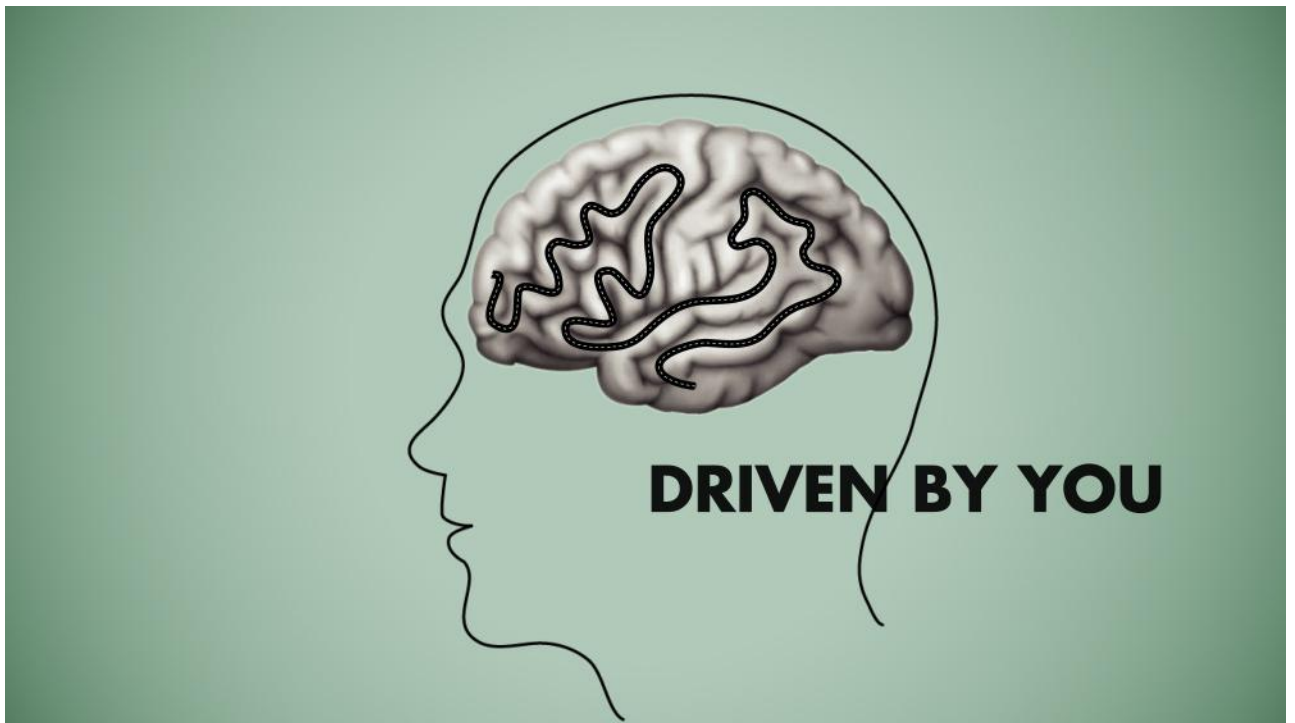


The Share Republic plc

Business Plan and Offer for Subscription

online trading platform



www.thesharerepublic.com

October 2012

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The Directors of the Company, whose names appear in section 5 of this document, accept responsibility, both individually and collectively, for the information contained in this Document. To the best of the knowledge and belief of the Directors, who have taken all reasonable care to ensure that such is the case, the information contained in this Document is in accordance with the facts and there are no other facts which, if omitted, would affect the importance of such information. All the Directors accept responsibility accordingly.

**This Document comprises the first offer for
subscription of new Ordinary Shares at 20 pence
per share to raise £150,000 under SEIS**

**Once completed, a second offer for subscription
of new Ordinary Shares to raise a further
£150,000 will follow shortly thereafter, with
intention to qualify for EIS.**

If you have any questions relating to this document, please contact **Geoffrey Hoodless** or **Vola Parker** at:

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1 Introduction

The Share Republic Ltd is a UK registered company number 7988346, formed on 13 March 2012. It re-registered as The Share Republic plc on 12 October 2012.

It owns 100% of The Share Republic.com Ltd, a UK registered company number 6905213 formed on 14 May 2009, which is authorised and regulated by the UK Financial Services Authority (FSA) number 523422.

