warranty costs were not deemed significant.

As of March 31, 2010, we have no material commitments for capital expenditures.

Off-Balance Sheet Transactions

We currently have no off-balance sheet arrangements that have or are reasonably likely to have a current or future material effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

There have been no disagreements with our independent public accountant in regards to accounting and financial disclosure.

DIRECTORS, EXECUTIVE OFFICERS, PROMOTERS AND CONTROL PERSONS

The following table sets forth the name, age, positions, and offices as of June 15, 2010, of our directors and executive officers:

NAME	AGE	POSITION
Barry R. Knott	55	President and Chief Executive Officer
Mark A. Lary	50	Vice President, Operations
Kristie L. LaRose	37	Vice President, Finance
Vern D. Kornelsen	77	Director, Chairman, Secretary and Chief Financial Officer
Alan C. Castrodale	66	Director*
Robert D. Greenlee	68	Director
Robert H. Summers, PhD	86	Director

* Effective December 31, 2009, Mr. Castrodale resigned as our Chief Executive Officer, but remains as a director.

BIOGRAPHIES OF EXECUTIVE OFFICERS AND DIRECTORS

Barry R. Knott joined the Company on February 1, 2009 as its Marketing Director, was appointed to the board of directors on June 11, 2009 and became chief operating officer on July 1, 2009. He became our President on October 1, 2009, and assumed the role of President and Chief Executive Officer on January 1, 2010. He has extensive experience in general management, and particularly sales and marketing. Previous experience includes positions as the President and CEO of Cognitive Solutions, Inc.; Vice President of sales and marketing for Wide Format Printing (Nashua Corporation); Vice President and General Manager of Zebra Technologies Corporation; and several other similar positions. He holds a MBA degree from Queens University, Ontario, Canada, and a BA degree from the University of New Brunswick, New Brunswick, Canada.

Mark A. Lary has been employed by the Company since 1994, was appointed Director of Operations in early 1997, and became a Vice President on November 13, 2006. Mr. Lary has been instrumental in implementing Lifeloc's continuous flow of product innovation and improvement. From 1994 until 1997 he served as Products and Services Manager. Prior to 1994 Mr. Lary was employed by Siemens Medical Systems as a Senior Electronic Technician and by International Medical Corporation as a Field Technical Representative.

Kristie L. LaRose joined Lifeloc as its accountant and office manager in August, 2004. Ms. LaRose has extensive experience in accounting and administrative positions with other companies, and holds a BS degree in Business Administration from Worcester State College, and was named as Vice President, Finance on July 1, 2009. Prior to 2004, Ms. LaRose was employed by University of Advancing Technology as the Senior Accountant and has held various positions in an accounting and administrative function at B. J.'s Wholesale Club's corporate office.

Vern D. Kornelsen joined the Company as a director in 1991 and served as secretary and treasurer in 1992 and 1993. He is currently Chairman of the Board of Directors, secretary, Chief Financial Officer, and a director. Mr. Kornelsen continues with certain of his other business activities to the extent that they do not interfere with his responsibilities as an officer of the Company. He formerly practiced as a Certified Public Accountant in Denver, CO and is a financial consultant to several early stage companies. He was a director of Valleylab for 10 years, and led an investor group that provided a portion of its initial funding. Mr. Kornelsen has been a director and participated in the capitalizing of a number of early stage companies, and is currently a director of one publicly-held company, Encision, Inc. of Boulder, CO. He received a BS degree in business from the University of Kansas. In determining Mr. Kornelsen's qualifications to serve on our board of directors, the board considered, among other things, his experience and expertise in finance, accounting and management.

Alan C. Castrodale joined the Company in October 2000 as its General Manager and served as its President and Chief Executive Officer from January, 2001 until October 1, 2009 when he resigned as President. On December 31, 2009 Mr. Castrodale resigned as an officer, but remains as a director. He has extensive experience in general management, marketing and particularly product development, start-ups and turnarounds, and in building sales channels. Previous experience includes positions as the general manager of the Aftermarket Division of Velvac, Inc., a $39 million manufacturer of vehicle components and accessories; Vice President of sales and marketing at Windsor Industries, Inc., a $55 million manufacturer of high-end commercial floor maintenance machines; and Executive Vice President of marketing and sales for the Mercury Marine division of Brunswick Corp. He holds a BA degree in Biology from St. Olaf College in Minnesota. In determining Mr. Castrodale's qualifications to serve on our board of directors, the board considered, among other things, his extensive management and marketing experience.

Robert D. Greenlee has been a director of the Company since August 1989. He has more than thirty years of experience in broadcast management and also has extensive marketing and advertising expertise. Since 1987, Mr. Greenlee has had controlling equity positions in, and serves as a board member and consultant to, radio stations in Omaha, NE and Denver, CO. He is also President of Centennial Investment & Management Company, a closely held investment organization and is chairman of Black Hawk Gaming, Inc., a public company developing limited stakes gaming in Black Hawk and Central City, CO. From 1975 through 1987, Mr. Greenlee was President of Centennial Wireless, Inc., licensee of KBCO AM/FM in Boulder, CO. This successful radio station was sold in January 1988. Mr. Greenlee has graduate and undergraduate degrees in communications from Iowa State University. In determining Mr. Greenlee's qualifications to serve on our board of directors, the board considered, among other things, his marketing and communications experience as well as his management skills.

Robert H. Summers, Ph.D., was elected as a director at the annual meeting of shareholders in August, 2004. Dr. Summers holds a Bachelor of Education degree from Southeast Missouri State University, a Master in Psychology degree from Vanderbilt University, and a Doctorate in Education and Psychology from the University of Northern Colorado. He has a broad background in training and management, having worked most recently as a Senior Configuration Management Specialist and Training Specialist at Geodynamics Corporation, Englewood, CO. He has also published extensively on management and training. In determining Dr. Summers's qualifications to serve on our board of directors, the board considered, among other things, his extensive management training and experience.

EXECUTIVE COMPENSATION

Summary Compensation

The following table sets forth all compensation for the last two completed fiscal years ended December 31, 2009 and 2008 awarded to, earned by, or paid to our Principal Executive Officer(s), Vice Presidents and Chief Financial Officer. No other executive officer or employee earned over $100,000 in the last completed fiscal year.

Summary Compensation Table for the Years Ended December 31, 2009 and 2008

Name and principal position (a)	Year December 31, (b)	Salary ($) (c)	Bonus ($) (d)	Stock awards ($) (e)	Option awards ($) (f)	Non-equity incentive plan compensation ($) (g)	Non-qualified deferred compensation earnings ($) (h)	All other compensation ($) (i)	Total ($) (j)
Alan C. Castrodale									
President (until 10/1/09),									
Chief Executive	2009	$ 122,575	12,990	0	0	0	0	$ 4,130(1)(2)	$ 139,695
Officer (until 12/31/09)	2008	$ 140,062	21,756	0	0	0	0	$ 4,163(1)(2)	$ 165,981
Barry R. Knott									
CEO 1/1/10, President	2009	$ 58,212	8,079	0	0	0	0	$ 968(1)(2)	$ 66,291
10/1/09	2008	$ 0	0	0	0	0	0	$ 0	$ 0
Mark A. Lary	2009	$ 99,000	12,865	0	0	0	0	$ 3,439(1)(2)	$ 115,304
Vice President	2008	$ 93,154	16,314	0	0	0	0	$ 2,787(1)(2)	$ 112,255
Kristie L. LaRose									
Vice President	2009	$ 42,711	7,120	0	0	0	0	$ 1,498(1)(2)	$ 51,329
7/1/09	2008	$ 0	0	0	0	0	0	$ 0	$ 0
Vern D. Kornelsen	2009	$ 50,000	0	0	0	0	0	$ 0(1)(2)	$ 50,000
Chairman, Secretary,	2008	$ 50,000	0	0	0	0	0	$ 0(1)(2)	$ 50,000
Chief Financial Officer									

(1) We have not paid any automobile allowances, although business mileage, business travel, and other business expenses supported by appropriate receipts have been reimbursed. All such amounts are minor, and do not include any compensation element.

(2) Represents the Company's matching contribution to the 401(k) Plan.

Narrative to Summary Compensation Table

Employment Contracts and Termination of Employment Arrangements

We have no employment contracts in place with any Named Executive Officer, nor do we have any equity-incentive plans covering such Named Executive Officers. We have no compensatory plan or arrangement with respect to any Named Executive Officer where such plan or arrangement will result in payments to such Named Executive Officer upon or following his resignation, or other termination of employment with our Company and its subsidiaries, or as a result of a change in control of our Company or a change in the Named Executive Officers' responsibilities following a change in control.

Our board of directors has approved the contribution of 15% of pre-bonus, pre-tax profits to a bonus pool, which has been paid out to our executive officers, excluding our Chief Financial Officer, Vern D. Kornelsen. The allocation of such payments is made at the discretion of the President with approval by the board of directors. In 2009, we paid a total of $41,054 to our executive officers, including $12,990 to Mr. Castrodale, $8,079 to Mr. Knott, $12,865 to Mr. Lary, and $7,120 to Ms. LaRose. No bonus was paid to Mr. Kornelsen.

Outstanding Equity Awards at Fiscal Year-End

The following table shows grants of options outstanding on December 31, 2009, the last day of our most recently completed fiscal year, to each of the Named Executive Officers named in the Summary Compensation Table. Information set forth herein gives effect to a 1 for 2 reverse stock split on May 3, 2010.

Outstanding Equity Awards at Fiscal Year-End Table for the Fiscal Year Ended December 31, 2009

	Option awards(1)			
Name (a)	**Number of securities underlying unexercised options (#) exercisable (b)**	**Number of securities underlying unexercised options (#) unexercisable (c)**	**Option exercise price ($) (e)**	**Option expiration date (f)**
Mark A. Lary	50,000	0	$ .40	5/5/2010
Kristie L. LaRose	15,000	0	$ .40	5/5/2010

(1) All of the above options were exercised on May 1, 2010.

Option Grants in Last Fiscal Year

We made no individual grants of stock options to our Named Executive Officers during the years ended December 31, 2009 and 2008.

Long Term Incentive Plans; Awards in Last Fiscal Year

We made no awards under any long-term incentive plan to our Named Executive Officers during the fiscal year ended December 31, 2009.

Profit Sharing and 401(k) Plan

We have adopted a 401(k) Defined Contribution Plan which covers all full-time employees who have completed three months of full-time continuous service and are age eighteen or older. Participants may defer up to 100% of their gross pay up to plan limits. Participants are immediately vested in their contributions. We may make discretionary contributions based on corporate financial results for the fiscal year, which were 3% of the total payroll of the participating employees in 2009 and 2008. In 2009 and 2008 we contributed $19,534 and $27,388 respectively. Vesting in a contribution account (our contribution) is based on years of service, with a participant fully vested after six years of credited service.

Director Compensation

We did not pay any compensation to our directors during the fiscal years ended December 31, 2009 and 2008.

Compensation Committee Interlocks and Insider Participation

During the fiscal year ended December 31, 2009, all members of our board of directors served as members of our Compensation Committee. No member of our Compensation Committee at any time during the last fiscal year, or prior to the last fiscal year, was an officer or employee of our Company except Alan C. Castrodale, Barry R. Knott, and Vern D. Kornelsen. Additionally, no member of our Compensation Committee had any relationship with us that would be required to be disclosed as a related person transaction except as set forth herein. During the fiscal year ended December 31, 2009, none of our executive officers or employees except Alan C. Castrodale, Barry R. Knott, and Vern D. Kornelsen participated in deliberations of our board of directors concerning executive officer compensation.

During the fiscal year ended December 31, 2009, none of our executive officers:

- served as a member of the compensation committee (or other board committee performing equivalent functions or, in the absence of any such committee, the board of directors) of another entity, one of whose executive officers served as a member of our Compensation Committee;
- as a director of another entity, one of whose executive officers served as a member of our Compensation Committee; or
- as a member of the compensation committee (or other board committee performing equivalent functions or, in the absence of any such committee, the board of directors) of another entity, one of whose executive officers served as a member of our board of directors.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth information regarding our common stock owned as of the close of business on June 15, 2010 by the following persons: (i) each person who is known by us to own beneficially more than 5% of our common stock; (ii) each of our directors who beneficially own our common stock; (iii) each of our Named Executive Officers who beneficially own our common stock; and (iv) all executive officers and directors, as a group, who beneficially own our common stock. The information on beneficial ownership in the table and footnotes thereto is based upon data furnished to us by, or on behalf of, the persons listed in the table. All shares give effect to the 1:2 reverse stock split on May 3, 2010.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership (1)	Percent of Class (2)
Vern D. Kornelsen c/o Lifeloc Technologies, Inc. 12441 West 49th Ave., Unit 4, Wheat Ridge, CO 80033	1,889,445(3)	78%
Directors and Named Executive Officers		
Alan C. Castrodale c/o Lifeloc Technologies, Inc. 12441 West 49th Ave., Unit 4, Wheat Ridge, CO 80033	50,000	2.1%
Robert D. Greenlee c/o Lifeloc Technologies, Inc. 12441 West 49th Ave., Unit 4, Wheat Ridge, CO 80033	184,979	7.6%
Robert H. Summers, PhD c/o Lifeloc Technologies, Inc. 12441 West 49th Ave., Unit 4, Wheat Ridge, CO 80033	11,500	.5%
Barry R. Knott c/o Lifeloc Technologies, Inc. 12441 West 49th Ave., Unit 4, Wheat Ridge, CO 80033	64,125	2.6%
Mark Lary c/o Lifeloc Technologies, Inc. 12441 West 49th Ave., Unit 4, Wheat Ridge, CO 80033	50,000	2.1%
Kristie LaRose c/o Lifeloc Technologies, Inc. 12441 West 49th Ave., Unit 4, Wheat Ridge, CO 80033	7,500	.3%
All executive officers and directors as a group, including those named above (7 persons)	2,257,549	93.2

(1) Represents shares with respect to which each beneficial owner listed has or will have, upon acquisition of such shares pursuant to the exercise or conversion of options, warrants, conversion privileges or other rights exercisable within sixty days, sole voting and investment power. Amounts listed have been adjusted to reflect a 1 for 2 reverse split, effective May 3, 2010.

(2) As of June 15, 2010, we had 2,422,416 shares of our common stock issued and outstanding. Percentages are calculated on the basis of the amount of issued and outstanding common stock. No person or group has the right to acquire, within 60 days following the filing of the registration statement of which this prospectus is a part, any shares pursuant to options, warrants, conversion privileges or other rights.

(3) Holdings as of June 15, 2010. Includes 1,855,319 shares owned by EDCO Partners LLLP, of which Mr. Kornelsen is the General Partner. Excludes 3,000 shares owned by M. Elaine Kornelsen, as to which Vern D. Kornelsen disclaims any beneficial ownership.

TRANSACTIONS WITH RELATED PERSONS, PROMOTERS AND CERTAIN CONTROL PERSONS

We have not participated in any transactions since the beginning of our last two fiscal years in which a person deemed to be a related person pursuant to Item 404 of SEC Regulation S-K had or will have a direct or indirect material interest. Lifeloc is not a subsidiary of any parent company.

DIRECTOR INDEPENDENCE

As of June 15, 2010, Alan C. Castrodale, Robert D. Greenlee, Barry R. Knott, Vern D. Kornelsen, and Dr. Robert H. Summers serve as our directors. Currently, Mr. Castrodale, Mr. Greenlee and Dr. Summers are independent directors, as defined under the standards of independence set forth in the NASDAQ Marketplace Rules. Upon effectiveness of the registration statement of which this prospectus is a part, we will attempt to cause our common stock and warrants to be traded on the OTCBB. Our securities have not been traded previously. The OTCBB does not require that a majority of our board of directors be independent.

DISCLOSURE OF COMMISSION POSITION ON INDEMNIFICATION FOR SECURITIES ACT LIABILITIES

Our directors and officers are indemnified as provided by the Colorado General Laws, our By-laws, and our Articles of Organization, as amended. We have been advised that, in the opinion of the Securities and Exchange Commission, indemnification for liabilities arising under the Securities Act is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities is asserted by one of our directors, officers or controlling persons in connection with the securities being registered, we will, unless in the opinion of our legal counsel the matter has been settled by controlling precedent, submit the question of whether such indemnification is against public policy to a court of appropriate jurisdiction. We will then be governed by the court's decision.

CONSOLIDATED FINANCIAL STATEMENTS OF
LIFELOC TECHNOLOGIES, INC.

INDEX

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and
Stockholders of Lifeloc Technologies, Inc.

We have audited the accompanying balance sheets of Lifeloc Technologies, Inc. as of December 31, 2009 and 2008, and the related statements of income, stockholders' equity and cash flows for each of the years in the two- year period ended December 31, 2009. Lifeloc Technologies, Inc's management is responsible for these financial statements. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lifeloc Technologies, Inc. as of December 31, 2009 and 2008, and the results of its operations and its cash flows for each of the years in the two-year period ended December 31, 2009 in conformity with accounting principles generally accepted in the United States of America.

Greenwood Village, Colorado
May 27, 2010

LIFELOC TECHNOLOGIES, INC.
Balance Sheets
December 31, 2009 and 2008

ASSETS	2009	2008
CURRENT ASSETS:		
Cash	$ 1,021,135	$ 791,047
Accounts receivable, net	329,701	317,246
Inventories, net	767,048	803,989
Deferred taxes	55,069	137,856
Prepaid expenses and other	21,253	12,619
Total current assets	2,194,206	2,062,757
PROPERTY AND EQUIPMENT, at cost:		
Production equipment	160,318	139,639
Office equipment	92,893	95,851
Sales and marketing equipment	36,555	23,454
Purchased software	29,048	31,048
Less accumulated depreciation	(205,359)	(147,315)
Total property and equipment, net	113,455	142,677
OTHER ASSETS:		
Patents, net	17,415	15,891
Deposits	4,242	4,242
Total other assets	21,657	20,133
Total assets	$ 2,329,318	$ 2,225,567
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	$ 57,425	$ 225,282
Notes payable	8,000	8,000
Customer deposits	9,709	-
Accrued expenses	161,216	98,414
Deferred income, current portion	84,966	58,611
Reserve for warranty expense	12,000	12,000
Total current liabilities	333,316	402,307
DEFERRED INCOME, net of current portion	8,878	13,757
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY:		
Common stock, no par value; 50,000,000 shares authorized, 2,318,416 shares outstanding in 2009 and 2008	4,215,664	4,215,664
Accumulated (deficit)	(2,228,540)	(2,406,161)
Total stockholders' equity	1,987,124	1,809,503
Total liabilities and stockholders' equity	$ 2,329,318	$ 2,225,567

See accompanying notes

LIFELOC TECHNOLOGIES, INC.
Statements of Income
Years Ended December 31, 2009 and 2008

	2009	2008
SALES	$ 4,287,597	$ 4,464,742
COST OF SALES	2,215,192	2,388,326
GROSS PROFIT	2,072,405	2,076,416
OPERATING EXPENSES:		
Research and development	256,361	398,916
Sales and marketing	785,026	663,351
General and administrative	700,100	656,082
Total	1,741,487	1,718,349
OPERATING INCOME	330,918	358,067
OTHER INCOME (EXPENSE):		
Loss on currency exchange	(75,502)	(99,259)
Interest income	8,279	12,803
Other	-	5,860
Total	(67,223)	(80,596)
NET INCOME BEFORE PROVISION FOR TAXES	263,695	277,471
PROVISION FOR FEDERAL AND STATE INCOME TAXES	(86,074)	(109,250)
NET INCOME	$ 177,621	$ 168,221
NET INCOME PER SHARE, BASIC	$ 0.08	$ 0.07
NET INCOME PER SHARE, DILUTED	$ 0.07	$ 0.07
WEIGHTED AVERAGE SHARES, BASIC	2,318,416	2,318,416
WEIGHTED AVERAGE SHARES, DILUTED	2,371,060	2,383,731

See accompanying notes

LIFELOC TECHNOLOGIES, INC.
Statement of Stockholders' Equity
Years Ended December 31, 2009 and 2008

	Common Stock		Accumulated	
	Shares	Amount	(Deficit)	Total
BALANCES, JANUARY 1, 2008	2,318,416	$ 4,215,664	$ (2,574,382)	$ 1,641,282
Net income	-	-	168,221	168,221
BALANCES, DECEMBER 31, 2008	2,318,416	4,215,664	(2,406,161)	1,809,503
Net income	-	-	177,621	177,621
BALANCES, DECEMBER 31, 2009	2,318,416	$ 4,215,664	$ (2,228,540)	$ 1,987,124

See accompanying notes

LIFELOC TECHNOLOGIES, INC.
Statements of Cash Flows
Years Ended December 31, 2009 and 2008

CASH FLOWS FROM OPERATING ACTIVITIES:	2009	2008
Net income	$ 177,621	$ 168,221
Adjustments to reconcile net income to net cash		
provided by operating activities-		
Depreciation and amortization	64,298	36,779
Changes in operating assets and liabilities-		
Accounts receivable	(12,455)	(114,525)
Inventories	36,941	(85,969)
Deferred taxes	82,787	109,250
Prepaid expenses and other	(8,634)	2,077
Accounts payable	(167,857)	16,019
Customer deposits	9,709	-
Accrued expenses	62,802	(1,500)
Deferred income	21,476	8,442
Net cash provided from operating activities	266,688	138,794
CASH FLOWS FROM INVESTING ACTIVITIES:		
Patent costs	(2,821)	(4,549)
Purchases of property and equipment, and patents	(33,779)	(122,924)
Net cash (used in) investing activities	(36,600)	(127,473)
NET INCREASE IN CASH	230,088	11,321
CASH, BEGINNING OF PERIOD	791,047	779,726
CASH, END OF PERIOD	$ 1,021,135	$ 791,047
SUPPLEMENTAL INFORMATION:		
Cash paid for interest	$ -	$ -
Cash paid for income tax	$ 3,287	$ -

See accompanying notes

1. ORGANIZATION AND NATURE OF BUSINESS

Lifeloc Technologies, Inc. (the "Company" or “Lifeloc”) was incorporated in Colorado in December 1983 and has, since 1986, developed, manufactured and sold proprietary, fuel-cell based, breath alcohol testing equipment. Our Phoenix Classic was completed and released for sale in 1998, superseding the original model PBA3000. It is a microprocessor controlled portable breath alcohol instrument which is capable of accurately detecting the blood alcohol level of a subject and recording the test data without peripheral equipment. The Phoenix product line is approved by the U.S. Department of Transportation as an evidential breath tester for use in regulated transportation industries. In 2001, we completed and released for sale an additional product line, the new FC Series, designed specifically for the law enforcement and corrections markets. FC breath testers have established a reputation of innovation and highest quality and durability, and are currently being sold worldwide, having contributed to our steady growth since the introduction. In 2005 and 2006, we introduced two new models, the EV30 and Phoenix 6.0. These two new models form a family of state-of-the-art evidential workplace devices. In addition, we sell a comprehensive line of supplies, accessories, services, and training to support customers' alcohol testing programs. In 2006, Lifeloc also commenced the selective marketing of its proprietary designs and componentry on an OEM basis. In 2009 we released LifeGuard, a personal breath tester that incorporates the fuel-cell based technology employed in the FC series. Lifeloc constantly enhances and upgrades its products in order to maintain a competitive advantage in its marketplace.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates in the Preparation of Financial Statements. The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions. Such estimates and assumptions affect the reported amounts of assets and liabilities as well as disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of sales and expense during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents. For purposes of reporting cash flows, we consider all cash and highly liquid investments with an original maturity of three months or less to be cash equivalents. There were no cash equivalents as of December 31, 2009 and 2008.

