



Dear Valued Business Partners:

L Q Corporation Access Control business will operate as Sielox™

Effective January 6, 2005 under L Q Corporation, the Access Control business will operate as **Sielox™**, which will aggressively market, develop, and support the **Pinnacle™** access control software solution, and **LANLink™** and AC-1200 Series 32-bit controllers. Support will also continue for the legacy **Threshold Enterprise®** software, the 8-bit and 16-bit controllers, and the **Performa®** and **Mirage®** readers and cards, along with a comprehensive line of third party technology and products.

“We are pleased to announce the acquisition of Sielox as L Q Corporation’s entree into the professional security markets,” said William J. Fox, President and CEO, L Q Corporation. “Sielox will continue to market the highly recognized Pinnacle™ and Threshold Enterprise® brands of access control software solutions with renewed vigor and a more aggressive business model formulated to deliver the highest levels of technology and support services to our Business Partners and the broad base of our existing end-users.

“Through the Sielox division, we enter the market with brand equity in the established Pinnacle™ Access Control Solution supported by a team of professionals with extensive experience in the access control market,” continued Mr. Fox. “We believe Sielox™ provides L Q Corporation with a solid foundation for growth and expansion in the security market.

Familiar Leadership

“I am proud to announce the appointment of Karen Evans as President and General Manager of Sielox. Karen brings significant experience and strategic vision to Sielox™; her understanding of our customer needs and market opportunities will be a major factor in our success,” said Mr. Fox.

“I am thrilled to have the opportunity to lead this new organization,” said Ms. Evans, a fourteen-year Checkpoint veteran and former national sales director of the Access Control Products Group. “Our Sielox™



team will actively pursue new business development strategies aimed at both existing and new vertical markets.”

Sielox™. Familiar name.

The Sielox™ name has a significant history within the access control industry since the 1970s. The access control business originally acquired in 1986 by Checkpoint was named Sielox Systems, Inc. of Sunnyvale, California. And a single employee remains from the “first” Sielox of twenty years ago, Vice President of Hardware Engineering, Mark Issacson. Mark has been the driving force behind the extremely reliable family of main and terminal controllers.

Your Management Team.

The legacy of skilled employees continues with the Management Team of Sielox™.

| | | |
|----------------|-----------------------------|------------------------|
| Karen Evans | President & General Manager | 14 years at Checkpoint |
| Mark Issacson | V.P. Hardware Engineering | 20 years at Checkpoint |
| Marc Monaco | V.P. Software Engineering | 13 years at Checkpoint |
| Andy Lowen | V. P. Product Management | 2 years at Checkpoint |
| Linda Lilly | Director Customer Service | 18 years at Checkpoint |
| George Andrews | Controller | Recently joined |

Business as usual.

Business will continue as usual with all current phone numbers, fax numbers, emails, website and mailing addresses. You should have received instructions from Checkpoint on invoice payment information. Sielox™ will reside in the Checkpoint Systems Thorofare, NJ building until new nearby facilities are available for our planned relocation in mid to late March 2006.



Moving Forward.

The new Sielox™ will be in better position to serve you, our Business Partners with a highly focused team of experienced employees and new capital. Our new facility and warehouse are being designed for enhanced product development, logistics, shipment tracking, dealer support and training. Investments in human capital for additional head count in software and hardware engineering will improve and accelerate the product development cycle. A key position for investment is for a top-level industry-experienced manager who will lead an industry-best training and technical support team. More details will be forwarded as well as posted on our new website, www.sielox.com.

Thank you for your continued business and support.

Sielox™: Access Control that's Open, Modular, Scalable and Intuitive.