The Share Republic.com Ltd gained corporate finance authorisation from the FSA as a first step to its ultimate goal to be fully authorised to carry out share trading online. We have now completed the second and last stage of the application process to vary our permission with the FSA, and subject to raising funds for the new capital requirement; we will be able to start the online share trading business.

In preparation for its fundraising, The Share Republic plc has applied to HMRC for Advanced Assurance under the **SEIS (Seed Enterprise Investment Scheme)**, which has been given ref. LC/L&C/S0970 12442/DMG. This entitles investors subscribing to The Share Republic plc shares up to the value of £150,000 to a 50% tax rebate on their investment irrespective of their marginal rate of tax. The maximum amount any one investor can invest is £100,000.

In addition, The Share Republic is offering its individual retail shareholders a 20% discount on its online share dealing commission/fee subject to a minimum shareholding of 2,500 shares.

2 The Business

The Share Republic share trading platform is designed for experienced investors to buy or sell assets as well as for beginners to learn and start investing.

It is a clean and easy website providing best value share trading for all.

The Share Republic's main trading activity is **Online share trading**. We help investment firms and private investors trade in companies quoted on the stock markets online at **www.thesharepublic.com** and access the world stock markets; starting with the London Stock Exchange and Plus Markets.

The Share Republic was founded by a team of experienced stockbrokers and software developers who identified the gap in the market for a **user friendly** share trading platform.

Drawing from the success of his former firm Hoodless Brennan plc's award winning **execution only online share dealing**, Geoffrey Hoodless formed the "brokers and geeks" team. We developed a share trading platform for the Twitter, Skype, Iphone, and high speed broadband generation. The software is designed to cope with an environment of fast changing financial markets and regulations.

For the past two years, we have been busy building an execution only online share dealing platform to open up share ownership to a much wider number of people.

We also aim to close the gap in research and trading speed and access between professional and private investors, so as to provide a level playing field when dealing in the stock market.

2.1 Products

The Share Republic online share trading intends to provide the following facilities to its clients:

At launch

- 1) Equity share trading
- 2) Limit orders
- 3) Virtual portfolio for monitoring shares

After launch

- 4) SIPP (Self Invested Pension Plan)
- 5) ISA (Individual Savings Account)
- 6) Fixed interest (Bond) trading
- 7) Funds (Unit Trusts) trading
- 8) Foreign equity trading
- 9) Forex (Foreign Exchange) trading
- 10) CFD (Contracts for Difference) trading

Products 1-3 will be immediately available to The Share Republic users as we launch. Products 4-6 are contingent on our achieving the variation of permission and will require development of new facilities attached to our software. They are expected to be deployed to our users three months after authorisation to trade is gained. Products 7-9 will be made available to our users as white labels products in the first instance where The Share Republic will take a portion of the fee earned. Such arrangements will be phased out and replaced by our own software over the first two years of trading.

2.2 Markets

The Share Republic plans the following phased Geographical expansion:

- 11) UK and EU
- 12) US and Canada
- 13) India
- 14) BRIC
- 15) Africa

The Share Republic's target clients are:

- Retail clients
- Commercial clients requiring online trading facilities by using a White Label of the Share Republic's trading platform, and
- Financial services firms requiring custody and settlement facilities or specific financial APIs to connect to the markets.

3 The Share Republic.com USP

3.1 Product USP

User friendly share trading platform

The Share Republic online trading platform is simple and easy to use. The smartest thing about our trading platform is that the investor can carry out trades with the minimum number of clicks to completion. It is simple and intuitive to research, buy or sell a stock. We have learnt from a solid online stockbroking experience, and applied this knowhow with the skills and expertise of our creative geeks, who designed the site from the users' perspective rather than the brokers' perspective.

Ongoing Software improvement

Because we own our software, we can listen to our clients and act upon their feedback to improve the software continuously. We can provide our clients with the latest advanced technology to ensure they continue to receive a modern and user friendly service from The Share Republic platform.

3.2 Market USP

Price leadership

www.thesharepublic.com is both innovative and disruptive because we have built and own our share trading software - this gives a far greater degree of control than some of our competitors, both in terms of improvement and costs, and we removed the critical third party dependencies that many of our competitors are locked into.