Fair Value of Financial Instruments. Our financial instruments consist of cash and cash equivalents, short-term trade receivables and payables, and notes payable. The carrying values of cash and cash equivalents, short-term receivables and payables, and notes payable approximate their fair value due to their short term maturities.

Concentration of Credit Risk. Financial instruments with significant credit risk include cash. The amount of cash on deposit with one financial institution exceeded the $250,000 federally insured limit at December 31, 2009 by $224,000. However, we believe that the financial institution is financially sound and the risk of loss is minimal.

We have no significant off-balance sheet concentrations of credit risk such as foreign exchange contracts, options contracts or other foreign hedging arrangements. We maintain the majority of our cash balances with two financial institutions in the form of demand deposits.

Accounts receivable are typically unsecured and are derived from transactions with and from entities primarily located in the United States, as we ship to international customers against letters of credit. Accordingly, we may be exposed to credit risks generally associated with the alcohol monitoring industry. Our credit policy calls for payment in accordance with prevailing industry standards, generally 30 days. We maintain allowances for doubtful accounts for estimated losses resulting from the inability of our customers to make required payments. A summary of the activity in our allowance for doubtful accounts is as follows:

Years Ended December 31	**2009**	**2008**
Balance, beginning of year	$ 3,083	$ 2,431
Provision for estimated losses	2,808	1,593
Write-off of uncollectible accounts	(1,791)	(941)
Balance, end of year	$ 4,100	$ 3,083

The net accounts receivable balance at December 31, 2009 of $329,701 included no more than 15% from any one customer. The net accounts receivable balance at December 31, 2008 of $317,246 included no more than 11% from any one customer.

Inventories. Inventories are stated at the lower of cost (first-in, first-out basis) or market. We reduce inventory for estimated obsolete or unmarketable inventory equal to the difference between the cost of inventory and the estimated market value based upon assumptions about future demand and market conditions. If actual market conditions are less favorable than those projected by management, additional inventory write-downs may be required. At December 31, 2009 and 2008, inventory consisted of the following:

	2009	2008
Raw materials & deposits	$ 216,380	$ 269,036
Work-in process	152,823	77,048
Finished goods	418,143	479,652
Total gross inventories	787,346	825,736
Less reserve for obsolescence	(20,298)	(21,747)
Total net inventories	$ 767,048	$ 803,989

A summary of the activity in our inventory reserve for obsolescence is as follows:

Years Ended December 31	2009	2008
Balance, beginning of year	$ 21,747	$ 19,500
Provision for estimated obsolescence	22,532	18,000
Write-off of obsolete inventory	(23,981)	(15,753)
Balance, end of year	$ 20,298	$ 21,747

Property and Equipment. Property and equipment are stated at cost, with depreciation computed over the estimated useful lives of the assets, generally three to five years. We utilize the double-declining method of depreciation for property and equipment due to the expected usage of the property and equipment over time. This method is expected to continue throughout the life of the equipment. Maintenance and repairs are expensed as incurred and major additions, replacements and improvements are capitalized. Depreciation expense for the years ended December 31, 2009 and 2008 was $63,002 and $35,913 respectively.

Long-Lived Assets. Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. A long-lived asset is considered impaired when estimated future cash flows related to the asset, undiscounted and without interest, are insufficient to recover the carrying amount of the asset. If deemed impaired, the long-lived asset is reduced to its estimated fair value. Long-lived assets to be disposed of are reported at the lower of their carrying amount or estimated fair value less cost to sell. No impairments were recorded for the years ended December 31, 2009 and 2008.

Patents. The costs of applying for patents are capitalized and amortized on a straight-line basis over the lesser of the patent's economic or legal life (20 years in the United States, except design patents which are 14 years). Amortization expense for the years ended December 31, 2009 and 2008 was $1,296 and $866 respectively. Capitalized costs are expensed if patents are not granted. We review the carrying value of our patents periodically to determine whether the patents have continuing value and such reviews could result in the conclusion that the recorded amounts have been impaired. A summary of our patents at December 31, 2009 and 2008 is as follows:

	2009	2008
Patents issued	$ 22,775	$ 15,406
Patent applications	-	4,549
Accumulated amortization	(5,360)	(4,064)
Total net patents	$ 17,415	$ 15,891

Accrued Expenses. We have accrued $13,526 related to property and other taxes, $102,281 related to compensation, $19,725 related to rebates, $13,451 related to our 401(k) plan, and $12,233 related to interest and have included these amounts in accrued expenses in the accompanying balance sheet at December 31, 2009. At December 31, 2008, we had accrued $5,988 related to property and other taxes, $80,193 related to compensation, and $12,233 related to interest and included these amounts in accrued expenses in the accompanying balance sheet at December 31, 2008.

Product Warranty Reserve. We provide for the estimated cost of product warranties at the time sales are recognized. While we engage in extensive product quality programs and processes, including actively monitoring and evaluating the quality of our component suppliers, our warranty obligation is based upon historical experience and will be affected by product failure rates and material usage incurred in correcting a product failure. Should actual product failure rates or material usage costs differ from our estimates, revisions to the estimated warranty liability would be required. A summary of the activity in our product warranty reserve is as follows:

Years Ended December 31	2009	2008
Balance, beginning of year	$ 12,000	$ 12,000
Provision for estimated warranty claims	14,715	14,929
Claims made	(14,715)	(14,929)
Balance, end of year	$ 12,000	$ 12,000

Income Taxes. We account for income taxes under the provisions of Accounting Standards Codification Topic 740, "Accounting for Income Taxes" ("ASC 740"). ASC 740 requires recognition of deferred income tax assets and liabilities for the expected future income tax consequences, based on enacted tax laws, of temporary differences between the financial reporting and tax bases of assets and liabilities. ASC 740 also requires recognition of deferred tax assets for the expected future tax effects of all deductible temporary differences, loss carryforwards and tax credit carryforwards. Deferred tax assets are then reduced, if deemed necessary, by a valuation allowance for the amount of any tax benefits which, more likely than not based on current circumstances, are not expected to be realized. During 2009 and 2008, we used our tax loss carryforwards as well as tax credits to reduce our taxable income. As a result, the provisions for income taxes reflected in the accompanying statements of operations for 2009 and 2008 are $92,074 and $109,250 respectively. We do not have any remaining tax loss carryforwards for use in future years; however, we have $3,501 of tax credit carryovers available for use in 2010.

We adopted the provisions of ASC 740-10 (previously Financial Interpretation No. 48, Accounting for Uncertainty in Income Taxes), on January 1, 2008. The implementation of this standard had no impact on our financial statements. As of both the date of adoption, and as of December 31, 2009 and 2008, the unrecognized tax benefit accrual was zero.

We will recognize future accrued interest and penalties related to unrecognized tax benefits in income tax expense if incurred. Our income tax returns are no longer subject to Federal tax examinations by tax authorities for years before 2006 and state examinations for years before 2005.

Revenue Recognition. Revenue from product sales is recorded when we ship the product and title has passed to the customer, provided that we have evidence of a customer arrangement and can conclude that collection is probable. Our shipping policy is FOB Shipping Point. We recognize revenue from sales to stocking distributors when there is no right of return, other than for normal warranty claims. We have no ongoing obligations related to product sales, except for normal warranty.

Research and Development Expenses. We expense research and development costs for products and processes as incurred.

Stock-Based Compensation. Stock-based compensation is presented in accordance with the guidance of ASC Topic 718, Compensation – Stock Compensation ("ASC 718"). Under the provisions of ASC 718, companies are required to estimate the fair value of share-based payment awards on the date of grant using an option-pricing model. The value of the portion of the award that is ultimately expected to vest is recognized as expense over the requisite service periods in our statement of operations.

ASC 718 requires companies to estimate the fair value of share-based payment awards on the date of grant using an option-pricing model. The value of the portion of the award that is ultimately expected to vest is recognized as expense over the requisite service periods in the accompanying statement of operations.

Stock-based compensation expense recognized during the period is based on the value of the portion of share-based payment awards that is ultimately expected to vest during the period.

We had no stock based compensation in 2009 and 2008, and no stock-based compensation expense is recognized in our statement of operations for 2009 and 2008.

Segment Reporting. We have concluded that we have one operating segment.

Basic and Diluted Income and Loss per Common Share. Net income or loss per share is calculated in accordance with ASC Topic 260, "Earnings Per Share". Under the provisions of ASC Topic 260, basic net income or loss per common share is computed by dividing net income or loss for the period by the weighted average number of common shares outstanding for the period. Diluted net income or loss per share is computed by dividing the net income or loss for the period by the weighted average number of common and potential common shares outstanding during the period if the effect of the potential common shares is dilutive.

Recent Accounting Pronouncements. In June 2009, FASB approved the FASB Accounting Standards Codification ("the Codification") as the single source of authoritative nongovernmental generally accepted accounting principles ("GAAP"). All existing accounting standard documents, such as FASB, American Institute of Certified Public Accountants, Emerging Issues Task Force and other related literature, excluding guidance from the Securities and Exchange Commission ("SEC"), have been superseded by the Codification. All other non-grandfathered, non-SEC accounting literature not included in the Codification has become non-authoritative. The Codification did not change GAAP, but instead introduced a new structure that combines all authoritative standards into a comprehensive, topically organized online database. The Codification is effective for interim or annual periods ending after September 15, 2009, and impacts our financial statements as all future references to authoritative accounting literature will be referenced in accordance with the Codification. There have been no changes to the content of the Company's financial statements or disclosures as a result of implementing the Codification.

As a result of our implementation of the Codification during 2009, previous references to new accounting standards and literature are no longer applicable.

In May 2009, the FASB issued ASC 855-10, "Subsequent Events". ASC 855-10 provides guidance on management's assessment of subsequent events and incorporates this guidance into accounting literature. ASC 855-10 is effective prospectively for interim and annual periods ending after June 15, 2009. The adoption of this Statement did not have an impact on our financial position or results of operations. Effective February 24, 2010, the FASB modified its guidance related to subsequent events and the Company has adopted the change. This guidance continues to require entities that file or furnish financial statements with the SEC to evaluate subsequent events through the date the financial statements are issued; however, this guidance removed the requirement for these entities to disclose the date through which events have been evaluated. The adoption of this guidance did not have an effect on the results of operations or financial position of the Company.

We have reviewed all recently issued, but not yet effective, accounting pronouncements and do not believe the future adoption of any such pronouncements may be expected to cause a material impact on our financial condition or the results of our operations.

3. STOCKHOLDERS' EQUITY

Stock Option Plan. We adopted our 2002 Stock Option Plan (the "Plan," as summarized below) to promote our and our stockholders' interests by helping us to attract, retain and motivate our key employees and associates. Under the terms of the Plan, the Board of Directors may grant either "nonqualified" or "incentive" stock options, as defined by the Internal Revenue Code and related regulations. The purchase price of the shares subject to a stock option will be the fair market value of our common stock on the date the stock option is granted. Generally, vesting of stock options occurs immediately at the time of the grant of such option and all stock options must be exercised within five years from the date granted. The number of common shares reserved for issuance under the Plan is 375,000 shares of common stock, subject to adjustment for dividend, stock split or other relevant changes in our capitalization.

A summary of our stock option activity and related information for each of the fiscal years ended December 31, 2009 and 2008 is as follows:

	STOCK OPTIONS OUTSTANDING	
	Number Outstanding	Weighted-Average Exercise Price per Share
BALANCE AT DECEMBER 31, 2007	110,000	$0.40
Granted	-	
Exercised	-	
Forfeited/expired	(6,000)	
BALANCE AT DECEMBER 31, 2008	104,000	$0.40
Granted	-	
Exercised	-	
Forfeited/expired	-	
BALANCE AT DECEMBER 31, 2009	104,000	$0.40

The following table summarizes information about employee stock options outstanding and exercisable at December 31, 2009:

	STOCK OPTIONS OUTSTANDING			STOCK OPTIONS EXERCISABLE	
Range of Exercise Prices	Number Outstanding	Weighted-Average Remaining Contractual Life (in Years)	Weighted-Average Exercise Price per Share	Number Exercisable	Weighted-Average Exercise Price per Share
$0.40	104,000	.4	$0.40	104,000	$0.40

Of the 104,000 options exercisable as of December 31, 2009, 15,000 are nonqualified stock options and 89,000 are incentive stock options. The exercise price of all options granted through December 31, 2009 has been equal to or greater than the fair market value, using a composite of peer entities since there were no publicly quoted market values of our common stock on the date of the grant. As of December 31, 2009, options for 44,000 shares of our common stock remain available for grant under the Plan.

In connection with loans made to the Company prior to 2008, 25,000 warrants were outstanding at December 31, 2007. All such warrants lapsed in 2009 and none remained outstanding at December 31, 2009.

4. NOTES PAYABLE

Notes payable consist of an unsecured demand note payable to a shareholder with a principal balance of $8,000 at December 31, 2009 and 2008, and interest accrued thereon at a rate of 10% per annum with a total balance due of $12,233 at December 31, 2009 and 2008. Based on discussions with legal counsel, we no longer accrue interest on the outstanding balance.

5. COMMITMENTS AND CONTINGENCIES

We currently lease our facilities in Wheat Ridge, Colorado under a lease agreement containing cancellation terms of 180 days written notice on or after October 31, 2012 and upon remittance of any unamortized tenant improvements made by the landlord in excess of $16,000. As described in Note 11, our facilities lease was amended during 2010. The minimum future lease payments by year, reflecting the terms of our amended lease agreement, are as follows:

Fiscal Year	Amount
2010	$ 99,879
2011	102,204
2012	105,270
2013	108,428
2014	111,681
2015	37,592
Total	$ 565,054

Rent expense for our facilities for the years ended December 31, 2009 and 2008 was $96,039 and $92,343, respectively.

Our obligation with respect to employee severance benefits is minimized by the “at will” nature of the employee relationships. As of December 31, 2009 we had no obligation with respect to contingent severance benefit obligations.

Aside from the operating lease and credit facility commitments, we do not have any material contractual commitments requiring settlement in the future.

We are subject to regulation by the United States Food and Drug Administration (“FDA”) so far as our LifeGuard product is concerned. The FDA provides regulations governing the manufacture and sale of our LifeGuard product, and we are subject to inspections by the FDA to determine our compliance with these regulations. FDA inspections are conducted periodically at the discretion of the FDA. As of December 31, 2009, we had not been inspected by the FDA; however, we believe we are in substantial compliance with all known regulations.

We are also subject to regulation by the United States Department of Transportation and by various state departments of transportation so far as our other products are concerned. We believe that we are in substantial compliance with all known regulations.

6. LINE OF CREDIT

On May 11, 2004, we entered into a credit facility agreement with Citywide Bank. The terms of the credit facility, which matured on May 11, 2010 and was subsequently renewed for an additional year, include a line of credit for $150,000 at an interest rate calculated at the prime rate plus 1%, or 4.25% at December 31, 2009 and 2008. Our borrowing under the credit facility is limited to the amount of eligible receivables and inventory at the time of borrowing. At December 31, 2009 and 2008, we had not borrowed funds from the credit facility and, under our eligible receivables and inventory limit, had $150,000 available to borrow. The credit facility requires us to meet certain financial covenants, which we met as of December 31, 2009. The credit facility is secured by all goods, accounts receivable, equipment, inventory, contract rights or rights to payment of money, leases, license agreements, franchise agreements, general intangibles, commercial tort claims, documents, instruments, chattel paper, cash, deposit accounts, fixtures, letters of credit rights, securities, and all other investment property, supporting obligations, and financial assets, whether now owned or hereafter acquired, wherever located.

7. INCOME TAXES

We account for income taxes under ASC 740, which requires the use of the liability method. ASC 740 provides that deferred tax assets and liabilities are recorded based on the differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, referred to as temporary differences. Deferred tax assets and liabilities at the end of each period are determined using the currently enacted tax rates applied to taxable income in the periods in which the deferred tax assets and liabilities are expected to be settled or realized.

Our income tax provision is summarized below:

Years Ended	December 31, 2009	December 31, 2008
Current:		
Federal	$ -	$ -
State	3,287	-
Total current	3,287	-
Deferred:		
Federal	76,251	100,625
State	6,536	8,625
Total deferred	82,787	109,250
Total	$ 86,074	$ 109,250

The items accounting for the difference between income taxes computed at the federal statutory rate and the provision for income taxes consists of the following:

Years Ended	December 31, 2009	December 31, 2008
Federal statutory rate	$ 92,293	$ 97,115
Effect of:		
State taxes, net of federal tax benefit	8,093	8,324
Other	(14,312)	3,811
Total	$ 86,074	$ 109,250

The components of the deferred tax asset are as follows:

Years Ended	December 31, 2009	December 31, 2008
Credits and net operating loss carryforwards	$ -	$ 85,922
Other	55,069	51,934
Total deferred tax assets	$ 55,069	$ 137,856

8. LEGAL PROCEEDINGS

We are not involved in any legal proceeding as of the date of these financial statements. We may become involved in litigation in the future in the normal course of business.

9. MAJOR CUSTOMERS/SUPPLIERS

We depend on sales that are generated from our customers' ongoing usage of alcohol monitoring instruments. In 2009, we generated sales from over 2,500 customers, but no customer contributed more than 10.4% to our total sales in either 2009 or 2008. In 2009 and in 2008, we depended upon two vendors for approximately 21% of our purchases.

10. DEFINED CONTRIBUTION EMPLOYEE BENEFIT PLAN

We have adopted a 401(k) Profit Sharing Plan which covers all full-time employees who have completed 3 months of full-time continuous service and are age eighteen or older. Participants may defer up to 100% of their gross pay up to Plan limits. Participants are immediately vested in their contributions. We may make discretionary contributions based on corporate financial results for the year, which was determined to be 3% of the total payroll of the participating employees in 2009 and 2008. In 2009 and 2008 we contributed $19,534 and $27,388 respectively. The participants vest in Company contributions based on years of service, with a participant fully vested after six years of credited service.

11. SUBSEQUENT EVENTS

On May 1, 2010, we amended and extended our facilities lease, which, when added to our existing space, provides us with 11,655 square feet of office and manufacturing/warehouse space. Under the new lease agreement, which runs through April 30, 2015, we are obligated to pay a total of $531,975, at monthly rates of $8,350 during the first year, increasing to $9,398 in the fifth year or an average of $8,866 per month over the life of the lease. The agreement contains cancellation terms of 180 days written notice on or after October 31, 2012 and upon remittance of any unamortized tenant improvements made by landlord in excess of $16,000.

On May 1, 2010, all 104,000 outstanding stock options were exercised at their exercise price of $0.40 apiece, for a total of $41,600.

In May, 2010, we extended our line of credit for $150,000 with Citywide Bank. The credit facility will mature on May 11, 2011, and the interest rate is calculated at the prime rate plus 1%.

At their annual meeting on May 3, 2010, our stockholders approved a reverse stock split of our no par value common stock. Every two shares of common stock were combined into one share. No fractional shares were issued as a result of the reverse stock split. Instead, each resulting fractional share of common stock was rounded to the nearest whole share. The reverse stock split reduced the number of shares of common stock outstanding from 4,636,832 to 2,318,416 (which does not give effect to the options exercised on May 1, 2010 as described above). The total number of authorized shares of common stock continues to be 50,000,000, with no change in the par value per share of $0. All shares and per share data in the accompanying financial statements reflect the effects of the 1-for-2 reverse stock split that became effective on May 3, 2010. The stockholders also approved a warrant distribution consisting of 1 warrant for each then outstanding share of common stock, or a total of 2,318,416 warrants. Each warrant is exercisable at $1.00 until May 3, 2020, with a 6% commission to be paid to broker-dealers participating in the exercise of the warrants. Since the warrants will not be distributed to the stockholders until a registration statement is filed with and has been declared effective by the Securities and Exchange Commission, no effect has been given in these financial statements as a result of dilution resulting from the exercise of the warrants.

LIFELOC TECHNOLOGIES, INC.
Condensed Balance Sheets

	March 31, 2010 (Unaudited)	December 31, 2009
ASSETS		
CURRENT ASSETS:		
Cash	$ 1,145,391	$ 1,021,135
Accounts receivable, net	517,850	329,701
Inventories, net	758,927	767,048
Deferred taxes	56,920	55,069
Prepaid expenses and other	56,241	21,253
Total current assets	2,535,329	2,194,206
PROPERTY AND EQUIPMENT, at cost:		
Production equipment	169,313	160,318
Office equipment	92,893	92,893
Sales and marketing equipment	36,555	36,555
Purchased software	29,048	29,048
Less accumulated depreciation	(218,147)	(205,359)
Total property and equipment, net	109,662	113,455
OTHER ASSETS:		
Patents, net	17,107	17,415
Deposits	4,242	4,242
Total other assets	21,349	21,657
Total assets	$ 2,666,340	$ 2,329,318
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	$ 163,127	$ 57,425
Notes payable	-	8,000
Customer deposits	17,059	9,709
Accrued expenses	245,323	180,549
Deferred income, current portion	83,439	84,966
Reserve for warranty expense	12,000	12,000
Total current liabilities	520,948	352,649
DEFERRED INCOME, net of current portion	7,790	8,878
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY:		
Common stock, no par value; 50,000,000 shares authorized, 2,318,416 shares outstanding	4,235,897	4,215,664
Accumulated (deficit)	(2,098,295)	(2,247,873)
Total stockholders' equity	2,137,602	1,967,791
Total liabilities and stockholders' equity	$ 2,666,340	$ 2,329,318

See accompanying notes

LIFELOC TECHNOLOGIES, INC.
Condensed Statements of Income (Unaudited)

	Three Months Ended March 31,	
	2010	2009
SALES	$ 1,315,730	$ 1,079,673
COST OF SALES	650,996	568,773
GROSS PROFIT	664,734	510,900
OPERATING EXPENSES:		
Research and development	59,392	71,279
Sales and marketing	194,172	201,561
General and administrative	191,933	181,003
Total	445,497	453,843
OPERATING INCOME	219,237	57,057
OTHER INCOME (EXPENSE):		
Loss on currency exchange	(14,138)	-
Interest income	1,988	2,170
Total	(12,150)	2,170
NET INCOME BEFORE PROVISION FOR TAXES	207,087	59,227
PROVISION FOR FEDERAL AND STATE INCOME TAXES	(76,842)	(19,333)
NET INCOME	$ 130,245	$ 39,894
NET INCOME PER SHARE, BASIC	$ 0.06	$ 0.02
NET INCOME PER SHARE, DILUTED	$ 0.06	$ 0.02
WEIGHTED AVERAGE SHARES, BASIC	2,318,416	2,318,416
WEIGHTED AVERAGE SHARES, DILUTED	2,358,731	2,383,731

See accompanying notes

LIFELOC TECHNOLOGIES, INC.
Condensed Statements of Cash Flows (Unaudited)

	Three Months Ended March 31,	
CASH FLOWS FROM OPERATING ACTIVITIES:	2010	2009
Net income	$ 130,245	$ 39,894
Adjustments to reconcile net income to net cash provided by operating activities-		
Depreciation and amortization	13,096	15,192
Changes in operating assets and liabilities-		
Accounts receivable	(188,149)	(43,776)
Inventories	8,121	2,469
Deferred taxes	(1,851)	-
Prepaid expenses and other	(34,988)	(1,276)
Accounts payable	105,702	(168,345)
Notes payable	(8,000)	-
Customer deposits	7,350	5,279
Accrued expenses	84,107	47,898
Deferred income	(2,615)	2,173
Net cash provided from (used in) operating activities	113,018	(100,492)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment, and patents	(8,995)	(1,134)
Writeoff of note payable and accrued interest	20,233	-
Net cash provided from (used in) investing activities	11,238	(1,134)
NET INCREASE (DECREASE) IN CASH	124,256	(101,626)
CASH, BEGINNING OF PERIOD	1,021,135	791,047
CASH, END OF PERIOD	$ 1,145,391	$ 689,421

See accompanying notes

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared by us, without audit, and reflect normal recurring adjustments which, in the opinion of management, are necessary for a fair statement of the results of the first quarter of our fiscal year 2010. These financial statements do not include all disclosures associated with annual financial statements and, accordingly, should be read in conjunction with footnotes contained in our financial statements for the year ended December 31, 2009 included in this Form S-1. All shares and per share data reflect the 1-for-2 reverse stock split that became effective on May 3, 2010.

Use of Estimates in the Preparation of Financial Statements. The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions. Such estimates and assumptions affect the reported amounts of assets and liabilities as well as disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of sales and expense during the reporting period. Actual results could differ from those estimates.

Inventories. Inventories are stated at the lower of cost (first-in, first-out basis) or market. We reduce inventory for estimated obsolete or unmarketable inventory equal to the difference between the cost of inventory and the estimated market value based upon assumptions about future demand and market conditions. If actual market conditions are less favorable than those projected by management, additional inventory write-downs may be required. At March 31, 2010 and December 31, 2009, inventory consisted of the following:

	2010	2009
Raw materials & deposits	$ 352,324	$ 216,380
Work-in process	131,398	152,823
Finished goods	300,003	418,142
Total gross inventories	783,725	787,346
Less reserve for obsolescence	(24,798)	(20,298)
Total net inventories	$ 758,927	$ 767,047

Income Taxes. We account for income taxes under the provisions of Accounting Standards Codification Topic 740, “Accounting for Income Taxes” (“ASC 740”). We have determined an estimated annual effective tax rate. The rate will be revised, if necessary, as of the end of each successive interim period during our fiscal year to our best current estimate.

The estimated annual effective tax rate is applied to the year-to-date ordinary income (or loss) at the end of the interim period.

ASC 740 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. This pronouncement also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition.

Fair Value of Financial Instruments. Our financial instruments consist of cash and cash equivalents, short-term trade receivables and payables, and notes payable. The carrying values of cash and cash equivalents, short-term receivables and payables, and notes payable approximate their fair value due to their short term maturities.

Recent Accounting Pronouncements. We have reviewed all recently issued, but not yet effective, accounting pronouncements and do not believe the future adoption of any such pronouncements may be expected to cause a material impact on our financial condition or the results of our operations.

2. NOTES PAYABLE

At December 31, 2009, notes payable included $8,000 owed to a stockholder, with interest accrued of $12,233. Based on the expiration of the statute of limitations and discussions with legal counsel, the note and accrued interest were written off as of January 1, 2010 which resulted in an increase in common stock of $20,233.

3. SUBSEQUENT EVENTS

On May 1, 2010 we amended and extended our facilities lease, which, when added to our existing space, provides us with 11,655 square feet of office and manufacturing/warehouse space. Under the new lease agreement, which contains cancellation terms of 180 days written notice on or after October 31, 2010 and upon remittance of any unamortized tenant improvements made by the landlord in excess of $16,000, and which runs through April 30, 2015, we are obligated to pay a total of $531,975, at monthly rates of $8,350 during the first year, increasing to $9,398 in the fifth year, or an average of $8,866 per month over the life of the lease.

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LIFELOC TECHNOLOGIES, INC.
WARRANTS TO PURCHASE UP TO 2,422,416 SHARES OF COMMON STOCK
(TOGETHER WITH THE SHARES ISSUABLE UPON EXERCISE THEREOF)

PROSPECTUS

Dealer Prospectus Delivery Obligation

Until _____, all dealers that effect transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealers' obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

PART II — INFORMATION NOT REQUIRED IN PROSPECTUS

OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION

The estimated costs of the issuance and distribution of the securities registered under this prospectus are denoted below. Please note that all amounts are estimates other than the Commission's registration fee.

	Amount to be paid
Approximate SEC Registration Fee	$ 165
Transfer agent fees	$ 5,000
Accounting fees and expenses	$ 32,500
Legal fees and expenses	$ 10,000
Miscellaneous (including EDGAR filing fees)	$ 2,000
Total	$ 49,665

We will pay all expenses of the offering listed above from cash on hand.

INDEMNIFICATION OF DIRECTORS AND OFFICERS

We are organized under the laws of the State of Colorado. Our officers and directors are indemnified as provided by the General Laws of Colorado, our Articles of Organization, and our By-laws. The General Laws of Colorado provide that we must indemnify a director who was wholly successful, on the merits or otherwise, in the defense of any proceeding to which he was a party because he was a director of our Company against reasonable expenses incurred by him in connection with the proceeding.

In addition, we may indemnify a director against liability incurred in a proceeding if:

(1)(i) he conducted himself in good faith; (ii) he reasonably believed that his conduct was in the best interests of our Company or that his conduct was at least not opposed to the best interests of our Company; and (iii) in the case of any criminal proceeding, he had no reasonable cause to believe his conduct was unlawful; or

(2) he engaged in conduct for which he shall not be liable as provided in our Articles of Organization which may limit personal liability of a director as provided in the General Laws of Colorado.

Under the General Laws of Colorado, a director's conduct with respect to an employee benefit plan for a purpose he reasonably believed to be in the interests of the participants in, and the beneficiaries of, the plan is conduct that satisfies the requirement that his conduct was at least not opposed to the best interests of the corporation. Unless ordered by a court as provided in the statute, we may not indemnify a director if his conduct did not satisfy the standards set forth above.

The termination of a proceeding by judgment, order, settlement, or conviction, or upon a plea of nolo contendere or its equivalent, is not, of itself, determinative that the director did not meet the relevant standard of conduct described the General Laws of Colorado.

Our Articles of Organization, as amended, provide that our directors shall not be liable to us or our stockholders for monetary damages for breach of fiduciary duty as a director, except to the extent that the exculpation from liabilities is not permitted under the Colorado Business Corporation Act as in effect at the time such liability is determined. Our By-Laws provide that we shall indemnify our directors and officers to the full extent permitted by the laws of the State of Colorado against all liabilities and expenses except with respect to any matter as to which he or she shall have been adjudicated in any proceeding not to have acted in good faith in the reasonable belief that his or her action was in the best interest of our Company or in the best interests of the participants or beneficiaries of an employee benefit plan. In addition, we hold a Director and Officer Liability and Corporate Indemnification Policy.

RECENT SALES OF UNREGISTERED SECURITIES

We have had no sales of unregistered securities in the last 5 years, except key employee stock option exercises. The sales pursuant to employee stock option exercises are exempt from registration pursuant to Section 4(2) of the Securities Act.

EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

Exhibits

The exhibits listed below are filed with or incorporated by reference in this report.

Exhibit No.	Description of Exhibit
3.1	Articles of Incorporation, dated as of December 29, 1983.
3.2	Articles of Amendment to the Articles of Incorporation, dated as of July 10, 1986
3.3	Articles of Amendment to the Articles of Incorporation, dated as of August 18, 1986
3.4	Articles of Amendment to the Articles of Incorporation, dated as of April 18, 1988
3.5	Articles of Amendment to the Articles of Incorporation, dated as of April 1, 1991
3.6	Articles of Amendment to the Articles of Incorporation, dated as of May 10, 1993
3.7	Articles of Amendment to the Articles of Incorporation, dated as of May 11, 1992
3.8	Articles of Amendment to the Articles of Incorporation, dated as of November 17, 1997
3.9	Articles of Amendment to the Articles of Incorporation, dated as of July 15, 1998
3.10	Articles of Amendment to the Articles of Incorporation, dated as of April 1, 1994
3.11	Bylaws
4.1	Form of Certificate representing Common Stock.
4.2	Form of Common Stock Warrant Agreement and Certificate.
4.3	Form of Selling Agent Agreement.*
5.1	Opinion of Davis Graham & Stubbs LLP.*
10.1	2002 Stock Option Plan.
15.1	Letter re unaudited interim financial information.*
23.1	Consent of Eide Bailly LLP.
23.2	Consent of Davis Graham & Stubbs LLP (included in Exhibit 5.1).*

* To be filed by amendment.

UNDERTAKINGS

(a) The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) of this chapter) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement; and

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement.

(2) That, for the purposes of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of the securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for the purposes of determining liability under the Securities Act of 1933 to any purchaser

(A) Each prospectus filed by the registrant pursuant to Rule 424(b)(3) (§230.424(b)(3) of this chapter) shall be deemed to be part of this registration as of the date the filed prospectus was deemed part of and included in the registration statement; and

(B) Each prospectus required to be filed pursuant to Rule 424(b)(2), (b)(5), (b)(7) (§230.424(b)(2), (b)(5), or (b)(7) of this chapter) as part of a registration statement in reliance on Rule 430B relating to an offering made pursuant to Rule 415(a)(1)(i), (vii), or (x) (§230.415(a) (1) (i), (vii), or (x) of this chapter) for the purpose of providing the information required by section 10(a) of the Securities Act of 1933 shall be deemed to be a part of and included in the registration statement as of the earlier of the date such form of prospectus is first used after effectiveness or the date of the first contract of sale of securities in the offering described in this prospectus. As provided in Rule 430B, for liability purposes of the issuer and any person that is at that date an underwriter, such date shall be deemed to be a new effective date of the registration statement relating to the securities in the registration statement to which that prospectus relates, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof. *Provided, however;* that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such effective date, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such effective date.

(5) That, for the purpose of determining liability of the registrant under the Securities Act of 1933 to any purchaser in the initial distribution of the securities, the undersigned registrant undertakes that in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

- Any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424;
- Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;

- The portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and

- Any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

(6) That, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to section 13(a) or section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(7) To supplement the prospectus, after the expiration of the warrants, to set forth the results of the warrant offer.

(8) To make prompt delivery of certificates in such denominations and registered in such names as required by the terms of exercise of any warrant exercised during the warrant exercise period.

(9) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of Gardner, State of Colorado, on June 21, 2010.

LIFELOC TECHNOLOGIES, INC.

By: /s/ Barry R. Knott

Barry R. Knott
Chief Executive Officer, President and Treasurer

Pursuant to the requirements of the Securities Act of 1933, this registration statement was signed by the following persons in the capacities and on the dates stated.

Signature	Title	Date
/s/ Barry R. Knott	Chief Executive Officer, President and Treasurer (Principal Executive Officer)	June 21, 2010
/s/ Mark A. Lary	Vice President Officer and Director	June 21, 2010
/s/ Vern D. Kornelsen	Director, Chairman, Secretary and Chief Financial Officer	June 21, 2010
/s/ Kristie L. LaRose	Vice President, Administration and Finance (Principal Financial Officer and Principal Accounting Officer)	June 21, 2010
/s/ Alan C. Castrodale	Director	June 21, 2010
/s/ Robert D. Greenlee	Director	June 21, 2010
/s/ Robert H. Summers	Director	June 21, 2010

ARTICLES OF INCORPORATION

OF

EVERGREEN INVESTOR SERVICES, INC.

KNOW ALL MEN BY THESE PRESENTS, that the undersigned natural person, more than twenty-one years of age, acting as incorporator in order to organize and establish a corporation under the Colorado Corporation Code, does hereby adopt the following Articles of Incorporation, to-wit:

ARTICLE I

NAME

The name of the Corporation is Evergreen Investor Services, Inc.

ARTICLE II

REGISTERED OFFICE AND REGISTERED AGENT

The initial registered office of the corporation is 3103 Highway 74, Suite 220, Evergreen, Colorado and the name of the initial registered agent of the corporation at such address is Kirby Phillips.

ARTICLE III

DURATION

The corporation shall have perpetual existence.

ARTICLE IV

PURPOSES AND OBJECTIVES

The purpose and objectives for which this corporation is organized is:

Section 1. To engage in all brokerage business andinvestment consultation services permissible for corporations under the- laws of the State of Colorado and specifically set forth under Article Three of the Colorado Corporation Code.

Section 2. To engage in any lawful business permissible for corporations under the laws of the State of Colorado and specifically set forth under Article Three of the Colorado Corporation Code.

ARTICLE V

POWERS

The powers of the corporation shall be those powers presently granted by Article Three of the Colorado Corporation Code under which this corporation is formed, and those powers which may subsequently be granted by amendment to the Colorado Corporation Code. In addition, the corporation shall have the following specific powers:

Section 1. Officers. The corporation shall have the power to elect or appoint officers and agents of the Corporation and to fix their compensation.

Section 2. Capacity. The corporation shall have the power to act as an agent for any individual, association, partnership, corporation or other legal entity.

Section 3. Acquisitions. The corporation shall have the power to receive, acquire, hold, exercise rights arising out of the ownership or possession thereof, sell, or otherwise dispose of, shares or other interest in, or obligations of, individuals, associations, partnerships, corporations or government.

Section 4. Earned Surplus. The corporation shall have the power to receive, acquire, hold, pledge, transfer, or otherwise dispose of shares of the corporation, but such shares may only be purchased, directly or indirectly, out of earned surplus.

Section 5. Gifts. The corporation shall have the power to make gifts or contributions for the public welfare or for charitable, scientific or educational purposes.

ARTICLE VI

QUORUM TOR SHAREHOLDER MEETINGS

A quorum for purposes of shareholder meetings shall consist of the holders of a majority of the outstanding shares of stock, represented in person or by proxy, or, by holders of a lesser proportion of the shares entitled to vote thereon, represented in person or by proxy as the directors shall provide in the Bylaws, but in no case shall a quorum of shareholders consist of holders of less than one-third of the shares entitled to vote thereon.

ARTICIE VII

CAPITAL STOCK

Section 1. Authorized Shares. The total number of shares Which this corporation is authorized to issue is 10,000 shares of common stock par value of fifty cents each ($.50).

Section 2. Voting Rights of Shareholders. Each holder of the common stock shall be entitled to one vote for each share of stock standing in his name on the books of the corporation. Cumulative voting shall not be permitted.

Section 3. Consideration for Shares. The common stock shall be issued for such consideration as shall be fixed from time to time by the Board of Directors. In the absence of fraud, the judgment of the Directors as to the value of any property or services received in full or partial payment "or shares shall be conclusive. When shares are issued upon payment of the consideration fixed by the Board of Directors, such shares shall be taken to be fully paid stock and shall be non-assessable.

Section 4. Pre-Emptive Rights. Before publicly selling or offering to sell any additional shares of its common stock or any stock, bonds, debentures or other securities, convertible into common stock, the corporation shall first offer to all of the holders of its common stock the right to purchase a pro rata proportion of such common stock or such securities convertible into common stock. This section shall apply only to sales or offerings in exchange for cash. Specifically excluded are transfers in exchange for specific goods or personal services.

Section 5. Transfer Restrictions. The Corporation shall have a right to impose restrictions upon the transfer of any shares of its common stock, or any interest therein, provided that such restrictions as may be so imposed or notice of the substance thereof shall be set forth upon the face or back of the certificates representing such shares of common stock.

ARTICLE VIII

MANAGEMENT

For the management of the business, and for the conduct of the affairs of the corporation and for the further definition, limitation, and regulation of the powers of the corporation and its directors and shareholders, it is further provided:

Section 1. Size of Board. The number of Directors shall be fixed in accordance with the Bylaws. So long as the number of Directors shall be less than three, no shares of this corporation may be issued and held of record by more shareholders than there are Directors. Any shares issued in violation of this paragraph shall be null and void. This provision shall also constitute a restriction on the transfer of shares and a legend shall be conspicuously placed on each certificate respecting shares preventing transfer of the shares to more shareholders than there are Directors. The initial Board of Directors of the Corporation shall consist of two (2) members, their names and addresses are as follows:

Kirby Phillips, 3103 Hwy 74, #220, Evergreen, Colorado
Dean Davis, 3103 Hwy 74, #220, Evergreen, Colorado

Section 2. Powers of Board. In furtherance and not in limitation of the powers conferred by the State of Colorado, the board of Directors is expressly authorized and empowered:

A. Bylaws. To make, alter, amend and repeal the Bylaws, subject to the power of the shareholders to alter or repeal the Bylaws made by the Board of Directors.