Personalised client support

Our software and support system provides a high degree of personalised support to our clients. The CRM (customer relationship management) is embedded in the trading software.

3.3 The Share Republic trading software USP

The Share Republic has put software design - generally termed as IT or Information Technology - at the heart of its business. We aspire to apply the disruptive and innovative business models pioneered by Apple, Google, Twitter, Amazon and Facebook to the asset management industry.

Financial services firms IT department do not always have board representation or priority in firms' strategies, and as a result, their IT departments can be restricted from unleashing the full potential of their firms.

In our view, there are four areas that prevent IT from innovating: over-engineering, excessive layers of bureaucracy, use of legacy systems and, surprisingly, a lower than expected degree of technological knowledge in the IT department.

1. Over-engineering is quite common across all industries, but in the financial sector, it is remarkable how severe it can become

Few financial services companies assign staff to work on demising or cleaning up existing systems. Most bring an improvement or add new features to a process by buying in a new system - in most cases purchased from an expensive external vendor such as IBM, Sage or Oracle; three of the biggest vendor companies that thrive on firms over-engineering their processes.

2. Excessive layers of bureaucracy in IT

Anyone who has tried to do anything in a financial services firm might know the enormity of getting IT to deliver a project. One needs to talk to the head of IT delivery; who will talk to the head of a particular system, who will talk to a team leader; who will sit down with the integration manager; the systems' manager, the data architect; with the system architect; who will assign a developer; a test manager; and the list goes on... Needless to say, most great ideas are lost in the process.

The ideal number of management layers should be one. There should be an individual heading the particular system and all developers should report to this person, and with no business analyst or systems architect in between. Astute developers can carry out the business analysis or design the system architecture easily as part of their job at no additional cost to the firm.

Could we imagine that Steve Job's ideas would go from sketch to implementation if there was more than one level of hierarchy between him and the developers?

3. Legacy systems

The entrenchment of legacy systems is incomprehensible for a software developer who writes applications code, as well as for anyone undertaking cost-benefit analysis. Financial firms' IT systems might have some modern elements, but these modern parts are mainly built on a swamp of old 1970's technology.

Can you imagine going to Apple and finding a VHS tape or a cassette recorder still being used?

4. A paradox - IT illiteracy

Would you invest in a restaurant where the kitchen staff did not know the difference between boiling and roasting?

The Board or senior management working with or in the IT department do not always have critical and basic IT knowledge, such as, the difference between a database connection, a transmission file, a message and an API. This IT *illiteracy* leads financial companies to regularly go to major established systems providers such as IBM or Oracle or their particular systems supplier for some trivial solutions, such as doing a statistical analysis on data that can be done in less than 10 minutes via a secure read-only database query.

So how does thesharepublic.com address these four issues?

1. The Share Republic avoids over-engineering:

We use fully open-source and well established applications such as php, java and mysql for our front-end, back-end and database operators. This, coupled with our company minimalist ethos and appetite to clean up and upgrade our software will help us avoid over-engineering.

2. The Share Republic avoids bureaucracy:

Our hands on executive directors work directly with our software developers, using agile development, a fast, trial and error development process, with re-iterative UAT testing and ongoing monitoring. Such development method requires small unit teams with a flat management structure.

3. The Share Republic does not use legacy systems: Our developers only use robust open-source systems and constantly upgrade to the latest stable releases.

4. The Share Republic works with software developers. That is Coders, individuals who have the potentials to get a job in Apple or Google development team.

The Share Republic intends to follow the league of market oriented online companies such as Apple or Facebook, who become great companies by giving not only what their customers wanted but importantly what they did not even know they wanted. They created a market. To illustrate this, Apple is formally a software and hardware company, but it has taken over the music industry, the phone industry and is poised to take over the TV industry.

We at **The Share Republic** want to challenge the status quo in the way financial services products are accessed by the market, and give customers a new approach, which we believe will be successful both for us at thesharepublic.com and also for its investors.

4 Market Size - Share Dealing

The Share Republic.com aims to gain a 3.8% share of the current market in year five.

Market size by value

£1.7 billion: was the value of UK stock markets at the end of 2010, of which:

- **41.2%** was owned by non UK investors, up from 30.7% in 1998 and
- **11.5%** was owned by UK private investors.