B. Books and Records. Subject to the applicable provisions of the Bylaws then in effect, to determine, from time to time, whether and to what extent, and at what times and places, and under what conditions and regulations, the accounts and books of the corporation or any of them, shall be open to shareholder inspection. No shareholder shall have any right to inspect any of the accounts, books, or documents of the corporation, except as permitted by law, unless and until authorized to do so by resolution of the Board of Directors or of the shareholders of the corporation.

C. Power to Borrow. To authorize and issue, without shareholder consent, obligations of the corporation, secured and unsecured, under such terms and conditions as the Board, in its sole discretion, may determine, and to pledge, or mortgage, as security therefore, any real or personal property of the corporation, including after-acquired property.

D. Dividends. To determine Whether any and, if so, what part, of the earned surplus of the corporation shall be paid in dividends to the shareholders, and to direct and determine otherwise use and disposition of any such earned surplus.

E. Profits. To fix, from time to time, the amount of the profits of the corporation to be reserved as working capital or for any other lawful purpose.

F. Fringe Benefits. To establish bonus, profit- sharing, stock option or other types of incentive compensation plans for the employees, including officers and directors of the corporation, and to fix the amount of profits to be shared, or distributed, and to determine the persons to participate in any such plans and the amount of their respective participations.

G. Compensation. To provide for the reasonable compensation of its own members by Bylaws, and to fix the terms and conditions upon which such compensation will be paid.

H. Not in Limitation. In addition to the powers and authority hereinabove, or by statute, expressly conferred upon it, the Board of Directors may exercise all such powers and do all such acts and things as may be exercised or done by the corporation, subject, nevertheless, to the provisions of the laws of the State of Colorado, of these Articles of Incorporation, and of the Bylaws of the corporation.

Section 3. Interested Directors. No contract or transaction between this corporation and any of its directors, or between this corporation and any other corporation, firm, association or other legal entity shall be invalidated by reason of the fact that the director of the corporation has a direct or indirect interest, pecuniary or otherwise, in such corporation, firm, association or legal entity, or because the interested director was present at the meeting of the Board of Directors which acted upon or in reference to such contract or transaction.

Section 4. Incorporator. The name and address of the incorporator is as follows:

Kirby Phillips, 3103 Hwy 74, #220, Evergreen, Colorado

Section 5. Indemnification. The corporation shall indemnify any person who is or was a director, officer, employeeor agent of the corporation to the full extent which presently is or may in the future be permitted under Colorado Statutes as contained in Article Three of the Colorado Corporation Code.

ARTICLE IX

AMENDMENT OF ARTICLES

The provisions of these Articles of Incorporation may be amended, alteredor repealed from time to time in the manner prescribed by the laws of the State of Colorado, and with a majority vote of the shareholders. All rights herein conferred on the directors, officers and shareholders are granted and subject to this reservation.

ARTICLE X

PLACE OF MEETING, CORPORATE BOOKS

Subject to the laws of the State of Colorado, the shareholders and the directors shall have power to hold their meetings, and the directors shall have power to have an office or offices and to maintain the books of the corporation outside the State of Colorado, at such place or places as may from time to time be designated in the Bylaws or by appropriate resolution.

IN WITNESS WHEREOF, I, the undersigned, being the incorporator of the annexed and foregoing Articles of Incorporation, for the purposes of organizing and establishing a corporation under the Colorado Corporation Code, execute these Articles of Incorporation aforesaid and declare that the statements therein contained are true and accordingly have hereunto set my hand and seal this 29th day of December, 1983.

/s/ Kirby Phillips

Kirby Phillips

STATE OF COLORADO)
) ss.
COUNTY OF JEFFERSON)

I, Connie Janelle Fields, a Notary Public hereby certify that on the 29th day of December, 1983 personally appeared before me Kirby Phillips, being by me first duly sworn, severally declared that he is the person who signed the foregoing document as Incorporator, and that the statements therein contained are true.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 29th day of December, 1983.

/s/ Connie Janelle Fields

Notary Public
My Commission Expires: 9-26-87
Address: 3103 Hwy 74 #120
Evergreen, CO 80339

Submit in Duplicate

Filing fee $22.50

This document must be typewritten

MAIL TO:
Colorado Secretary of State
Corporations Office
1560 Broadway. Suite 200
Denver. Colorado 80202
(303) 866 2361

ARTICLES OF AMENDMENT
to the
ARTICLES OF INCORPORATION

Pursuant to the provisions of **thc** Colorado Corporation Code. the undersigned corporation adopts the following Articles of Amendments to its Articles of Incorporation:

FIRST The name the corporation is (note 1) **Evergreen Investor Services, Inc.**

SECOND: The following amendment to the Articles of Incorporation was adopted on July 10 1986 as prescribed by the Colorado Corporation Code, in the manner marked with an X below:

_____ Such amendment was adopted by the board of directors where no shares have been issued

X Such amendment was adopted by a vote of the shareholders. The number of shares voted for the amendment was sufficient for approval.

That the number of authorized shares shall be increased from 10,000 to 1,000,000. The remaining 990,000 shares will have a reduced par value of $0.01.

THIRD: The manner, if not set forth in such amendment, in which any exchange, reclassification. or cancellation of issued shares provided for in the amendment shall be effected, as follows: No change

Submit in Duplicate

Filing fee $22.50

This document must be typewritten

MAIL TO:
Colorado Secretary of State
Corporations Office
1560 Broadway. Suite 200
Denver. Colorado 80202
(303) 866 2361

ARTICLES OF AMENDMENT
to the
ARTICLES OF INCORPORATION

Pursuant to the provisions of the Colorado Corporation Code, the undersigned corporation adopts the following Articles of Amendments to its Articles of Incorporation:

FIRST The name of the corporation is (note 1). Evergreen Investor Services, Inc.

SECOND: The following amendment to the Articles of Incorporation was adopted on August 18 1986 as prescribed by the Colorado Corporation Code, in the manner marked with an X below:

_____ Such amendment was adopted by the board of directors where no shares have been issued

X Such amendment was adopted by a vote of the shareholders. The number of shares voted for the amendment was sufficient for approval.

It was resolved that the Articles of Incorporation shall be amended to change the name of the corporation from Evergreen Investor Services, Inc., to Life Loc, Inc.

THIRD: The manner, if not set forth in such amendment, in which any exchange, reclassification, or cancellation of issued shares provided for in the amendment shall be effected as follows: No Change

FOURTH: The manner in which such amendment effects a change in the amount of stated capital, and the amount of stated capital as changed by such amendment, are as follows: No Change

Evergreen Investor Services, Inc. (Note 1)

By: /s/ Kirby Phillips
Its Corporate President

(Note 2)

and /s/ Mary Phillips
Its Corporate Secretary

(Note 3)

Its _____ Director

NOTES: 1. Exact current name of coporporation adopting the Articles of Amendmeents. (If this is a change of name amendment, the name before the amendment is filed).
2. Signatures and title of officers signing for the corporation.
3. Where no shares have been issued, signature of a director.

Exhibit 3.4

ARTICLES OF AMENDMENT

TO THE

ARTICLES OF INCORPORATION

LIFE-LOC, INC.

04-22-91 14:00
911027957 $30.00

Pursuant to the provisions of the Colorado Corporation Act, the undersigned corporation adopts the following Articles of Amendment to the Articles of Incorporation:

FIRST: The name of the corporation is: LIFE-LOC, INC.

SECOND: The following amendment was adopted by the shareholders on April 18, 1988, the number of shares voted being sufficient for approval and in the manner prescribed by the Colorado Corporation Act:

I. Section 4, of ARTICLE VII of the Articles of Incorporation is hereby deleted in its entirety.

LIFE-LOC, INC.

By: /s/ Thomas Hoekelman
Thomas Hoekelman

ATTEST:

/s/ Mary Phillips
Mary Phillips, Secretary

STATE OF COLORADO)
) ss.
COUNTY OF BOULDER)

SUBSCRIBED AND SWORN to before me, a Notary Public, this 28 day of March 1991, by Thomas Hoekelman, President of LIFE-LOC, INC., a Colorado corporation, who acknowledged that he signed the foregoing Articles of Amendment as his free and voluntary act and deed for the uses and purposes therein set forth, and that the facts contained therein are true.

10/7/91

/s/ Margaret H. Setzmann
NOTARY

COMPUTER UPDATE COMPLETE
JAT

ARTICLES OF AMENDMENT

TO THE

ARTICLES OF INCORPORATION

LIFE-LOC, INC.

04-22-91
911027956 $30.00

Pursuant to the provisions of the Colorado Corporation Act, the undersigned corporation adopts the following Articles of Amendment to the Articles of Incorporation:

FIRST: The name of the corporation is: LIFE-LOC, INC.

SECOND: The following amendments were adopted by the shareholders on April 1, 1991, the number of shares voted being sufficient for approval and in the manner prescribed by the Colorado Corporation Act:

I. Section 1, of ARTICLE VII of the Articles of Incorporation is hereby amended in its entirety to read as follows:

The total number of shares of capital stock which this corporation shall have authority to issue is 20,000,000 shares, no par value per share, and shall be designated as common stock.

II. A new ARTICLE XI will be added to the Articles of Incorporation of the Corporation, as follows:

ARTICLE XI
Limitation of Liability

To the fullest extent permitted by the Colorado Corporation Code, as the same exists or may hereafter be amended, a director of this corporation shall not be liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director.

III. Each share of the Corporation's common stock which is currently issued and outstanding is changed into two (2) shares of such common stock.

LIFE-LOC, INC.

By: /s/ Thomas Hoekelman
Thomas Hoekelman, Pres.

ATTEST:

/s/ Mary Phillips
Mary Phillips, Secretary

COMPUTER UPDATE COMPLETE
JAT

STATE OF COLORADO)
) ss.
COUNTY OF BOULDER)

SUBSCRIBED AND SWORN to before me, a Notary Public,19 this day of April, 1991, by Thomas Hoekelman, President of LIFE-LOC, INC., a Colorado corporation, who acknowledged that he signed the foregoing Articles of Amendment as his free and voluntary act and deed for the uses and purposes therein set forth, and that the facts contained therein are true.

WITNESS my hand and official seal.

My commission expires: 10-19-91

/s/ Joan Bachman
Notary Public

SS. Form D-4 (Rev. 8/92)
Submit in Duplicate

Filing Fee $25.00

This document must be typewritten

MAIL TO:
Colorado Secretary of State
Corporations Office
1560 Broadway. Suite 200
Denver. Colorado 80202
(303) 866 2361

931054953 $25.00
SOS 05-26-93 10:49

ARTICLES OF AMENDMENT
to the
ARTICLES OF INCORPORATION

CHANGE OF NAME

Pursuant to the provisions of thc Colorado Corporation Code. the undersigned corporation adopts the following Articles of Amendments to its Articles of Incorporation:

FIRST The name the corporation is (note 1) **Life Loc, Inc.**

SECOND: The following amendment to the Articles of Incorporation was adopted on May 10, 1993 as prescribed by the Colorado Corporation Code, in the manner marked with an X below:

_____ Such amendment was adopted by the board of directors where no shares have been issued

XX Such amendment was adopted by a vote of the shareholders. The number of shares voted for the amendment was sufficient for approval.

1. Issuance of 10 million shares of series preferred stock, with terms to be established by Board of Directors.

2. Name of corporation was changed to Alcor Systems, Inc.

THIRD: The manner, if not set forth in such amendment, in which any exchange, reclassification. orcancellation of issued shares provided for in the amendment shall be effected, as follows: N/A

FOURTH: The manner in which such amendment effects a change in the amount of stated capital, and the amount of stated capital as changed by such amendment, are as follows: N/A

Life Loc, Inc. (Note 1)

Thomas Hoekelman

By: /s/ Thomas Hoekelman
Its _____ President

(Note 2)

Vern D. Kornelson

and /s/ Vern D. Kornelson
Its _____ Secretary

(Note 3)

_____
Its _____ Director

NOTES: 1. Exact current name of coporporation adopting the Articles of Amendmeents. (If this is a change of name amendment, the name before the amendment is filed).

2. Signatures and title of officers signing for the corporation.
3. Where no shares have been issued, signature of a director.

Submit in Duplicate

Filing Fee $30.00*

Must be Typewritten (Black)

MAIL TO:
Colorado Secretary of State
Corporations Office
1560 Broadway. Suite 200
Denver. Colorado 80202
(303) 866 2361

For Office Use Only

941046718 $25.00
SOS 03-07-94 09:54

ARTICLES OF AMENDMENT
to the
ARTICLES OF INCORPORATION

Pursuant to the provisions of the Colorado Corporation Code, the undersigned corporation adopts the following Articles of Amendments to its Articles of Incorporation:

FIRST: The name the corporation is (note 1) **ALCOR SYSTEMS, INC.**

SECOND: The following amendment to the Articles of Incorporation was adopted on May 11, 1992 as prescribed by the Colorado Corporation Code, in the manner marked with an X below:

_____ Such amendment was adopted by the board of directors where no shares have been issued

X Such amendment was adopted by a vote of the shareholders. The number of shares voted for the amendment was sufficient for approval.

A new ARTICLE XII will be added to the Articles of Incorporation of the corporation, as follows:

ARTICLE XII

Pursuant to Section 7-4-118(2), C.R.S., any action to be taken by the shareholders of the corporation for which the Colorado Corporation Code requires the vote or concurrence of the holders of two-thirds of the outstanding shares entitled to vote thereon, or any class or series, shall only require the vote or concurrence of the holders of a majority of such shares or class or series thereof.

THIRD: The manner, if not set forth in such amendment, in which any exchange, reclassification. or cancellation of issued shares provided for in the amendment shall be effected, as follows: No Change

FOURTH: The manner in which such amendment effects a change in the amount of stated capital, and the amount of stated capital as changed by such amendment, are as follows: No Change

ALCOR SYSTEMS, INC. (Note 1)

By: //signed//
Its Vice President

(Note 2)

and /s/ Vern D. Kornelson
Its _____ Secretary

(Note 3)

Its _____ Director

NOTES: 1. Exact current name of coporporation adopting the Articles of Amendmeents. (If this is a change of name amendment, the name before the amendment is filed).
2. Signatures and title of officers signing for the corporation.
3. Where no shares have been issued, signature of a director.

MUST BE TYPED
FILING FEE: $25.00
MUST SUBMIT TWO COPIES

Mail to: Secretary of State

Corporations Section
1560 Broadway. Suite 200
Denver. Colorado 80202
(303) 894-2251
Fax (303) 894-2242

For Office Use Only

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$25.00
SECRETARY OF STATE
12-16-97 15:09:24

ARTICLES OF AMENDMENT
to the
ARTICLES OF INCORPORATION

Pursuant to the provisions of the Colorado Business Corporation Act, the undersigned corporation adopts the following Articles of Amendment to its Articles of Incorporation:

FIRST: The name of the corporation is ALCOR SYSTEMS. INC.

SECOND: The following amendment to the Articles of Incorporation was adopted on November 17, 1997, as prescribed by the Colorado Business Corporation Act, in the manner marked with an X below:

_____ No shares have been issued or Directors Elected - Action by Incorporators

_____ No shares have been issued but Directors Elected - Action by Directors

_____ Such amendment was adopted by the board of directors where no shares have been issued

X Such amendment was adopted by a vote of the shareholders. The number of shares voted for the amendment was sufficient for approval.

ARTICLE XII is hereby added to the Articles of Incorporation, as follows:

ARTICLE XII
Stock Split

Each share of the Corporation's Common Stock issued at the time these Articles of Amendment to Articles of Incorporation are filed and accepted by the Colorado Secretary of State shall be and hereby is automatically changed and reclassified without further action into 1/10th of one share of the Corporation's Common Stock.

THIRD: N/A

ALCOR SYSTEMS. INC.

Dated: December 10, 1997

By: /s/ Frank Traylor
Frank Traylor
Its: President
Title

For Office Use Only 002

FILED

VICTORIA BUCKLEY
COLORADO SECRETARY OF STATE

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$25.00
SECRETARY OF STATE
07-15-1998 14:14:01

Mail to: Secretary of State
Corporations Section
1560 Broadway. Suite 200
Denver. Colorado 80202
(303) 894-2251

MUST BE TYPED Fax (303) 894-242

FILING FEE: $25.00
MUST SUBMIT TWO COPIES

ARTICLES OF AMENDMENT to the ARTICLES OF INCORPORATION

Pursuant to the provisions of the Colorado Business Corporation Act, the undersigned corporation adopts the following Articles of Amendment to its Articles of Incorporation:

FIRST: The name of the corporation is ALCOR SYSTEMS. INC.

SECOND: The following amendment to the Articles of Incorporation was adopted on July 15, 1998, as prescribed by the Colorado Business Corporation Act, in the manner marked with an X below:

_____ No shares have been issued or Directors Elected - Action by Incorporators

_____ No shares have been issued but Directors Elected - Action by Directors

_____ Such amendment was adopted by the board of directors where no shares have been issued and shareholder action was not required.

X Such amendment was adopted by a vote of the shareholders. The number of shares voted for the amendment was sufficient for approval.

THIRD: If changing corporate name, the new name of the corporation is Lifeloc Technologies, Inc.

FOURTH: The manner in which such amendment effects a change in the amount of stated capital, and the amount of stated capital as changed by such amendment, are as follows:

If these amendments are to have a delayed effective date, please list that date: _____
(Not to exceed ninety (90) days from the date of filing)

ALCOR SYSTEMS. INC.

Signature /s/ Vern D. Kornelson

Title Secretary

COMPUTER UDATE COMPLETE
BJS

For Office Use Only 002

Mail to: Secretary of State
Corporations Section
1560 Broadway. Suite 200
Denver. Colorado 80202
(303) 894-2251

FILED

VICTORIA BUCKLEY
COLORADO SECRETARY OF STATE

MUST BE TYPED Fax (303) 894-242

FILING FEE: $25.00
MUST SUBMIT TWO COPIES

Please include a typed self-addressed envelope

ARTICLES OF AMENDMENT
to the
ARTICLES OF INCORPORATION

19991079667 M
$25.00
SECRETARY OF STATE
04-27-1999 15:04:08

STOCK CHANGE

Pursuant to the provisions of the Colorado Business Corporation Act, the undersigned corporation adopts the following Articles of Amendment to its Articles of Incorporation:

FIRST: The name of the corporation is Lifeloc Technologies Inc.

SECOND: The following amendment to the Articles of Incorporation was adopted on April 1, 1994, as prescribed by the Colorado Business Corporation Act, in the manner marked with an X below:

_____ No shares have been issued or Directors Elected - Action by Incorporators

_____ No shares have been issued but Directors Elected - Action by Directors

_____ Such amendment was adopted by the board of directors where no shares have been issued and shareholder action was not required.

X Such amendment was adopted by a vote of the shareholders. The number of shares voted for the amendment was sufficient for approval.

ARTICLE VII, Section 1 is hereby amended as follows:

ARTICLE VII

CAPITAL STOCK

Section 1. Authorized Shares. The total number of common shares which this corporation is authorized to issue is 50 million, no par value. The total number of series preferred stock, with terms to be established by the Board of Directors, which this corporation is authorized to issue is 10 million.

THIRD: If changing corporate name, the new name of the corporation is _____

FOURTH: The manner in which such amendment effects a change in the amount of stated capital, and the amount of stated capital as changed by such amendment, are as follows:

If these amendments are to have a delayed effective date, please list that date: _____
(Not to exceed ninety (90) days from the date of filing)

ALCOR SYSTEMS. INC.

Signature /s/ Vern D. Kornelson

Title Secretary

LIFELOC TECHNOLOGIES, INC.
BY-LAWS

ARTICLE I. - Offices

The principal offices of the corporation shall initially be at Wheat Ridge, Colorado, but the board of directors, in its discretion, may keep and maintain offices wherever the business of the corporation may require.

ARTICLE II. - Meeting of Shareholders

1. Time and Place: Any meeting of the shareholders, other than the annual meeting, may be held at such time and place, within or outside of the State of Colorado, as may be fixed by the board of directors or as shall be specified in the notice of the meeting or waiver of notice of the meeting.

2. Annual Meeting: The annual meeting of the shareholders shall be held at the offices of the corporation or at such other place and at such date as the board of directors may determine.

3. Special Meetings: Special meetings of the shareholders, for any purpose or purposes, may be called by the president, the board of directors, or the holders of not less than one tenth of all of the shares entitled to vote at the meeting.

4. Record Date: For the purpose of determining shareholders entitled to notice of or to vote at any meeting of shareholders or any adjournment thereof, or entitled to receive payment of any dividend, or in order to make a determination of shareholders for any other proper purpose, the board of directors may fix in advance a date as the record date for any such determination of shareholders. The record date may not be fixed more than fifty and, in the case of a meeting of the shareholders, not less than ten days before the date of the proposed action, except when it is proposed that the authorized shares be increased, in which case the record date shall be set not less than thirty days before the date of such action.

5. Voting List: At least ten days before each meeting of shareholders, the secretary of the corporation shall make a complete list of the shareholders entitled to vote at such meeting, or any adjournment of such meeting, which list shall be arranged in alphabetical order and shall contain the address of and number of shares held by each shareholder. This list shall be kept on file at the principal office of the corporation for a period of ten days prior to such meeting, shall be produced and kept open at the meeting, and shall be subject to inspection by any shareholder during usual business hours of the corporation and during the whole time of the meeting.

6. Notices: Written notice stating the place, day and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten nor more than fifty days before the date of the meeting unless it is proposed that the authorized shares be increased in which case at least thirty days notice shall be given. Notice shall be given either personally or by mail, by or at the direction of the president, the secretary, or the officer or persons calling the meeting, to each shareholder of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, postage prepaid, addressed to the shareholder at his address as it appears on the stock transfer books of the corporation. If delivered personally, such notice shall be deemed to be delivered when handed to the shareholder or deposited at his address as it appears on the stock transfer books of the corporation.

7. Quorum: Except as otherwise provided by law, a majority of the shares present in person or by proxy, shall constitute a quorum at any meeting of the shareholders. If a quorum shall not be present or represented, the shareholders present in person or by proxy may adjourn the meeting from time to time, without notice other than announcement at the meeting, for a period not to exceed sixty days at any one adjournment, until the number of shares required for a quorum shall be present. At any such adjourned meeting at which a quorum is represented, any business may be transacted which might have been transacted at the meeting originally called. The shareholders present or represented at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough shareholders to leave less than a quorum.

8. Voting: Except as otherwise provided by law, all matters shall be decided by a vote of the majority of the shares represented at the meeting and entitled to vote on the subject matter. Each outstanding share shall be entitled to one vote on each matter submitted to a vote of the shareholders. A shareholder may vote either in person or by proxy executed in writing by the shareholder or by his duly authorized attorney-in-fact. Such proxy shall be filed with the secretary of the corporation before or at the time of the meeting. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided in the proxy. Voting shall be oral, except as otherwise provided by law, but shall be by written ballot if such written vote is demanded by any shareholder present in person or by proxy and entitled to vote.

9. Waiver: Whenever law or these bylaws require a notice of a meeting to be given, a written waiver of notice signed by a shareholder entitled to notice, whether before, at, or after the time stated in the notice, shall be equivalent to the giving of notice. Attendance of a shareholder in person or by proxy at a meeting shall constitute a waiver of notice of a meeting, except where a shareholder attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

10. Action by Shareholders Without a Meeting: Any action required to or which may be taken at a meeting of the shareholders may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the shareholders entitled to vote with respect to such action. Such consent may be executed in counterparts and shall be effective as of the date of the last signature thereon.

ARTICLE III.-Directors

The business and affairs of the corporation shall be managed by a board of directors which shall exercise all the powers of the corporation, except as otherwise provided by Colorado law or the articles of incorporation of the corporation.

1. Number: The number of directors of this corporation shall be a minimum of three and not more than nine.

2. Election: The board of directors shall be elected at the annual meeting of the shareholders or at a special meeting called for that purpose.

3. Term: Each director shall be elected to hold office until the next annual meeting of shareholders and until his successor shall have been elected and qualified.

4. Removal and Resignation: Any director may be removed at a meeting expressly called for that purpose, with or without cause, by a vote of the holders of the majority of shares entitled to vote at an election of directors. Any director may resign at any time by giving written notice to the president or to the secretary, and acceptance of such resignation shall not be necessary to make it effective unless the notice so provides.

5. Vacancies: Any vacancy occurring on the board of directors and any directorship to be filled by reason of an increase in the size of the board of directors shall be filled by the affirmative vote of a majority, though less than a quorum, of the remaining directors. A director elected to fill a vacancy shall hold office during the unexpired term of his predecessor in office. A director elected to fill a position resulting from an increase in the board of directors shall hold office until the next annual meeting of shareholders and until his successor shall have been elected and qualified.

6. Meetings: A regular meeting of the board of directors shall be held immediately after, and at the same place as, the annual meeting of shareholders. No notice of this meeting of the board of directors need be given. The board of directors may, by resolution, establish a time and place for additional regular meetings which may thereafter be held without further notice. Special meetings of the board of directors may be called by the president or by any member of the board of directors.

7. Notices: Notice of a special meeting stating the date, hour and place of such meeting shall be given to each member of the board of directors by the secretary, the president or the member of the board calling the meeting. The notice may be deposited in the United States mail at least seven days before the meeting addressed to the director at the last address he has furnished to the corporation for this purpose, *and any* notice so mailed shall be deemed to have been given at the time it is mailed. Notice may also be given at least two days before the meeting in person, or by telephone, prepaid telegram, telex, cablegram, facsimile, or radiogram, and such notice shall be deemed to have been given at the time when the personal or telephone conversation occurs, or when the telegram, telex, cablegram, facsimile, or radiogram is either personally delivered to the director or delivered to the last address of the director furnished to the corporation by him for this purpose.

8. Quorum: Except as provided in subsection 5 of this Article III, a majority of the number of directors fixed by these bylaws shall constitute a quorum for the transaction of business at aii meetings of the board of directors. The act of a majority of the directors present at any meeting at which a quorum is present shall be the act of the board of directors, except as otherwise specifically required by law.

9. Waiver: A written waiver of notice signed by a director entitled to notice, whether before, at, or after the time stated therein, shall be equivalent to the giving of notice. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

10. Attendance by Telephone: Any director shall be deemed present at a meeting of directors if that director is present by conference telephone or similar communications equipment which allows all participants to hear and be heard by each other or otherwise participate immediately, fully and continuously during the meeting.

11. Action by Directors Without a Meeting: Any action required to or which may be taken at a meeting of the board of directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the directors entitled to vote with respect to the proposed action. Such consent may be executed in counterparts and shall be effective as of the date of the last signature thereon.

ARTICLE IV. - Committees

The board of directors may establish committees for the performance of delegated or designated functions to the extent permitted by law. The board of directors may provide, by resolution or amendment to the bylaws, such powers, limitations, and procedures for committees as the board deems advisable.

ARTICLE V. - Officers

1. Number and Election: The officers of the corporation shall be a president, one or more vice presidents, a secretary and a treasurer, who shall be elected by the board of directors. Any two or more offices may be held by the same person, except the offices of president and secretary. In addition, the president may appoint one or more assistant secretaries or assistant treasurers, and such other subordinate officers as he shall deem necessary, who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the president.

2. President: The president shall be the chief executive officer of the corporation and shall preside at all meetings of shareholders and of the board of directors. Subject to the direction and control of the board of directors, he shall have general and active management of the business of the corporation and shall see that all orders and resolutions of the board of directors are carried into effect. He may execute contracts, deeds and other instruments on behalf of the corporation as is necessary and appropriate. He shall perform such additional functions and duties as are appropriate and customary for the office of president and as the board of directors may prescribe from time to time.

3. Vice President: The vice president, or, if there shall be more than one, the vice presidents in the order determined by the board of directors, shall be the officer(s) next in seniority after the president. Each vice president shall also perform such duties and exercise such powers as are appropriate and as are prescribed by the board of directors or president. Upon the death, absence or disability of the president, the vice president, or, if there shall be more than one, the vice presidents in the order determined by the board of directors, shall perform the duties and exercise the powers of the president.

4. Secretary: The secretary shall give, or cause to be given, notice of all meetings of the shareholders and special meetings of the board of directors, keep the minutes of such meetings, have charge of the corporate seal and stock records, be responsible for the maintenance of all corporate records and files and the preparation and filing of reports to governmental agencies, other than tax returns, have authority to affix the corporate seal to any instrument requiring it (and, when so affixed, it may be attested by his signature), and perform such other functions and duties as are appropriate and customary for the office of secretary as the board of directors or the president may prescribe from time to time.

5. Assistant Secretary: The assistant secretary, or, if there shall be more than one, the assistant secretaries in the order determined by the board of directors or the president, shall, in the death, absence or disability of the secretary or in case such duties are specifically delegated to him by the board of directors, president or secretary, perform the duties and exercise the powers of the secretary and shall, under the supervision of the secretary, perform such other duties and have such other powers as may be prescribed from time to time by the board of directors or the president.

6. Treasurer: The treasurer shall have control of the funds and the care and custody of all stocks, bonds and other securities owned by the corporation and shall be responsible for the preparation and filing of tax returns. He shall receive all moneys paid to the corporation and shall have authority to give receipts and vouchers, to sign and endorse checks and warrants in its name and on its behalf, and give full discharge for the same. He shall also have charge of disbursement of the funds of the corporation, shall keep full and accurate records of the receipts and disbursements, and shall deposit all moneys and other valuable effects in the name and to the credit of the corporation in such depositories as shall be designated by the board of directors. He shall perform such other duties and have such other powers as are appropriate and customary for the office of treasurer as the board of directors or president may prescribe from time to time.

7. Assistant Treasurer: The assistant treasurer, or, if there shall be more than one, the assistant treasurers in the order determined by the board of directors or the president, shall, in the death, absence or disability of the treasurer or in case such duties are specifically delegated to him by the board of directors, president or treasurer, perform the duties and exercise the powers of the treasurer, and shall, under the supervision of the treasurer, perform such other duties and have such other powers as the board of directors or the president may prescribe from time to time.

8. Removal and Resignation: Any officer elected or appointed by the board of directors may be removed at any time by the affirmative vote of a majority of the board of directors. Any officer appointed by the president may be removed at any time by the board of directors or the president. Any officer may resign at any time by giving written notice of his resignation to the president or to the secretary, and acceptance of such resignation shall not be necessary to make it effective, unless the notice so provides. Any vacancy occurring in any office, the election or appointment to which is made by the board of directors, shall be filled by the board of directors. Any vacancy occurring in any other office of the corporation may be filled by the president for the unexpired portion of the term.

9. Compensation: Officers shall receive such compensation for their services as may be authorized or ratified by the board of directors. Election or appointment of an officer shall not of itself create a contract right to compensation for services performed as such officer.

ARTICLE VI. - Indemnification

1. To the fullest extent permitted or provided by the Colorado Business Corporation Act, as amended from time to time, the corporation shall indemnify any person against all liability and expense incurred by reason of the fact that he is or was a director or officer of the corporation or, while serving as a director or officer of the corporation, he is or was serving at the request of the corporation as a director, officer, partner, or trustee of, or in any similar managerial or fiduciary position of, or as an employee or agent of, another corporation, partnership, joint venture, trust, association, or other entity. In addition to the foregoing obligation of indemnification, and with a view to giving the person covered by these provisions the broadest possible indemnity, the corporation shall also indemnify persons as provided in the succeeding paragraphs of this Article VI.

2. The corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the corporation), by reason of the fact that he is or was a director or officer of the corporation or, while serving as a director or officer of the corporation, he is or was serving at the request of the corporation as a director, *officer,* partner, or trustee of, or in any similar managerial or fiduciary position of, or as an employee or agent of, another corporation, partnership, joint venture, trust, association, or other entity, against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit, or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, or conviction or upon a plea of nolo contendere or its equivalent shall not of itself create a presumption that the person did not act in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

3. The corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that he is or was a director or officer of the corporation or, while serving as a director or officer of the corporation, he is or was serving at the request of the corporation as a director, officer, partner, or trustee of, or in any similar managerial or fiduciary position of, or as an employee or agent of, another corporation, partnership, joint venture, trust, association or other entity against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith in a manner he reasonably believed to be in or not opposed to the best interests of the corporation; but no such indemnification shall be made in respect of any claim, issue, or matter as to which such person has been adjudged to be liable for negligence or misconduct in the performance of his duty to the corporation unless, and then only to the extent that, the court in which such action or suit was brought determines upon application that, despite the adjudication of liability, but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnification for such expenses that such court deems proper.

4. To the extent that a person entitled to indemnity under paragraph 2 or 3 of this Article VI has been successful on the merits in defense of any action, suit, or proceeding referred to in paragraph 2 or 3 of this Article VI or in defense of any claim, issue, or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith.

5. Any indemnification under paragraph 2 or 3 of this Article VI (unless ordered by a court) shall be made by the corporation only as authorized in the specific case upon a determination that indemnification of the person seeking indemnification is proper in the circumstances because he has met the applicable standard of conduct set forth in paragraph 2 or 3. Such determination shall be made by the board of directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit, or proceeding, or, if such a quorum is not obtainable or even if obtainable a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or by the shareholders.

6. Expenses (including attorneys' fees) incurred in defending a civil or criminal action, suit, or proceeding may be paid by the corporation in advance of the final disposition of such action, suit, or proceeding as authorized in paragraph 5 of this Article VI upon receipt of an undertaking by or on behalf of the person seeking the advance to repay such amount unless it is ultimately determined that he is entitled to be indemnified by the corporation against such expenses pursuant to this Article VI.

7. The indemnification provided by this Article VI shall not be deemed exclusive of any other rights to which those indemnified may be entitled under these articles of incorporation, any bylaw, agreement, vote of shareholders or disinterested directors, or otherwise, and any procedure provided for by any of the foregoing, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be in the position that entitled him to such indemnification and shall inure to the benefit of heirs, executors, and administrators of such a person. The provisions of this Article VI shall not be deemed to preclude the corporation from indemnifying other persons from similar or other expenses and liabilities as the board of directors or the shareholders may determine in a specific instance or by resolution of general application.

8. The corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, fiduciary, or agent of the corporation or who is or was serving at the request of the corporation as a director, officer, partner, or trustee, or in any similar managerial or fiduciary position, or as an employee or agent of another corporation, partnership, joint venture, trust, or other entity, or any other person against any liability asserted against him and incurred by him in any such capacity or arising out of his status as such, whether or not he would be entitled to indemnification under the provisions of this Article VI.

ARTICLE VII. - Stock

1. Certificates: Certificates representing shares of the capital stock of the corporation shall be in such form as may be approved by the board of directors and shall be signed by the president or any vice president and by the secretary or an assistant secretary, or by any member of the board of directors. All certificates shall be consecutively numbered and the names of the owners, the number of the shares and the date of issue shall be entered on the books of the corporation. Each certificate representing shares shall state upon its face (a) that the corporation is organized under the laws of the State of Colorado, (b) the name of the person to whom issued, (c) the number of shares which the certificate represents (d) the par value of each share represented by the certificate, and (e) any restrictions placed upon the transfer of the shares represented by the certificate.

2. Facsimile Signatures: Where a certificate is signed (1) by a transfer agent other than the corporation or its employee, or (2) by a registrar other than the corporation or its employee, any other signature on the certificate may be facsimile. In case any officer, transfer agent or registrar who has signed, or whose facsimile signature or signatures have been placed upon, any certificate, shall cease to be such officer, transfer agent, or registrar, whether because of death, resignation or otherwise, before the certificate is issued by the corporation, it may nevertheless be issued by the corporation with the same effect as if he were such officer, transfer agent or registrar at the date of issue.

3. Transfers of Stock: Transfers of shares shall be made on the books of the corporation only upon presentation of the certificate or certificates representing such shares properly endorsed by the person or persons appearing upon the face of such certificate to be the owner, or accompanied by a proper transfer or assignment separate from the certificate, except as may otherwise be expressly provided by the statutes of the State of Colorado or by order of a court of competent jurisdiction. The officers or transfer agents of the corporation may, in their discretion, require a signature guaranty before making any transfer. The corporation shall be entitled to treat the person in whose name any shares of stock are registered on its books as the owner of those shares for all purposes, and shall not be bound to recognize any equitable or other claim or interest in the shares on the part of any other person, whether or not the corporation shall have notice of such claim or interest.

ARTICLE VIII. - Seal

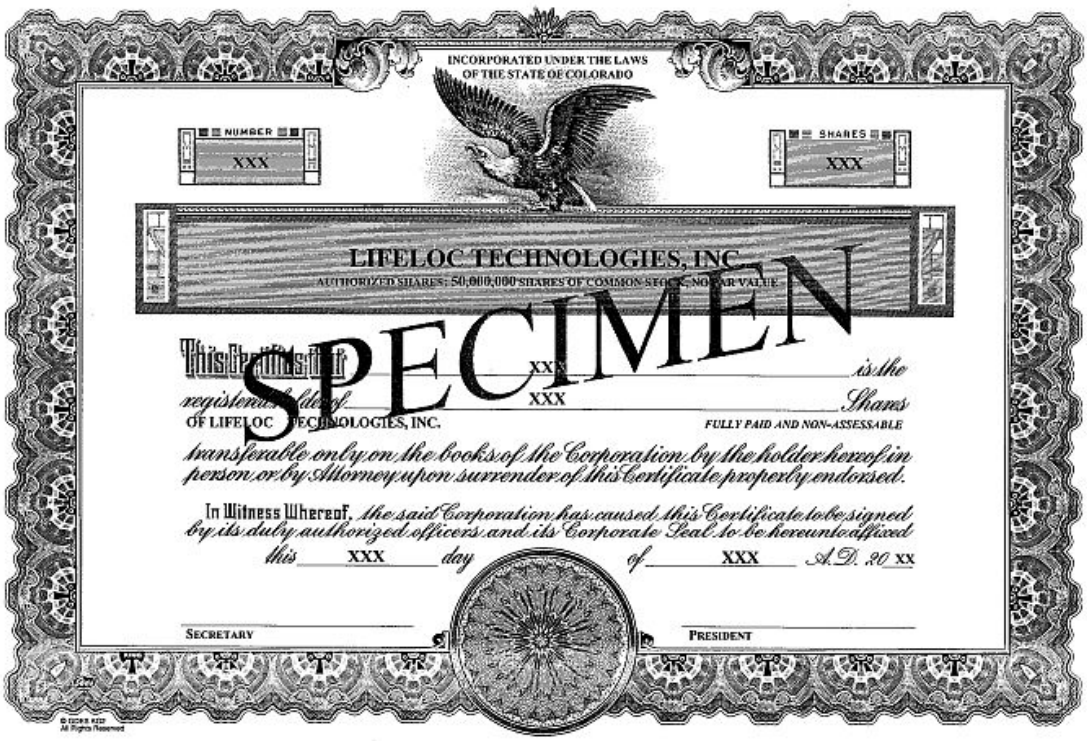
The board of directors may adopt a seal which shall be circular in form and shall bear the name of the corporation and the words "SEAL" AND "COLORADO" which, when adopted, shall constitute the corporate seal of the corporation. The seal may be used by causing it or a facsimile thereof to be impressed or affixed or manually reproduced.

ARTICLE IX. - Fiscal Year

The board of directors may, by resolution, adopt a fiscal year for this corporation.

ARTICLE X. - Amendment

These bylaws may at any time and from time to time be amended, supplemented or repealed by the board of directors.



For Value Received, _____ hereby sell, assign and transfer unto _____

_____ Shares represented by the within Certificate, and do hereby irrevocably constitute and appoint

_____ Attorney to transfer the said Shares on the books of the within named Corporation with full power of substitution in the premises.

Dated _____ A. D. 20__

In presence of

_____

_____

NOTICE: THE SIGNATURE OF THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE, IN EVERY PARTICULAR, WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE WHATEVER.

CERTIFICATE NUMBER: **NUMBER OF SHARES OF COMMON STOCK:**

THIS WARRANT WILL BE VOID IF NOT EXERCISED PRIOR TO 5:00 P.M. MOUNTAIN TIME, MAY 3, 2020

WARRANT
to Purchase
___ SHARES OF COMMON STOCK
NO PAR VALUE
of
LIFELOC TECHNOLOGIES, INC.
a Colorado Corporation

ORIGINAL ISSUE DATE: JUNE ____, 2010

This Warrant Certificate certifies that the undersigned, or his, her or its registered assigns, is the registered holder of warrants (the "***Warrants***") to purchase shares of Common Stock, no par value (the "***Common Stock***"), of Lifeloc Technologies, Inc., a Colorado corporation (the "***Company***"). Each Warrant entitles the holder, upon exercise during the period set forth in the Warrant Agreement referred to below, to receive from the Company that number of fully paid and nonassessable shares of Common Stock (each, a "***Warrant Share***") as set forth below, at the exercise price of $1.00 per share (the "***Exercise Price***"), payable in lawful money of the United States of America upon surrender of this Warrant Certificate and payment of the Exercise Price at the office or agency of the Warrant Agent referred to below, subject to the conditions set forth herein and in the Warrant Agreement. Defined terms used in this Warrant Certificate but not defined herein shall have the meanings given to them in the Warrant Agreement.

Each Warrant is initially exercisable for one fully paid and non-assessable share of Common Stock. The number of Warrant Shares issuable upon exercise of the Warrants is subject to adjustment upon the occurrence of certain events set forth in the Warrant Agreement.

Warrants may be exercised only during the Exercise Period subject to the conditions set forth in the Warrant Agreement and to the extent not exercised by the end of such Exercise Period such Warrants shall become void.