Market size by volume

21 million trades were carried out by stockbrokers in 2011, **74%** of which were carried out by execution only brokers, and 26% by full service stockbrokers.

Share Centre (SHR), a comparative share dealing business to www.thesharepublic.com, has been in business for 20 years and is currently quoted on the London Stock Exchange AIM with a market cap value of £34.47m (26 September 2012) and around 5% of LSE trading volumes.

The Share Republic forecast trading volume

Year	Volume increase	Trades per year	Price per Trade	Annual Revenue	% of market
Y1	0%	32,500	8	260,000	0.20%
Y2	185%	92,500	8	740,000	0.57%
Y3	100%	185,000	8	1,480,000	1.14%
Y4	91%	353,750	8	2,830,000	2.18%
Y5	75%	620,625	8	4,965,000	3.82%

Sources: The Share Republic forecast, UK Office of National Statistics Ownership of UK Shares Feb 2012 UK individual investors, Edison Company Research Oct 2011 for peer comparison, Compeer UK 2012.

5 The Share Republic Team

The Share Republic.com Ltd was founded in 2009. The founder shareholders have invested their own money and time and currently hold equal share holdings at 25% each.

The founder shareholders have demonstrated their drive and commitment to the business since the start. They have not withdrawn salaries, and contributed further funding as required to develop the business and ensure regulatory compliance; and provided time, expertise and facilities free of charge to the company.

This allowed the Share Republic.com Ltd to:

- gain its corporate finance authorisation in 2010;
- launch its virtual share trading platform “Bananas Portfolio” in 2011;
- complete the development of a straight through processing online trading platform
- connect the trading platform to the markets; and
- complete the application for the variation of permission in 2012 which is expected to be granted subject to putting the funding requirements in place.

Founder shareholders

Geoffrey Hoodless (CFCSI, FRSA), Chairman and CEO

Geoff has over a 40 year career within the financial services sector. His enterprising activities started in 1979 first as a freelance investment analyst; he then set up an insurance broking firm, before establishing a stock broking firm Hoodless Brennan plc in 1992. The business grew from the original seven people to almost 150 at its peak with interests in small market cap companies, market making, corporate finance, online trading, general advisory broking and settlements. The firm won several awards which culminated in the Investors Chronicle Stockbroker of the Year Award in November 2008. Geoff resigned as a CEO in April 2009, following the sale of the online execution only broking business to T D Waterhouse Investments Services Ltd. He was a member of the London Stock Exchange and is a Chartered Fellow of the Chartered Securities Institute.

Vola Parker (MBA, ACSI), Operations

Vola has 15 years management and marketing experience in the education and financial services sectors. She was a Researcher and Equity Analyst at HB Markets plc (formerly Hoodless Brennan plc). She later became adviser to CEO and Interim Head of Marketing and Communications and was a member of the Executive Management Committee. Previously, Vola was Head of Administration at pfeg (Personal Finance Education Group) - a charity funded by FSA, BBA, IMA, AIC and other financial services companies and trade bodies. Vola holds an Executive MBA from London, and graduated from the University of Antananarivo, Madagascar. She is an Associate Member of the Chartered Securities Institute (ACSI), a member of the Centre for the Study of Financial Innovation (CSFI) and the Institute of Leadership and Management. Vola is director of Andrew Lees Trust, a London charity operating in her native Madagascar. Previously, she represented her country at the 1992 Barcelona Olympics swimming events.

Eurico Covas (PhD, MSc), Software Development, Trading platform

Eurico has 15 years experience in research and development that spans the academic and financial services sectors. Eurico holds a PhD in Astrophysics and Applied Mathematics, an MSc in Mathematics, and MSc in Economics and Econometrics from London Universities, and holds a BSc in Applied Mathematics from the University of Porto. He was planetarium presenter at the Centre of Astrophysics in Porto, Portugal, and a researcher at Queen Mary and Westfield University of London. Eurico manages a large team of software/IT developers and quantitative analysts to develop, monitor and maintain HSBC's bespoke quantitative & risk valuation and hedge accounting systems. Eurico is an active reviewer for scientific journals, and a founder and member of the Portuguese Association for the Teaching of Astronomy.