Reference is hereby made to the further provisions of this Warrant Certificate set forth on the reverse hereof and such further provisions shall for all purposes have the same effect as though fully set forth at this place.

This Warrant Certificate shall not be valid unless countersigned by the Warrant Agent, as such term is used in the Warrant Agreement.

This Warrant Certificate shall be governed and construed in accordance with the internal laws of the State of Colorado, without regard to conflicts of laws principles thereof.

LIFELOC TECHNOLOGIES, INC.

By: _____
Name: _____
Title: _____

Countersigned:

_____,
as Warrant Agent

By: _____
Name: _____
Title: _____

THE WARRANTS EVIDENCED BY THIS WARRANT CERTIFICATE ARE PART OF A DULY AUTHORIZED ISSUE OF WARRANTS ENTITLING THE HOLDER ON EXERCISE TO RECEIVE SHARES OF COMMON STOCK AND ARE ISSUED OR TO BE ISSUED PURSUANT TO A WARRANT AGREEMENT DATED AS OF , 2010 (THE "***WARRANT AGREEMENT***"), DULY EXECUTED AND DELIVERED BY THE COMPANY TO _____, A CORPORATION, AS WARRANT AGENT (THE "***WARRANT AGENT***"), WHICH WARRANT AGREEMENT IS HEREBY INCORPORATED BY REFERENCE IN AND MADE A PART OF THIS INSTRUMENT AND IS HEREBY REFERRED TO FOR A DESCRIPTION OF THE RIGHTS, LIMITATION OF RIGHTS, OBLIGATIONS, DUTIES AND IMMUNITIES THEREUNDER OF THE WARRANT AGENT, THE COMPANY AND THE HOLDERS (THE WORDS "***HOLDERS***" OR "***HOLDER***" MEANING THE REGISTERED HOLDERS OR REGISTERED HOLDER) OF THE WARRANTS. A COPY OF THE WARRANT AGREEMENT MAY BE OBTAINED BY THE HOLDER HEREOF UPON WRITTEN REQUEST TO THE COMPANY. DEFINED TERMS USED IN THIS WARRANT CERTIFICATE BUT NOT DEFINED HEREIN SHALL HAVE THE MEANINGS GIVEN TO THEM IN THE WARRANT AGREEMENT.

WARRANTS MAY BE EXERCISED AT ANY TIME DURING THE WARRANT EXERCISE PERIOD SET FORTH IN THE WARRANT AGREEMENT. THE HOLDER OF WARRANTS EVIDENCED BY THIS WARRANT CERTIFICATE MAY EXERCISE THEM BY SURRENDERING THIS WARRANT CERTIFICATE, WITH THE FORM OF ELECTION TO PURCHASE SET FORTH HEREON PROPERLY COMPLETED AND EXECUTED, TOGETHER WITH PAYMENT OF THE EXERCISE PRICE AS SPECIFIED IN THE WARRANT AGREEMENT AT THE PRINCIPAL CORPORATE TRUST OFFICE OF THE WARRANT AGENT. IN THE EVENT THAT UPON ANY EXERCISE OF WARRANTS EVIDENCED HEREBY THE NUMBER OF WARRANTS EXERCISED SHALL BE LESS THAN THE TOTAL NUMBER OF WARRANTS EVIDENCED HEREBY, THERE SHALL BE ISSUED TO THE HOLDER HEREOF OR HIS ASSIGNEE A NEW WARRANT CERTIFICATE EVIDENCING THE NUMBER OF WARRANTS NOT EXERCISED.

NOTWITHSTANDING ANYTHING ELSE IN THIS WARRANT CERTIFICATE OR THE WARRANT AGREEMENT, NO WARRANT MAY BE EXERCISED UNLESS AT THE TIME OF EXERCISE (I) A REGISTRATION STATEMENT COVERING THE WARRANT SHARES TO BE ISSUED UPON EXERCISE IS EFFECTIVE UNDER THE ACT AND A PROSPECTUS THEREUNDER RELATING TO THE WARRANT SHARES IS CURRENT, OR (II) AN APPLICABLE EXCEPTION ALLOWS THE ISSUANCE OF THE WARRANT SHARES WITHOUT REGISTRATION. IN NO EVENT SHALL THE COMPANY BE REQUIRED TO ISSUE UNREGISTERED SHARES UPON THE EXERCISE OF ANY WARRANT IF PROHIBITED BY LAW, OR TO SETTLE WARRANTS ON A NET CASH BASIS.

THE WARRANT AGREEMENT PROVIDES THAT UPON THE OCCURRENCE OF CERTAIN EVENTS THE NUMBER OF WARRANT SHARES SET FORTH ON THE FACE HEREOF MAY, SUBJECT TO CERTAIN CONDITIONS, BE ADJUSTED. IF, UPON EXERCISE OF A WARRANT, THE HOLDER THEREOF WOULD BE ENTITLED TO RECEIVE A FRACTIONAL INTEREST IN A SHARE OF COMMON STOCK, THE COMPANY WILL, UPON EXERCISE, ROUND UP TO THE NEAREST WHOLE NUMBER OF SHARES OF COMMON STOCK TO BE ISSUED TO THE WARRANT HOLDER.

WARRANT CERTIFICATES, WHEN SURRENDERED AT THE PRINCIPAL CORPORATE TRUST OFFICE OF THE WARRANT AGENT BY THE REGISTERED HOLDER THEREOF IN PERSON OR BY LEGAL REPRESENTATIVE OR ATTORNEY DULY AUTHORIZED IN WRITING, MAY BE EXCHANGED, IN THE MANNER AND SUBJECT TO THE LIMITATIONS PROVIDED IN THE WARRANT AGREEMENT, BUT WITHOUT PAYMENT OF ANY SERVICE CHARGE, FOR ANOTHER WARRANT CERTIFICATE OR WARRANT CERTIFICATES OF LIKE TENOR EVIDENCING IN THE AGGREGATE A LIKE NUMBER OF WARRANTS.

UPON DUE PRESENTATION FOR REGISTRATION OF TRANSFER OF THIS WARRANT CERTIFICATE AT THE OFFICE OF THE WARRANT AGENT, A NEW WARRANT CERTIFICATE OR WARRANT CERTIFICATES OF LIKE TENOR AND EVIDENCING IN THE AGGREGATE A LIKE NUMBER OF WARRANTS SHALL BE ISSUED TO THE TRANSFEREE(S) IN EXCHANGE FOR THIS WARRANT CERTIFICATE, SUBJECT TO THE LIMITATIONS PROVIDED IN THE WARRANT AGREEMENT, WITHOUT CHARGE EXCEPT FOR ANY TAX OR OTHER GOVERNMENTAL CHARGE IMPOSED IN CONNECTION THEREWITH.

THE COMPANY AND THE WARRANT AGENT MAY DEEM AND TREAT THE REGISTERED HOLDER(S) THEREOF AS THE ABSOLUTE OWNER(S) OF THIS WARRANT CERTIFICATE (NOTWITHSTANDING ANY NOTATION OF OWNERSHIP OR OTHER WRITING HEREON MADE BY ANYONE), FOR THE PURPOSE OF ANY EXERCISE HEREOF, OF ANY DISTRIBUTION TO THE HOLDER(S) HEREOF, AND FOR ALL OTHER PURPOSES, AND NEITHER THE COMPANY NOR THE WARRANT AGENT SHALL BE AFFECTED BY ANY NOTICE TO THE CONTRARY. NEITHER THE WARRANTS NOR THIS WARRANT CERTIFICATE ENTITLES ANY HOLDER HEREOF TO ANY RIGHTS OF A STOCKHOLDER OF THE COMPANY.

WARRANT AGREEMENT
by and between
LIFELOC TECHNOLOGIES, INC.
and
____, as Warrant Agent
Dated as of____, 2010

THIS WARRANT AGREEMENT (this "***Agreement***"), dated as of _, 2010, is by and between Lifeloc Technologies, Inc., a Colorado corporation (the "***Company***"), and _, a _ corporation, as Warrant Agent (the "***Warrant Agent***").

WHEREAS, the shareholders of the Company have approved the non-cash distribution of 2,422,416 warrants (the "***Warrants***") to purchase the Company's common stock, no par value (such common stock issuable on exercise of the Warrants, the "***Warrant Shares***"), for no consideration, to shareholders of record, in accordance with the number of shares of common stock owned as of the date of declaration of such distribution;

WHEREAS, the Company has filed with the Securities and Exchange Commission a Registration Statement on Form S-1, No. 333- (the "***Registration Statement***"), for the registration, under the Securities Act of 1933, as amended (the "***Securities Act***"), of the Warrants and the Warrant Shares;

WHEREAS, following the closing of the offering, the Warrants will be tradeable separately from the Warrant Shares and other common stock of the Company, and may be listed on the OTC Bulletin Board commencing after the effective date of the Registration Statement and through May 3, 2020, when the Warrants will expire;

WHEREAS, the Company desires the Warrant Agent to act on behalf of the Company, and the Warrant Agent is willing to so act, in connection with the issuance, registration, transfer, exchange and exercise of the Warrants;

WHEREAS, the Company desires to provide for the form and provisions of the Warrants, the terms upon which they shall be issued and exercised, and the respective rights, limitation of rights, and immunities of the Company, the Warrant Agent, and the holders of the Warrants; and

WHEREAS, all acts and things have been done and performed which are necessary to make the Warrants, when executed on behalf of the Company and countersigned by or on behalf of the Warrant Agent, as provided herein, the valid, binding and legal obligations of the Company, and to authorize the execution and delivery of this Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual agreements set forth herein, the parties hereto, intending to be legally bound, hereby agree as follows:

Section 1. *Appointment of Warrant Agent.* The Company hereby appoints the Warrant Agent to act as agent for the Company in accordance with the instructions set forth in this Agreement, and the Warrant Agent hereby accepts such appointment.

Section 2. *Warrant Certificates.* The certificates evidencing the Warrants (the "***Warrant Certificates***") to be delivered pursuant to this Agreement shall be in registered form only and shall be substantially in the form set forth in Exhibit A attached hereto.

Section 3. *Execution of Warrant Certificates.* Warrant Certificates shall be signed on behalf of the Company by its Chairman of the Board or its President or Chief Executive Officer or a Vice President and by its Secretary or an Assistant Secretary. Each such signature upon the Warrant Certificates may be in the form of a facsimile signature of the present or any future Chairman of the Board, President, Chief Executive Officer, Vice President, Secretary or Assistant Secretary and may be imprinted or otherwise reproduced on the Warrant Certificates and for that purpose the Company may adopt and use the facsimile signature of any person who shall have been Chairman of the Board, President, Chief Executive Officer, Vice President, Secretary or Assistant Secretary, notwithstanding the fact that at the time the Warrant Certificates shall be countersigned and delivered or disposed of he or she shall have ceased to hold such office.

In case any officer of the Company who shall have signed any of the Warrant Certificates shall cease to be such officer before the Warrant Certificates so signed shall have been countersigned by the Warrant Agent, or disposed of by the Company, such Warrant Certificates nevertheless may be countersigned and delivered or disposed of as though such person had not ceased to be such officer of the Company; and any Warrant Certificate may be signed on behalf of the Company by any person who, at the actual date of the execution of such Warrant Certificate, shall be a proper officer of the Company to sign such Warrant Certificate, although at the date of the execution of this Warrant Agreement any such person was not such officer. Warrant Certificates shall be dated the date of countersignature by the Warrant Agent.

Section 4. *Registration and Countersignature.* Warrant Certificates shall be countersigned by the Warrant Agent and shall not be valid for any purpose unless so countersigned. The Warrant Agent shall, upon the written instructions of the Chairman of the Board, the President or Chief Executive Officer, a Vice President, the Treasurer or the Chief Financial Officer of the Company, countersign, issue and deliver Warrants as provided in this Agreement.

The Company and the Warrant Agent may deem and treat the registered holder(s) of the Warrant Certificates as the absolute owner(s) thereof (notwithstanding any notation of ownership or other writing thereon made by anyone), for all purposes, and neither the Company nor the Warrant Agent shall be affected by any notice to the contrary.

Section 5. *Registration of Transfers and Exchanges.* The Warrant Agent shall from time to time, subject to the limitations of thisSection 5, register the transfer of any outstanding Warrant Certificates upon the records to be maintained by it for that purpose, upon surrender thereof duly endorsed or accompanied by an assignment substantially in the form attached hereto as Exhibit B executed by the registered holder or by his duly authorized attorney or representative, or accompanied by proper evidence of succession, assignment or authority to transfer. Upon any such registration of transfer, a new Warrant Certificate shall be issued to the transferee(s) and the surrendered Warrant Certificate shall be cancelled by the Warrant Agent. Cancelled Warrant Certificates shall thereafter be disposed of by the Warrant Agent in its customary manner.

The Warrant Agent is hereby authorized to countersign, in accordance with the provisions of this Section 5 and of Section 4 hereof, the new Warrant Certificates required pursuant to the provisions of this Section 5.

Section 6. *Terms of Warrants.*

(a) Exercise Price and Exercise Period.

The initial exercise price per share at which Warrant Shares shall be purchasable upon the exercise of Warrants (the "***Exercise Price***") shall be $1.00 per share, and each Warrant shall be initially exercisable to purchase one share of Common Stock.

Subject to the terms of this Agreement (including without limitation Section 6(c) below), each Warrant holder shall have the right, which may be exercised commencing at the opening of business on the first day of the applicable Warrant Exercise Period set forth below and until 5:00 p.m., Mountain time, on the last day of such Warrant Exercise Period, to receive from the Company the number of fully paid and nonassessable Warrant Shares which the holder may at the time be entitled to receive on exercise of such Warrants and payment of the Exercise Price then in effect for such Warrant Shares.

The "***Warrant Exercise Period***" shall commence (subject to Section 6(c) below) on the original issue date set forth in the Warrant Certificates and shall end at 5:00 p.m. Mountain Time on May 3, 2020. Each Warrant not exercised prior to 5:00 p.m., Mountain Time, on the last day of the Warrant Exercise Period shall become void and all rights thereunder and all rights in respect thereof under this Agreement shall cease as of such time.

(b) Exercise Procedure.

All Warrants must be exercised through a broker-dealer registered pursuant to Section 15(b) of the Securities Exchange Act of 1934. The Company shall pay a commission equal to six percent (6%) of the aggregate Exercise Price (the "***Broker Fee***") to all such broker-dealers. The holder of the Warrant shall be liable for any additional commission charged by such broker-dealer.

A Warrant may be exercised upon surrender, through a broker-dealer, to the Company at the principal stock transfer office of the Warrant Agent, which is currently located at the address listed in Section 16 hereof, of (i) the certificate or certificates evidencing the Warrants to be exercised with the form of election to purchase substantially in the form set forth in Exhibit C attached hereto, duly filled in and signed, and such other documentation as the Warrant Agent may reasonably request, and (ii) payment to the Warrant Agent for the account of the Company of the Exercise Price (adjusted to give effect to the Broker Fee) for the number of Warrant Shares in respect of which such Warrants are exercised. Payment of the adjusted aggregate Exercise Price shall be made in cash or by certified or official bank check payable to the order of the Company. In no event will any Warrants be settled on a net cash basis.

Subject to the provisions of Section 7 hereof, upon such surrender of Warrants and payment of the Exercise Price, the Company shall issue and cause to be delivered with all reasonable dispatch to and in such name or names as the Warrant holder may designate, a certificate or certificates for the number of full Warrant Shares issuable upon the exercise of such Warrants. Such certificate or certificates shall be deemed to have been issued and any person so designated to be named therein shall be deemed to have become a holder of record of such Warrant Shares as of the date of the surrender of such Warrants and payment of the Exercise Price.

The Warrants shall be exercisable, at the election of the holders thereof, either in full or from time to time in part and, in the event that a certificate evidencing Warrants is exercised in respect of fewer than all of the Warrant Shares issuable on such exercise at any time prior to the date of expiration of the Warrants, a new certificate evidencing the remaining Warrant or Warrants will be issued, and the Warrant Agent is hereby irrevocably authorized to countersign and to deliver the required new Warrant Certificate or Certificates pursuant to the provisions of this Section 6 and of Section 4 hereof, and the Company, whenever required by the Warrant Agent, shall supply the Warrant Agent with Warrant Certificates duly executed on behalf of the Company for such purpose. The Warrant Agent may assume that any Warrant presented for exercise is permitted to be so exercised under applicable law and shall have no liability for acting in reliance on such assumption.

All Warrant Certificates surrendered upon exercise of Warrants shall be canceled by the Warrant Agent. Such canceled Warrant Certificates shall then be disposed of by the Warrant Agent in its customary manner. The Warrant Agent shall account promptly to the Company with respect to Warrants exercised and concurrently pay to the Company all monies received by the Warrant Agent for the purchase of the Warrant Shares through the exercise of such Warrants.

The Warrant Agent shall keep copies of this Agreement and any notices given or received hereunder available for inspection by the holders with reasonable prior written notice during normal business hours at its office. The Company shall supply the Warrant Agent from time to time with such numbers of copies of this Agreement as the Warrant Agent may request.

(c) Registration Requirement. Notwithstanding anything else in this Section 6, no Warrant may be exercised unless at the time of exercise (A) (i) a registration statement covering the Warrant Shares to be issued upon exercise is effective under the Securities Act, and a prospectus thereunder relating to the Warrant Shares is current, or (ii) an applicable exception allows the issuance of the Warrant Shares without registration and (B) the Company has not determined that the exercise of the Warrant or the issuance of the Warrant Shares would otherwise violate applicable law. The Company shall use its commercially reasonable efforts to have a registration statement in effect covering Warrant Shares issuable upon exercise of the Warrants from the date the Warrants become exercisable and to maintain a current prospectus relating to those Warrant Shares until the Warrants expire. In no event shall the Company be required to issue unregistered shares upon the exercise of any Warrant if the Company determines that issuance of such Warrants would violate applicable law, or to settle Warrants on a net cash basis.

Section 7. *Payment of Taxes.* The Company will pay all documentary stamp taxes attributable to the initial issuance of Warrant Shares upon the exercise of Warrants; *provided, however*, that the Company shall not be required to pay any tax or taxes which may be payable in respect of any transfer involved in the issue of any Warrant Certificates or any certificates for Warrant Shares in a name other than that of the registered holder of a Warrant Certificate surrendered upon the exercise of a Warrant, and the Company shall not be required to issue or deliver such Warrant Certificates unless or until the person or persons requesting the issuance thereof shall have paid to the Company the amount of such tax or shall have established to the satisfaction of the Company that such tax has been paid.

Section 8. *Mutilated or Missing Warrant Certificates.* In case any of the Warrant Certificates shall be mutilated, lost, stolen or destroyed, the Company shall issue and the Warrant Agent shall countersign, in exchange and substitution for and upon cancellation of the mutilated Warrant Certificate, or in lieu of and substitution for the Warrant Certificate lost, stolen or destroyed, a new Warrant Certificate of like tenor and representing an equivalent number of Warrants, but only upon receipt of evidence satisfactory to the Company and the Warrant Agent of such loss, theft or destruction of such Warrant Certificate and indemnity, also satisfactory to the Company and the Warrant Agent. Applicants for such new Warrant Certificates must pay such reasonable charges as the Company may prescribe.

Section 9. *Reservation of Warrant Shares.* The Company will at all times reserve and keep available, free from preemptive rights, out of the aggregate of its authorized but unissued Common Stock or its authorized and issued Common Stock held in its treasury, for the purpose of enabling it to satisfy any obligation to issue Warrant Shares upon exercise of Warrants, the maximum number of shares of Common Stock which may then be deliverable upon the exercise of all outstanding Warrants. The Warrant Agent shall have no duty to verify availability of such shares set aside by the Company.

The Company or, if appointed, the transfer agent for the Common Stock (the "***Transfer Agent***") and every subsequent transfer agent for any shares of the Common Stock issuable upon the exercise of any of the Warrants will be irrevocably authorized and directed at all times to reserve such number of authorized shares as shall be required for such purpose. The Company will keep a copy of this Agreement on file with the Transfer Agent and with every subsequent Transfer Agent for any shares of the Common Stock issuable upon the exercise of the Warrants. The Warrant Agent is hereby irrevocably authorized to requisition from time to time from such Transfer Agent the stock certificates required to honor outstanding Warrants upon exercise thereof in accordance with the terms of this Agreement. The Company will supply such Transfer Agent with duly executed certificates for such purposes. The Company will furnish such Transfer Agent a copy of all notices of adjustments and certificates related thereto, transmitted to each holder pursuant to Section 12 hereof.

Before taking any action which would cause an adjustment pursuant to Section 10 hereof to reduce the Exercise Price below the then par value (if any) of the Warrant Shares, the Company will take any commercially reasonable corporate action which may, in the opinion of its counsel (which may be counsel employed by the Company), be necessary in order that the Company may validly and legally issue fully paid and nonassessable Warrant Shares at the Exercise Price as so adjusted.

The Company covenants that all Warrant Shares which may be issued upon exercise of Warrants will, upon payment of the Exercise Price therefor and the issuance thereof, be fully paid, nonassessable, free of preemptive rights and free from all taxes, liens, charges and security interests with respect to the issue thereof.