Danesh Varma (FCA, ATII)

Danesh has over 20 years experience in the mining finance industry. A qualified accountant in the UK and Canada, Danesh is Chief Financial Officer of several mining companies including Conquest Resources Limited, Xtierra Inc. and Labrador Iron Mines Holdings Limited and holds directorships with Anglesey Mining plc, Brookfield Infrastructure Partners LLP and Minco plc. Danesh also has active interests in the financial services sector, as a co-founder of Brook Group, and currently as Chief Executive of Northern Securities Europe Ltd, an FSA regulated investment manager. Prior to that, Danesh held a number of senior positions in the banking, corporate finance and accounting fields. He is a Chartered Accountant and a member of the Chartered Institute of Taxation and holds a degree from Delhi University.

Development Team and Non Executive Directors**Mauro Bampo (PhD, MEng), Software Development and Viral Marketing**

Mauro has several years of experience in research and practice of online and viral marketing, optimisation and software development. With a background in computer engineering (Bologna University, Italy) he has worked as a software developer for the financial sector in the UK, Australia and Hong Kong. After completing his masters with a thesis on simulation and decision support for viral marketing campaigns he went on to undertake a Ph.D (Monash University, Australia) in optimisation applied to scheduling algorithms. He has spent several months during his Ph.D as a research intern at Microsoft Research Cambridge working on viral marketing and distributed systems in optimisation. Mauro is currently consulting with several start-ups in Italy and Australia on issues of online and viral advertising. He is always up for a challenge, loves anything that rhymes with adrenaline and spends his Sundays jumping out of planes, or teaching people how to do it.

Wendy van den Hende (OBE), Non executive Director, Investor Education

Wendy is a member of the Member Panel of NEST (National Savings Employment Trust), and was Chief Executive of the Personal Finance Education Group from 2000 to 2012. pfe is an educational charity helping schools to plan and teach personal finance relevant to students' lives and needs. This is vital, not just in equipping young people with the skills to be in control of their money as they move into independence but also in enabling them to make financial decisions that will impact on their future. Wendy was previously Chief Executive for Parent Network, Deputy Director of the National Council for One Parent Families and Interim Director of the Camelot Foundation. She is Chair of Milton Keynes Citizens Advice Bureau and has served on the boards of a number of charities. In the birthday honours list 2012 she was awarded an OBE for services to financial educations.

Directors

The directors of **The Share Republic plc** are:

Geoffrey Hoodless
Vola Parker

The directors of **The Share Republic.com Ltd** are:

Geoffrey Hoodless
Vola Parker
Wendy van den Hende

6 Commercial traction

6.1 Market trend

- Overall revenue at stockbroking firms rises by 10% in 2010
- There are now over 4.5 million execution-only accounts in the UK
- Assets held with execution-only firms rose by more than a third in 2010
- Pre-tax profit margins remain healthy

Source: Mintel Report Share dealing UK October 2011 - Market Size and Forecast. These are the latest available reports to date.

6.2 Business Opportunity

The Share Republic has identified through observation and market research that there is a perceptible shift in the consumer market from high street or supermarket shopping to online shopping.

Share trading is a commodity business and is therefore no different to this changing retail landscape. What is most powerful is that the exchange of payment and delivery occurs immediately online, which meets the need for instant gratification of this generation and next.

- Do it yourself generation
- From screens to mobile phones
- Online trades are growing rapidly
- Inflation eroding bank deposit interest rates
- Growing emphasis on SIPP's & ISAs
- Tax incentives to invest in Venture Capital Trusts and EIS schemes
- All above drive customers towards equities

6.3 Rationale for clients

People still need to manage their savings and investments despite the recession. The Share Republic is an online provider and therefore can follow and establish its presence to existing and new affluent markets/countries.

- Diversification of savings and investment
- Aspiration to beat inflation for personal savings
- Ability to move in and out of investment instantaneously
- Requirement to keep an eye on underlying stock performance of their investment portfolio
- Low cost portfolio management platform

7 Competitive landscape

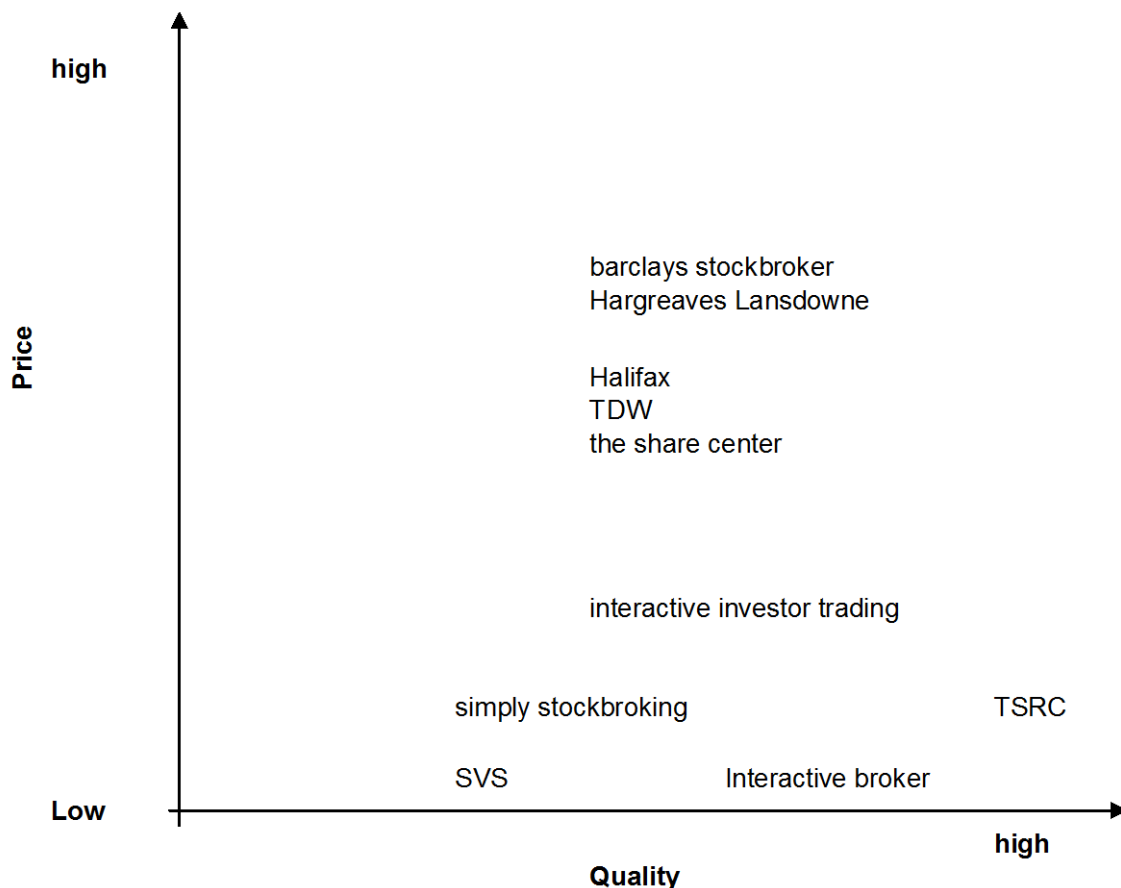
7.1 Competition analysis

We carried out online market research to identify active players in the online share dealing spectrum, as this is the market sector we will start dealing with.

In terms of software providers for the UK markets, we believe our systems have a clear competitive edge due to the fact that they do not have the burden of a legacy system. The number of recognised retail trading software providers is limited, and not many of them have FSA authorisation.

In terms of retail online share dealing brokers, we have identified two main geographic groups, the UK and the US. We view these providers as competitors as well as potential clients for our software for White label when we become established and price competitive.

With regards to share dealing, our main competitors are the UK stockbrokers. We have identified those whose business models are closest to our online share dealing proposition, and have drawn a target positioning of our offering as illustrated below.



Note: This is our own analysis and is not an independent and comprehensive view of the market.

The Share Republic target position relative to trade price and quality of client experience is to be a true value driven trading platform, increasing quality and decreasing price as trade volumes pick up. This is a tried and tested philosophy adopted by Geoffrey Hoodless with his previous award winning trading platform.

The Share Republic will be able to compete on this basis because it controls its software development and does not depend on third party providers for its online share trading software. Many of our competitors are either appointed representatives of other firms, or “white label” existing trading platform which take “a cut” in the revenue.