Section 10. *Adjustment of Number of Warrant Shares.* The number of Warrant Shares issuable upon the exercise of each Warrant is subject to adjustment from time to time upon the occurrence of the events enumerated in this Section 10. For purposes of this Section 10, "***Common Stock*** " means shares now or hereafter authorized of any class of common stock of the Company and any other stock of the Company, however designated, that has the right (subject to any prior rights of any class or series of preferred stock) to participate in any distribution of the assets or earnings of the Company without limit as to per share amount.

(a) Stock Dividends — Split-Ups. If after the date hereof, and subject to the provisions of Section 11 hereof, the number of outstanding shares of Common Stock is increased by a stock dividend payable in shares of Common Stock, or by a split-up of shares of Common Stock, or other similar event, then, on the effective date of such stock dividend, split-up or similar event, the number of shares of Common Stock issuable on exercise of each Warrant shall be increased in proportion to such increase in outstanding shares of Common Stock.

(b) Aggregation of Shares. If after the date hereof, and subject to the provisions of Section 11 hereof, the number of outstanding shares of Common Stock is decreased by a consolidation, combination, reverse stock split or reclassification of shares of Common Stock or other similar event, then, on the effective date of such consolidation, combination, reverse stock split, reclassification or similar event, the number of shares of Common Stock issuable on exercise of each Warrant shall be decreased in proportion to such decrease in outstanding shares of Common Stock.

(c) Merger, Reorganization, etc. Upon a merger, consolidation, sale of substantially all of the assets of the Company, or other similar transaction, the Warrants shall automatically expire unless exercised prior to the closing of such transaction. Upon such exercise, the holders of the Common Stock issued upon exercise of the warrants will participate on the same basis as the other holders of Common Stock in connection with the transaction. The Company shall give written notice to each Warrant holder, at the last address set forth for such holder in the warrant register, of the Company's entry or intention to enter into such a transction, and shall provide a commercially reasonable period in which to effect such exercise. Failure to give such notice, or any defect therein, shall not affect the legality or validity of such transaction.

(d) Form of Warrant. The form of Warrant need not be changed because of any adjustment pursuant to this Section 10, and Warrants issued after such adjustment may state the same Exercise Price and the same number of shares as is stated in the Warrants initially issued pursuant to this Agreement. However, the Company may at any time in its sole discretion make any change in the form of Warrant that the Company may deem appropriate and that does not affect the substance thereof, and any Warrant thereafter issued or countersigned, whether in exchange or substitution for an outstanding Warrant or otherwise, may be in the form as so changed.

(e) Other Events. If any event occurs as to which the foregoing provisions of this Section 10 are not strictly applicable or, if strictly applicable, would not, in the good faith judgment of the Board, fairly and adequately protect the purchase rights of the registered holders of the Warrants in accordance with the essential intent and principles of such provisions, then the Board shall make such adjustments in the application of such provisions, in accordance with such essential intent and principles, as shall be reasonably necessary, in the good faith opinion of the Board, to protect such purchase rights as aforesaid.

Section 11. *Fractional Interests.* If, upon exercise of the Warrants, a holder would be entitled to receive a fractional interest in a share, the Company may, but shall not be required to, issue fractions of a share. If the Company does not issue fractions of a share, it shall (1) pay in cash the fair value of fractions of a share as of the time when those entitled to receive such fractions are determined, or (2) issue scrip or warrants in registered form (either represented by a certificate or uncertificated) or bearer form (represented by a certificate) which shall entitle the holder to receive a full share upon the surrender of such scrip or warrants aggregating a full share.

Section 12. *Notices to Warrant Holders.* Upon every adjustment of the number of shares issuable upon exercise of a Warrant, the Company shall give written notice thereof to the Warrant Agent, which notice shall state the increase or decrease, if any, in the number of shares purchasable at such price upon the exercise of a Warrant, setting forth in reasonable detail the method of calculation and the facts upon which such calculation is based. Upon the occurrence of any event specified in Section 10(a), (b), or (c) hereof, then, in any such event, the Company shall give written notice to each Warrant holder, at the last address set forth for such holder in the warrant register, of the record date or the effective date of the event. Failure to give such notice, or any defect therein, shall not affect the legality or validity of such event.

Section 13. *Merger, Consolidation or Change of Name of Warrant Agent.* Any corporation into which the Warrant Agent may be merged or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which the Warrant Agent shall be a party, or any corporation succeeding to all or substantially all the corporate trust or agency business of the Warrant Agent, shall be the successor to the Warrant Agent hereunder (the "***Successor Warrant Agent***") without the execution or filing of any paper or any further act on the part of any of the parties hereto, provided that such corporation would be eligible for appointment as a Successor Warrant Agent under the provisions of Section 15 hereof. In case at the time such Successor Warrant Agent shall succeed to the agency created by this Agreement, and in case at that time any of the Warrant Certificates shall have been countersigned but not delivered, any such successor to the Warrant Agent may adopt the countersignature of the original Warrant Agent; and in case at that time any of the Warrant Certificates shall not have been countersigned, any Successor Warrant Agent may countersign such Warrant Certificates either in the name of the predecessor Warrant Agent or in the name of the Successor Warrant Agent; and in all such cases such Warrant Certificates shall have the full force and effect provided in the Warrant Certificates and in this Agreement.

In case at any time the name of the Warrant Agent shall be changed and at such time any of the Warrant Certificates shall have been countersigned but not delivered, the Warrant Agent whose name has been changed may adopt the countersignature under its prior name, and in case at that time any of the Warrant Certificates shall not have been countersigned, the Warrant Agent may countersign such Warrant Certificates either in its prior name or in its changed name, and in all such cases such Warrant Certificates shall have the full force and effect provided in the Warrant Certificates and in this Agreement.

Section 14. *Warrant Agent.* The Warrant Agent undertakes the duties and obligations imposed by this Agreement (and no implied duties or obligations shall be read into this Agreement against the Warrant Agent) upon the following terms and conditions, by all of which the Company and the holders of Warrants, by their acceptance thereof, shall be bound:

(a) The statements contained herein and in the Warrant Certificates shall be taken as statements of the Company, and the Warrant Agent assumes no responsibility for the correctness of any of the same except to the extent that any such statements describe the Warrant Agent or action taken or to be taken by it. The Warrant Agent assumes no responsibility with respect to the distribution of the Warrant Certificates except as otherwise provided herein.

(b) The Warrant Agent shall not be responsible for any failure of the Company to comply with any of the covenants contained in this Agreement or in the Warrant Certificates to be complied with by the Company.

(c) The Warrant Agent may consult at any time with counsel of its own selection (who may be counsel for the Company), and the Warrant Agent shall incur no liability or responsibility to the Company or to any holder of any Warrant Certificate in respect of any action taken, suffered or omitted by it hereunder in good faith and in accordance with the opinion or the advice of such counsel. The Warrant Agent may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or through agents or attorneys, and the Warrant Agent shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder.

(d) The Warrant Agent may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Warrant Agent and conforming to the requirements of this Agreement. The Warrant Agent shall incur no liability or responsibility to the Company or to any holder of any Warrant Certificate for any action taken in reliance on any Warrant Certificate, certificate of shares, notice, resolution, waiver, consent, order, certificate, or other paper, document or instrument (whether in its original or facsimile form) believed by it to be genuine and to have been signed, sent or presented by the proper party or parties.

(e) The Company hereby agrees to (A) pay to the Warrant Agent such compensation for all services rendered by the Warrant Agent in the administration and execution of this Agreement as the Company and the Warrant Agent shall agree to in writing, (B) reimburse the Warrant Agent for all expenses, taxes and governmental charges and other charges of any kind and nature incurred by the Warrant Agent in the execution of this Agreement (including fees and expenses of its counsel) and (C) indemnify the Warrant Agent (and any predecessor Warrant Agent) and hold it harmless against any and all claims (whether asserted by the Company, a holder or any other person), damages, losses, expenses (including taxes other than taxes based on the income of the Warrant Agent) and liabilities (including judgments, costs and counsel fees and expenses), suffered or incurred by the Warrant Agent for anything done or omitted by the Warrant Agent in the execution of this Agreement except as a result of its negligence or willful misconduct. The provisions of this Section 15(e) shall survive the expiration of the Warrants and the termination of this Agreement.

(f) The Warrant Agent shall be under no obligation to institute any action, suit or legal proceeding or to take any other action likely to involve expense unless the Company or one or more registered holders of Warrant Certificates shall furnish the Warrant Agent with security and indemnity satisfactory to it for any costs and expenses which may be incurred, but this provision shall not affect the power of the Warrant Agent to take such action as it may consider proper, whether with or without any such security or indemnity. All rights of action under this Agreement or under any of the Warrants may be enforced by the Warrant Agent without the possession of any of the Warrant Certificates or the production thereof at any trial or other proceeding relative thereto, and any such action, suit or proceeding instituted by the Warrant Agent shall be brought in its name as Warrant Agent and any recovery of judgment shall be for the ratable benefit of the registered holders of the Warrants, as their respective rights or interests may appear.

(g) The Warrant Agent, and any stockholder, director, officer or employee of it, may buy, sell or deal in any of the Warrants or other securities of the Company or become pecuniarily interested in any transaction in which the Company may be interested, or contract with or lend money to the Company or otherwise act as fully and freely as though it were not Warrant Agent under this Agreement. Nothing herein shall preclude the Warrant Agent from acting in any other capacity for the Company or for any other legal entity.

(h) The Warrant Agent shall act hereunder solely as agent for the Company, and its duties shall be determined solely by the provisions hereof. The Warrant Agent shall not be liable for anything which it may do or refrain from doing in connection with this Agreement except for its own negligence or willful misconduct. The Warrant Agent shall not be liable for any error of judgment made in good faith by it, unless it shall be proved that the Warrant Agent was negligent in ascertaining the pertinent facts. Notwithstanding anything in this Agreement to the contrary, in no event shall the Warrant Agent be liable for any special, indirect, punitive or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Warrant Agent has been advised of the likelihood of the loss or damage and regardless of the form of the action.

(i) The Warrant Agent shall not at any time be under any duty or responsibility to any holder of any Warrant Certificate to make or cause to be made any adjustment of the number of the Warrant Shares or other securities or property deliverable as provided in this Agreement, or to determine whether any facts exist which may require any such adjustments, or with respect to the nature or extent of any such adjustments, when made, or with respect to the method employed in making the same. The Warrant Agent shall not be accountable with respect to the validity or value or the kind or amount of any Warrant Shares or of any securities or property which may at any time be issued or delivered upon the exercise of any Warrant or with respect to whether any such Warrant Shares or other securities will when issued be validly issued and fully paid and nonassessable, and makes no representation with respect thereto.

(j) Notwithstanding anything in this Agreement to the contrary, neither the Company nor the Warrant Agent shall have any liability to any holder of a Warrant Certificate or other Person as a result of its inability to perform any of its obligations under this Agreement by reason of any preliminary or permanent injunction or other order, decree or ruling issued by a court of competent jurisdiction or by a governmental, regulatory or administrative agency or commission, or any statute, rule, regulation or executive order promulgated or enacted by any governmental authority prohibiting or otherwise restraining performance of such obligation; *provided, however,* that the Company must use its commercially reasonable efforts to have any such order, decree or ruling lifted or otherwise overturned as soon as possible.

(k) Any application by the Warrant Agent for written instructions from the Company may, at the option of the Warrant Agent, set forth in writing any action proposed to be taken or omitted by the Warrant Agent under this Agreement and the date on and/or after which such action shall be taken or such omission shall be effective. The Warrant Agent shall not be liable for any action taken by, or omission of, the Warrant Agent in accordance with a proposal included in such application on or after the date specified in such application (which date shall not be less than three Business Days after the date any officer of the Company actually receives such application, unless any such officer shall have consented in writing to any earlier date) unless prior to taking any such action (or the effective date in the case of an omission), the Warrant Agent shall have received written instructions in response to such application specifying the action to be taken or omitted.

(l) No provision of this Agreement shall require the Warrant Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder or in the exercise of its rights.

(m) In addition to the foregoing, the Warrant Agent shall be protected and shall incur no liability for, or in respect of, any action taken or omitted by it in connection with its administration of this Agreement if such acts or omissions are not the result of the Warrant Agent's reckless disregard of its duty, gross negligence or willful misconduct and are in reliance upon (A) the proper execution of the certification concerning beneficial ownership appended to the form of assignment and the form of the election attached hereto unless the Warrant Agent shall have actual knowledge that, as executed, such certification is untrue, or (B) the non-execution of such certification including, without limitation, any refusal to honor any otherwise permissible assignment or election by reason of such non-execution.

Section 15. *Change of Warrant Agent.* The Warrant Agent may at any time resign as Warrant Agent upon written notice to the Company. If the Warrant Agent shall become incapable of acting as Warrant Agent, the Company shall appoint a Successor Warrant Agent. If the Company shall fail to make such appointment within a period of 30 days after it has been notified in writing of such resignation or of such incapacity by the Warrant Agent or by the registered holder of a Warrant Certificate, then the registered holder of any Warrant Certificate or the Warrant Agent may apply, at the expense of the Company, to any court of competent jurisdiction for the appointment of a Successor Warrant Agent. Pending appointment of a Successor Warrant Agent, either by the Company or by such a court, the duties of the Warrant Agent shall be carried out by the Company. In the event that the Warrant Agent resigns or becomes incapable of acting as Warrant Agent, the Company shall not be liable for any applicable termination fee.

The holders of a majority of the unexercised Warrants shall be entitled at any time to remove the Warrant Agent and appoint a Successor Warrant Agent. If a Successor Warrant Agent shall not have been appointed within 30 days of such removal, the Warrant Agent may apply, at the expense of the Company, to any court of competent jurisdiction for the appointment of a Successor Warrant Agent. Such Successor Warrant Agent need not be approved by the Company or the former Warrant Agent. After appointment the Successor Warrant Agent shall be vested with the same powers, rights, duties and responsibilities as if it had been originally named as Warrant Agent without further act or deed; but the former Warrant Agent upon payment of all fees and expenses due it and its agents and counsel shall deliver and transfer to the Successor Warrant Agent any property at the time held by it hereunder and execute and deliver any further assurance, conveyance, act or deed necessary for the purpose. Failure to give any notice provided for in this Section 15, however, or any defect therein, shall not affect the legality or validity of the appointment of a Successor Warrant Agent.

Section 16. *Notices to Company and Warrant Agent.* Any notice or demand authorized by this Agreement to be given or made by the Warrant Agent or by the registered holder of any Warrant Certificate to or on the Company shall be sufficiently given or made when and if deposited in the mail, first class or registered, postage prepaid, or sent via a nationally recognized overnight courier service, addressed (until another address is filed in writing by the Company with the Warrant Agent), as follows:

Lifeloc Technologies, Inc.
12441 West 49th Ave., Unit 4
Wheat Ridge, Colorado 80033
Attention: Secretary

In case the Company shall fail to maintain such office or agency or shall fail to give such notice of the location or of any change in the location thereof, presentations may be made and notices and demands may be served at the principal corporate trust office of the Warrant Agent.

Any notice pursuant to this Agreement to be given by the Company or by the registered holder(s) of any Warrant Certificate to the Warrant Agent shall be sufficiently given when and if deposited in the mail, first-class or registered, postage prepaid, addressed (until another address is filed in writing by the Warrant Agent with the Company) to the Warrant Agent as follows:

Section 17. *Supplements and Amendments.* The Company and the Warrant Agent may from time to time supplement or amend this Agreement without the approval of any holders of Warrant Certificates in order to cure any ambiguity or to correct or supplement any provision contained herein which may be defective or inconsistent with any other provision herein, or to make any other provisions in regard to matters or questions arising hereunder which the Company and the Warrant Agent may deem necessary or desirable and which shall not in any way adversely affect the interests of the holders of Warrant Certificates theretofore issued. Upon the delivery of a certificate from an appropriate officer of the Company which states that the proposed supplement or amendment is in compliance with the terms of this Section 17, the Warrant Agent shall execute such supplement or amendment. Notwithstanding anything in this Agreement to the contrary, the prior written consent of the Warrant Agent must be obtained in connection with any supplement or amendment which alters the rights or duties of the Warrant Agent. The Company and the Warrant Agent may amend any provision herein with the consent of the holders of Warrants exercisable for a majority of the Warrant Shares issuable on exercise of all outstanding Warrants that would be affected by such amendment.

Section 18. *Successors.* All the covenants and provisions of this Agreement by or for the benefit of the Company or the Warrant Agent shall bind and inure to the benefit of their respective successors and assigns hereunder.

Section 19. *Termination.* This Agreement will terminate on any earlier date if all Warrants have been exercised or expired without exercise. The provisions of Section 14 hereof shall survive such termination.

Section 20. *Governing Law.* This Agreement and each Warrant Certificate issued hereunder shall be deemed to be a contract made under the laws of the State of Colorado and for all purposes shall be construed in accordance with the internal laws of the State of Colorado. The parties agree that all actions and proceedings arising out of this Agreement or any of the transactions contemplated hereby shall be brought in the United States District Court for the District of Colorado or in any Colorado State Court and that, in connection with any such action or proceeding, the parties will submit to the jurisdiction of, and venue in, such court. Each of the parties hereto also irrevocably waives all right to trial by jury in any action, proceeding or counterclaim arising out of this Agreement or the transactions contemplated hereby.

Section 21. *Benefits of this Agreement.* Nothing in this Agreement shall be construed to give to any person or corporation other than the Company, the Warrant Agent and the registered holders of the Warrant Certificates any legal or equitable right, remedy or claim under this Agreement, and this Agreement shall be for the sole and exclusive benefit of the Company, the Warrant Agent and the registered holders of the Warrant Certificates.

Section 22. *Counterparts.* This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original, and all such counterparts shall together constitute but one and the same instrument.

Section 23. *Force Majeure.* In no event shall the Warrant Agent or the Company be responsible or liable for any failure or delay in the performance of its obligations under this Agreement arising out of or caused by, directly or indirectly, forces beyond its reasonable control, including without limitation strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software or hardware) services.

[*Signatures on Following Page*]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

LIFELOC TECHNOLOGIES, INC.

By: _____
Name: _____
Title: _____

_____, as Warrant Agent

By: _____
Name: _____
Title: _____

Exhibit A

Form of Warrant Certificate

Exhibit B

ELECTION TO EXERCISE WARRANT

(To be executed only upon exercise of Warrant)

The undersigned irrevocably elects to exercise the right of purchase represented by its Warrant for _____ Warrant Shares, and elects to purchase _____ Warrant Shares, and tenders payment of the purchase price in full in the form of a certified or official bank check, or wire transfer, in the amount of $_____.

Please issue a certificate or certificates for such Warrant Shares in the name of:

Name _____
Address: _____

_____

Tel: _____
Tax ID No.: _____
(Please Print Name, Address and Social
Security or Taxpayer Identification Number)

If the number of shares purchased are not all the shares purchasable under the Warrant, a new Warrant is to be issued in the name of the undersigned for the balance of the shares remaining purchasable thereunder.

Dated: _____

Note: The signature below must correspond exactly with the name on the face of the Warrant, in every particular, without alteration or change.

_____
(Signature of Registered Owner)

_____
(Print Name of Registered Owner)

_____
(Street Address)

_____
(City) (State) (Zip)

_____
(Telephone Number)

Exhibit C

ASSIGNMENT

(To be executed only upon assignment of Warrant)

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers to:

Name _____
Address: _____
_____
Tel: _____
Tax ID No.: _____
(Please Print Name, Address and Social
Security or Taxpayer Identification Number)

the Warrant, to purchase _____ Warrant Shares, hereby irrevocably constituting and appointing _____, Attorney to transfer said Warrant on the books of the Company, with full power of substitution in the premises.

Dated: _____

_____
Signature of Registered Holder

Note: The above signature must correspond exactly with the name on the face of this Warrant.

_____
Signature Guarantee

Signatures should be guaranteed by an eligible guarantor institution which is a member of a signature guarantee program satisfactory to the Company.

LIFELOC TECHNOLOGIES, INC.
STOCK OPTION PLAN

I. Purpose

The **LIFELOC TECHNOLOGIES, INC.** Stock Option Plan (the "Plan") provides for the grant of Stock Options, Stock Appreciation Rights and Supplemental Bonuses to Employees of Lifeloc Technologies, Inc. (the "Company"), and such of its subsidiaries (as defined in Section 424(f) of the Internal Revenue Code of 1986, as amended (the "Code")) as the Board of Directors of the Company (the "Board") shall from time to time designate ("Participating Subsidiaries"), in order to advance the interests of the Company and its Participating Subsidiaries through the motivation, attraction and retention of their respective Employees.

II. Incentive Stock Options and Non-Incentive Stock Options

The Stock Options granted under the Plan may be either:

(a) Incentive Stock Options ("ISOs") which are intended to be "Incentive Stock Options" as that term is defined in Section 422 of the Code; or

(b) Nonstatutory Stock Options ("NSOs") which are intended to be options that do not qualify as "Incentive Stock Options" under Section 422 of the Code.