Our business model is that of a manufacturer rather than a stock broker firm. We develop user driven software to help clients, retail or institutions, so that they can carry out their own financial transactions.

Our forecast budget shows our commitment to re-invest in our trading software to ensure its functionality and content remain ahead of our competitors and meets our clients' present and future needs.

There has been a proliferation of online share dealing websites since 2009 (Mintel Share dealing UK September 2010). However, the size of the market is also growing rapidly according to the same report.

"There is significant scope to grow penetration of share dealing accounts, with just over half (54%) of those with savings or investments expressing interest in online execution-only share dealing sites."

The Share Republic.com is poised to seize a share of this growing market through price and quality leadership.

7.2 Barriers to new entrants

There are three barriers to new entrants:

1) Online trading software

Developing the trading software takes time and requires in-depth understanding of software development as well as how the stock market works.

Where competitors take a shortcut and “white label” existing trading software, they still require software integration that cost time and money, so capital investment remains a barrier. White label users also bear higher trading costs that could make them less competitive.

In addition, such entrants will not be able to change or improve their trading platform quickly and without incurring additional costs unlike The Share Republic.

2) Regulatory requirements

A trading software platform cannot exist without connecting to the market.

New entrants will need to secure approval from the Financial Services Authority to transact in shares and hold client money and remain compliant. In addition, new entrants need to connect to market providers such as the LSE and CREST who require a minimum threshold in terms of financial markets knowledge and experience.

3) Gaining market counterparty trust

Market counterparties carry out their due diligence on those they deal with to minimise their risk. It is therefore difficult for anyone without a significant market network to enter the market.

8 SWOT and Risk Analysis - summary

Investors should also read the broad Risks Factors for the business listed in section 8.

<p>Strengths</p> <p>Management of own trading software and database.</p> <p>Award winning background</p> <p>Hoodless brand</p> <p>Lean and agile business</p> <p>Viral marketing tactics highly suitable for online products.</p> <p>Anti Money Laundering regulations is a Geographical restriction for multinational competitors to enter our market.</p>	<p>Weaknesses</p> <p>Capital not yet in place to carry out online trading business</p> <p>Very low cost base resources for software and operations imply vulnerability to key personnel.</p> <p>Outsourced three year third party contract to facilitate FSA variation of permission.</p> <p>A start up firm in terms of establishing brand and market penetration.</p>
<p>Opportunities</p> <p>Growth of execution only share dealing activities</p> <p>Price sensitive market</p> <p>Quality driven market due to lower quality alternatives</p> <p>Improved web and trading technology</p> <p>International Markets integration</p>	<p>Threats</p> <p>Price war – mitigated by strict cost control</p> <p>Online fraud – mitigated by penetration testing and AML</p> <p>Regulatory change – Mitigated by management actively involved in regulatory updates</p> <p>Capital adequacy requirement – Mitigated by daily cashflow monitoring</p> <p>Giant search engines or social sites entering the online trading markets such as Google or yahoo.</p> <p>Failure to meet target sales - Mitigated by using historic growth data from Hoodless' previous firm and undertaking stress testing scenarios on volume, price and frequency.</p>

9 Risk Factors

All the information set out in this Document should be carefully considered and, in particular, those risks described below. If any of the following risks materialise, the business, financial condition, prospects and share price of the Company could be materially and adversely affected, and you may lose all or part of your investment.

All risks of which the Directors are aware at the date of this Document and which they consider material are set out in this Document. However, further risks which are not presently known to the Directors, or that the Directors currently deem immaterial, may also have a material effect on the business, financial condition, prospects and share price of the Company, all of which may be adversely affected.

The Directors believe the following risks to be the most significant to the Company. However, the risks listed do not necessarily comprise all those associated with an investment in the Company. In particular, the Company's performance may be affected by changes in market or economic condition and in legal, regulatory and tax requirements.

The list below is not exhaustive, nor is it an explanation of all the risk factors involved in investing in the Company and nor are the risks set out in any order of priority.

Prospective investors should be aware that the value of an investment in the Company may go down as well as up and that the shares will be illiquid. There can be no guarantee that the value of an investment in the Company will increase. Investors may therefore realise less than, or lose all of, their investment.