All Stock Options shall be ISOs unless the Option Agreement clearly designates the Stock Options granted thereunder, or a specified portion thereof, as NSOs. Subject to the other provisions of the Plan, a Participant may receive ISOs and NSOs at the same time, provided that the ISOs and NSOs are clearly designated as such.

Except as otherwise expressly provided herein, all of the provisions and requirements of the Plan relating to Stock Options shall apply to ISOs and NSOs.

III. Administration

3.1 Committee. With respect to grants of Stock Options, Stock Appreciation Rights and Supplemental Bonuses to Employees other than officers and directors of the Company, the Plan shall be administered by a committee ("Committee") composed of at least two members of the Board of Directors. With respect to grants of Stock Options, Stock Appreciation Rights and Supplemental Bonuses to officers and directors, the Plan shall be administered by the Board of Directors, if each director is a Disinterested Person, or by a committee of two or more directors, all of whom are Disinterested Persons. Such committee may be the Committee if all of the members thereof are Disinterested Persons, or a special committee appointed by the Board of Directors composed of at least two Disinterested Persons. The Committee or the Board, as the case may be, shall have full authority to administer the Plan, including authority to interpret and construe any provision of the Plan and any Stock Option, Stock Appreciation Right or Supplemental Bonus granted thereunder, and to adopt such rules and regulations for administering the Plan as it may deem necessary in order to comply with the requirements of the Code, in order that Stock Options that are intended to be ISOs will be classified as incentive stock options under the Code, or in order to conform to any regulation or to any change in any law or regulation applicable thereto. The Committee or the Board may delegate any of its responsibilities under the Plan, other than its responsibility to grant Stock Options, to determine whether the Stock Appreciation Rights or Supplemental Bonuses, if any, payable to a Participant shall be paid in cash, in shares of Common Stock or a combination thereof, or to interpret and construe the Plan. If the Board of Directors is composed entirely of Disinterested Persons, the Board of Directors may reserve to itself any of the authority granted to the Committee as set forth herein, and it may perform and discharge all of the functions and responsibilities of the Committee at any time that a duly constituted Committee is not appointed and serving. All references in the Plan to the "Committee" shall be deemed to refer to the Board of Directors whenever the Board is discharging the powers and responsibilities of the Committee, and to any special committee appointed by the Board to administer particular aspects of the Plan.

3.2 Actions of the Committee. All actions taken and all interpretations and determinations made by the Committee in good faith (including determinations of Fair Market Value) shall be final and binding upon all Participants, the Company and all other interested persons. No member of the Committee shall be personally liable for any action, determination or interpretation made in good faith with respect to the Plan, and all members of the Committee shall, in addition to their rights as directors, be fully protected by the Company with respect to any such action, determination or interpretation.

IV. Definitions

4.1 "Stock Option". A Stock Option is the right granted under the Plan to an Employee to purchase, at such time or times and at such price or prices ("Option Price") as are determined by the Committee, the number of shares of Common Stock determined by the Committee.

4.2 "Stock Appreciation Right". A Stock Appreciation Right is the right to receive payment, in shares of Common Stock, cash or a combination of shares of Common Stock and cash, of the Redemption Value of a specified number of shares of Common Stock then purchasable under a Stock Option.

4.3 "Redemption Value". The Redemption Value of shares of Common Stock purchasable under a Stock Option shall be the amount, if any, by which the Fair Market Value of one share of Common Stock on the date on which the Stock Option is exercised exceeds the Option Price for such share.

4.4 "Common Stock". A share of Common Stock means a share of authorized but unissued or reacquired Common Stock (par value $per share) of the Company.

4.5 "Fair Market Value". If the Common Stock is not traded publicly, the Fair Market Value of a share of Common Stock on any date shall be determined, in good faith, by the Committee after such consultation with outside legal, accounting and other experts as the Committee may deem advisable, and the Committee shall maintain a written record of its method of determining such value. If the Common Stock is traded publicly, the Fair Market Value of a share of Common Stock on any date shall be the average of the representative closing bid and asked prices, as quoted by the National Association of Securities Dealers through NASDAQ (its automated system for reporting quotes), for the date in question or, if the Common Stock is listed on the NASDAQ National Market System or is listed on a national stock exchange, the officially quoted closing price on NASDAQ or such exchange, as the case may be, on the date in question.

4.6 "Employee". An Employee is an employee of the Company or any Participating Subsidiary.

4.7 "Participant". A Participant is an Employee to whom a Stock Option, Stock Appreciation Right or Supplemental Bonus is granted.

4.8 "Disinterested Person." A Disinterested Person is a director of the Company who, during the shorter of (a) the one year prior to service as an administrator of the Plan, or (b) the period between the date on which the Company's Common Stock is registered pursuant to Section 12 of the Securities Exchange Act of 1934, as amended, (the "1934 Act") and the director's service as an administrator of the Plan, has not been granted or awarded equity securities pursuant to the Plan or any other plan of the Company or any of its affiliates except as may be permitted by Rule 16b-3(c)(2) under the 1934 Act or any successor to such rule.

4.9 "Supplemental Bonus". A Supplemental Bonus is the right to receive payment, in shares of Common Stock, cash or a combination of shares of Common Stock and cash, of an amount determined under Section 7.7.

V. Eligibility and Participation

Grants of Stock Options, Stock Appreciation Rights and Supplemental Bonuses may be made to Employees of the Company or any Participating Subsidiary, including directors of the Company who are also Employees, but directors who are not Employees shall not be eligible to receive Stock Options, Stock Appreciation Rights or Supplemental Bonuses under the Plan. The Committee shall from time to time determine the Employees to whom Stock Options shall be granted, the number of shares of Common Stock subject to each Stock Option to be granted to each such Employee, the Option Price of such Stock Options and other terms and provisions of such Stock Options, all as provided in the Plan. The Option Price of any ISO shall be not less than the Fair Market Value of a share of Common Stock on the date on which the Stock Option is granted, but the Option Price of an NSO may be less than the Fair Market Value on the date the NSO is granted if the Committee so determines. If an ISO is granted to an Employee who then owns stock possessing more than 10% of the total combined voting power of all classes of stock of the Company or any parent or subsidiary corporation of the Company, the Option Price of such ISO shall be at least 110% of the Fair Market Value of the Common Stock subject to the ISO at the time such ISO is granted, and such ISO shall not be exercisable after five years after the date on which it was granted. Each Stock Option shall be evidenced by a written agreement ("Option Agreement") containing such terms and provisions as the Committee may determine, subject to the provisions of the Plan.

VI. Shares of Common Stock Subject to the Plan

6.1 Maximum Number. The maximum aggregate number of shares of Common Stock that may be made subject to Stock Options shall be750,000 authorized but unissued shares. The aggregate Fair Market Value (determined as of the time the ISO is granted) of the Common Stock as to which all ISOs granted to an Employee may first become exercisable in a particular calendar year may not exceed $100,000. If any shares of Common Stock subject to Stock Options are not purchased or otherwise paid for before such Stock Options expire, such shares may again be made subject to Stock Options.

6.2 Capital Changes. In the event any changes are made to the shares of Common Stock (whether by reason of merger, consolidation, reorganization, recapitalization, stock dividend in excess of ten percent (10%) at any single time, stock split, combination of shares, exchange of shares, change in corporate structure or otherwise), appropriate adjustments shall be made in: (i) the number of shares of Common Stock theretofore made subject to Stock Options, and in the purchase price of said shares; and (ii) the aggregate number of shares which may be made subject to Stock Options. If any of the foregoing adjustments shall result in a fractional share, the fraction shall be disregarded, and the Company shall have no obligation to make any cash or other payment with respect to such a fractional share.

VII. Exercise of Stock Options

7.1 Time of Exercise. Subject to the provisions of the Plan, including without limitation Section 7.5, the Committee, in its discretion, shall determine the time when a Stock Option, or a portion of a Stock Option, shall become exercisable, and the time when a Stock Option, or a portion of a Stock Option, shall expire. Such time or times shall be set forth in the Option Agreement evidencing such Stock Option. An ISO shall expire, to the extent not exercised, no later than the tenth anniversary of the date on which it was granted, and an NSO shall expire, to the extent not exercised, no later than ten years after the date on which it was granted. The Committee may accelerate the vesting of any Participant's Stock Option by giving written notice to the Participant. Upon receipt of such notice, the Participant and the Company shall amend the Option Agreement to reflect the new vesting schedule. The acceleration of the exercise period of a Stock Option shall not affect the expiration date of that Stock Option.

7.2 Exchange of Outstanding Stock. The Committee, in its sole discretion, may permit a Participant to surrender to the Company shares of Common Stock previously acquired by the Participant as part or full payment for the exercise of a Stock Option. Such surrendered shares shall be valued at their Fair Market Value on the date of exercise.

7.3 Use of Promissory Note; Exercise Loans. The Committee may, in its sole discretion, impose terms and conditions, including conditions relating to the manner and timing of payments, on the exercise of Stock Options. Such terms and conditions may include, but are not limited to, permitting a Participant to deliver to the Company his promissory note as full or partial payment for the exercise of a Stock Option; provided that, with respect to any promissory note given as payment or partial payment for the exercise of an ISO, all terms of such note shall be determined at the time a Stock Option is granted and set forth in the Option Agreement. The Committee, in its sole discretion, may authorize the Company to make a loan to a Participant in connection with the exercise of Stock Options, or authorize the Company to arrange or guarantee loans to a Participant by a third party.

7.4 Stock Restriction Agreement. The Committee may provide that shares of Common Stock issuable upon the exercise of a Stock Option shall, under certain conditions, be subject to restrictions whereby the Company has a right of first refusal with respect to such shares or a right or obligation to repurchase all or a portion of such shares, which restrictions may survive a Participant's term of employment with the Company. The acceleration of time or times at which a Stock Option becomes exercisable may be conditioned upon the Participant's agreement to such restrictions.

7.5 Termination of Employment Before Exercise. If a Participant's employment with the Company or a Participating Subsidiary shall terminate for any reason other than the Participant's disability, any Stock Option then held by the Participant, to the extent then exercisable under the applicable Option Agreement(s), shall remain exercisable after the termination of his employment for a period of 30 days (but, in the case of an ISO, in no event beyond ten years from the date of grant of the ISO). If the Participant's employment is terminated because the Participant is disabled within the meaning of Section 22(e)(3) of the Code, any Stock Option then held by the Participant, to the extent then exercisable under the applicable Option Agreement(s), shall remain exercisable after the termination of his employment for a period of three months (but, in the case of an ISO, in no event beyond ten years from the date of grant of the ISO). If the Stock Option is not exercised during the applicable period, it shall be deemed to have been forfeited and of no further force or effect.

7.6 Disposition of Forfeited Stock Options. Any shares of Common Stock subject to Stock Options forfeited by a Participant shall not thereafter be eligible for purchase by the Participant but may be made subject to Stock Options granted to other Participants.

7.7 Grant of Supplemental Bonuses. The Committee, either at the time of grant or at any time prior to exercise of any Stock Option or Stock Appreciation Right, may provide for a Supplemental Bonus from the Company or Participating Subsidiary in connection with a specified number of shares of Common Stock then purchasable, or which may become purchasable, under a Stock Option, or a specified number of Stock Appreciation Rights which may be or become exercisable. Such Supplemental Bonus shall be payable upon the exercise of the Stock Option or Stock Appreciation Right with regard to which such Supplemental Bonus was granted. A Supplemental Bonus shall not exceed the amount necessary to reimburse the Participant for the income tax liability incurred by him upon the exercise of the Stock Option or upon the exercise of such Stock Appreciation Right, calculated using the maximum combined federal and applicable state income tax rates then in effect and taking into account the tax liability arising from the Participant's receipt of the Supplemental Bonus. The Committee may, in its discretion, elect to pay any part or all of the Supplemental Bonus in: (i) cash; (ii) shares of Common Stock; or (iii) any combination of cash and shares of Common Stock. The provisions of Section 8.3 shall apply to the giving of notice, the determination of the number of shares to be delivered, and the time for delivering shares. In applying Section 8.3, the Supplemental Bonus shall be treated as if it were a Stock Appreciation Right that the Participant exercised on the day the Supplemental Bonus became payable. Shares of Common Stock issued pursuant to this Section 7.7 shall not be deemed to have been issued upon the exercise of a Stock Option for purposes of the limitations imposed by Section 6.1 of the Plan.

VIII. Stock Appreciation Rights

8.1 Grant of Stock Appreciation Rights. The Committee may, from time to time, grant Stock Appreciation Rights to a Participant with respect to not more than the number of shares of Common Stock which are, or may become, purchasable under any Stock Option held by the Participant. The Committee may, in its sole discretion, specify the terms and conditions of such rights, including without limitation the time period or time periods during which such rights may be exercised and the date or dates upon which such rights shall expire and become void and unexercisable; provided, however, that in no event shall such rights expire and become void and unexercisable later than the time when the related Stock Option is exercised, expires or terminates. Each Participant to whom Stock Appreciation Rights are granted shall be given written notice advising him of the grant of such rights and specifying the terms and conditions of the rights, which shall be subject to all the provisions of this Plan.

8.2 Exercise of Stock Appreciation Rights. Subject to Section 8.3, and in lieu of purchasing shares of Common Stock upon the exercise of a Stock Option held by him, a Participant may elect to exercise the Stock Appreciation Rights, if any, he has been granted and receive payment of the Redemption Value of all, or any portion, of the number of shares of Common Stock subject to such Stock Option with respect to which he has been granted Stock Appreciation Rights; provided, however, that the Stock Appreciation Rights may be exercised only when the Fair Market Value of the Common Stock subject to such Stock Option exceeds the exercise price of the Stock Option. A Participant shall exercise his Stock Appreciation Rights by delivering a written notice to the Committee specifying the number of shares with respect to which he exercises Stock Appreciation Rights and agreeing to surrender the rights to purchase an equivalent number of shares of Common Stock subject to his Stock Option. If a Participant exercises Stock Appreciation Rights, payment of his Stock Appreciation Rights shall be made in accordance with Section 8.3 on or before the 90th day after the date of exercise of the Stock Appreciation Rights.

8.3 Form of Payment. If a Participant elects to exercise Stock Appreciation Rights as provided in Section 8.2, the Committee may, in its absolute discretion, elect to pay any part or all of the Redemption Value of the shares with respect to which the Participant has exercised Stock Appreciation Rights in: (i) cash; (ii) shares of Common Stock; or (iii) any combination of cash and shares of Common Stock. The Committee's election pursuant to this Section 8.3 shall be made by giving written notice to the Participant within said 90-day period, which notice shall specify the portion which the Committee elects to pay in cash, shares of Common Stock or a combination thereof. In the event any portion is to be paid in shares of Common Stock, the number of shares to be delivered shall be determined by dividing the amount which the Committee elects to pay in shares of Common Stock by the Fair Market Value of one share of Common Stock on the date of exercise of the Stock Appreciation Rights. Any fractional share resulting from any such calculation shall be disregarded. Said shares, together with any cash payable to the Participant, shall be delivered within said 90-day period.

IX. No Contract of Employment

Nothing in this Plan shall confer upon the Participant the right to continue in the employ of the Company, or any Participating Subsidiary, nor shall it interfere in any way with the right of the Company, or any such Participating Subsidiary, to discharge the Participant at any time for any reason whatsoever, with or without cause. Nothing in this Article IX shall affect any rights or obligations of the Company or any Participant under any written contract of employment.

X. No Rights as a Stockholder

A Participant shall have no rights as a stockholder with respect to any shares of Common Stock subject to a Stock Option. Except as provided in Section 6.2, no adjustment shall be made in the number of shares of Common Stock issued to a Participant, or in any other rights of the Participant upon exercise of a Stock Option by reason of any dividend, distribution or other right granted to stockholders for which the record date is prior to the date of exercise of the Participant's Stock Option.

XI. Assignability

No Stock Option, Stock Appreciation Right or Supplemental Bonus right granted under this Plan, nor any other rights acquired by a Participant under this Plan, shall be assignable or transferable by a Participant, other than by will or the laws of descent and distribution or, in the case of an NSO, pursuant to a qualified domestic relations order as defined by the Code, Title I of the Employee Retirement Income Security Act, or the rules thereunder. Notwithstanding the preceding sentence, the Committee may, in its sole discretion, permit the assignment or transfer of an NSO by a Participant other than an officer or director, and the exercise thereof by a person other than such Participant, on such terms and conditions as the Committee in its sole discretion may determine. Any such terms shall be determined at the time the NSO is granted, and shall be set forth in the Option Agreement. In the event of his death, the Stock Option or any Stock Appreciation Right or Supplemental Bonus right may be exercised by the Personal Representative of the Participant's estate or, if no Personal Representative has been appointed, by the successor or successors in interest determined under the Participant's will or under the applicable laws of descent and distribution.

XII. Merger or Liquidation of the Company

If the Company or its stockholders enter into an agreement to dispose of all, or substantially all, of the assets or outstanding capital stock of the Company by means of a sale or liquidation, or a merger or reorganization in which the Company is not the surviving corporation, all Stock Options outstanding under the Plan as of the day before the consummation of such sale, liquidation, merger or reorganization, to the extent not exercised, shall for all purposes under this Plan become exercisable in full as of such date even though the dates of exercise established pursuant to Section 7.1 have not yet occurred, unless the Board shall have prescribed other terms and conditions to the exercise of the Stock Option, or otherwise modified the Stock Options.

XIII. Amendment

The Board may from time to time alter, amend, suspend or discontinue the Plan, including, where applicable, any modifications or amendments as it shall deem advisable in order that ISOs will be classified as incentive stock options under the Code, or in order to conform to any regulation or to any change in any law or regulation applicable thereto; provided, however, that no such action shall adversely affect the rights and obligations with respect to Stock Options at any time outstanding under the Plan; and provided further that no such action shall, without the approval of the stockholders of the Company, (i) increase the maximum number of shares of Common Stock that may be made subject to Stock Options (unless necessary to effect the adjustments required by Section 6.2), (ii) materially increase the benefits accruing to Participants under the Plan, or (iii) materially modify the requirements as to eligibility for participation in the Plan.

XIV. Registration of Optioned Shares

The Stock Options shall not be exercisable unless the purchase of such optioned shares is pursuant to an applicable effective registration statement under the Securities Act of 1933, as amended (the "1933 Act"), or unless, in the opinion of counsel to the Company, the proposed purchase of such optioned shares would be exempt from the registration requirements of the 1933 Act and from the registration or qualification requirements of applicable state securities laws.

XV. Withholding Taxes

The Company or Participating Subsidiary may take such steps as it may deem necessary or appropriate for the withholding of any taxes which the Company or the Participating Subsidiary is required by any law or regulation or any governmental authority, whether federal, state or local, domestic or foreign, to withhold in connection with any Stock Option, Stock Appreciation Right or Supplemental Bonus, including, but not limited to, the withholding of all or any portion of any payment or the withholding of issuance of shares of Common Stock to be issued upon the exercise of any Stock Option or Stock Appreciation Right or upon payment of any Supplemental Bonus, until the Participant reimburses the Company or Participating Subsidiary for the amount the Company or Participating Subsidiary is required to withhold with respect to such taxes, or canceling any portion of such payment or issuance in an amount sufficient to reimburse itself for the amount it is required to so withhold.

XVI. Brokerage Arrangements

The Committee, in its discretion, may enter into arrangements with one or more banks, brokers or other financial institutions to facilitate the disposition of shares acquired upon exercise of Stock Options, Stock Appreciation Rights or Supplemental Bonuses, including, without limitation, arrangements for the simultaneous exercise of Stock Option, Stock Appreciation Rights or Supplemental Bonuses, and sale of the shares acquired upon such exercise.

XVII. Nonexclusivity of the Plan

Neither the adoption of the Plan by the Board nor the submission of the Plan to stockholders of the Company for approval shall be construed as creating any limitations on the power or authority of the Board to adopt such other or additional incentive or other compensation arrangements of whatever nature as the Board may deem necessary or desirable or preclude or limit the continuation of any other plan, practice or arrangement for the payment of compensation or fringe benefits to employees generally, or to any class or group of employees, which the Company or any Participating Subsidiary now has lawfully put into effect, including, without limitation, any retirement, pension, savings and stock purchase plan, insurance, death and disability benefits and executive short-term incentive plans.

XVIII. Effective Date

This Plan was adopted by the Board of Directors and became effective on March 4, 2002 and was approved by the Company's stockholders on _____. No Stock Options shall be granted subsequent to ten years after the effective date of the Plan. Stock Options outstanding subsequent to ten years after the effective date of the Plan shall continue to be governed by the provisions of the Plan.

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors
Lifeloc Technologies, Inc.

We consent to the inclusion of our report dated May 27, 2010 related to the financial statements as of and for the years ended December 31, 2009 and 2008 in the Registration Statement on Form S-1 of Lifeloc Technologies, Inc., relating to the registration of warrants to purchase 2,422,416 shares of common stock and the shares issuable upon the exercise thereof.

/s/ Eide Bailly LLP

Greenwood Village, Colorado
June 16, 2010