9.1 Business risks

The value of an investment in the Company is largely dependent upon the Company achieving its strategic aims. Whilst the Directors are optimistic about the prospects for the Company, there is no certainty that the businesses in which the Company invests will be capable of achieving the anticipated revenues or growth. This growth and expansion could place significant strain on the Company's current managerial, financial and other resources. The Company will mainly operate in existing markets and, as such, the maintenance of its professional reputation and quality and maintenance of its services is vital to the continued success of its businesses. The Company's future revenues are inherently difficult to forecast as the Company relies on the ability to secure new customers to generate much of its revenue.

Delays in the development stage in the project – need to raise further funds

The Company's capital requirements depend on numerous factors, including regulatory requirements and its ability to develop, maintain and expand its operations. It is difficult for the Directors to accurately predict the timing and amount of the Company's working capital requirement. If the costs anticipated by the Directors of growing the business or attracting customers exceed those in the forecasted budget, the Company may require additional financing. Any additional amount of equity may be dilutive to Shareholders and debt financing, if available, may involve restrictions on the Company's operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations.

Dependency on key personnel

The Company's business and future success is substantially dependent on the expertise and continued services and continuing contributions of its Directors and senior employees. The loss of the services of any Director, or other key employee, could have a material adverse effect on the Company's business. The Company cannot guarantee the retention of the Directors, and senior employees. The Company's future success and growth will also depend on its ability to attract and retain additional suitably qualified and experienced employees. There can be no guarantee that the Company will be able to continue to attract and retain such employees, and failure to do so could have a material adverse effect on the financial condition, results or operations of the Company.

Litigation

Legal proceedings, with or without merit, may arise from time to time in the course of the Company's business. The Directors cannot preclude litigation being brought against the Company and any litigation brought against the Company could have a material adverse effect on the financial condition, results or operations of the Company. The Company's business may be materially adversely affected if the Company and/or its employees or agents are found not to have met the appropriate standard of care or exercised their discretion or authority in a prudent or appropriate manner in accordance with accepted standards. Although the Company intends to put in place insurance in respect of such risks, there is no guarantee that any insurance in place will cover all or any part, of any liability incurred by the Company in any such circumstances.

Uncertainty of future revenues

The Company has no trading history in the marketplace upon which an evaluation of the Company and its prospects can be based. The Company's business must also be considered in light of the risks, expenses and problems incurred by companies at an early stage of development. There can be no assurance that the Company's operations will be profitable or produce a reasonable return, if any, on investment. New or unknown technology may also appear that reduces or eliminates the need for the Company's products.

Internal controls

Future growth and prospects for the Company will depend on its ability to manage the business and to continue to expand and improve operational, financial and management information and quality control systems on a timely basis, whilst at the same time maintaining effective cost controls. Any failure to expand and improve operational, financial and management information and quality control systems in line with the Company's growth could have a material adverse effect on the Company's business, financial condition and results of operations.

9.2 Market Risks

General economic climate

The general economic climate is volatile and is affected by numerous factors which are beyond the Company's control and which may affect its operations, business and profitability. These factors include the supply and demand of capital, growth in gross domestic product, employment trends and industrial disruption, international regulations and economic trends, currency exchange rate fluctuations, the level of interest rates and the rate of inflation, global or regional political events and international events, as well as a range of other market forces, all of which have an impact on demand, business costs and stock market prices.

Market acceptance

The target markets may respond differently and may take longer than expected to adopt the Company's platform technologies.

Competition

Larger companies, in particular, may have access to greater financial resources and technical facilities than the Company, which may give them a competitive advantage. In addition, the Company cannot predict the pricing or promotional activities or product development activities of its competitors or their effect on its ability to market and sell its products. In order to ensure that its services remain competitive, the Company may be required to reduce its prices as a result of price reductions by its competitors. This could adversely affect the Company's results. Potential competitors may establish co-operative relationships between themselves or with third parties to enhance their products. Accordingly, it is possible that new competitors or alliances among competitors may emerge and rapidly acquire significant market share. There is no assurance that the Company will be able to compete successfully in such a marketplace.

9.3 Other risks

Valuation of shares

The Subscription Price per Ordinary Share has been determined by the Company, and may not relate to the Company's net asset value, net worth or any established criteria or value. There can be no guarantee that the Ordinary Shares will be able to achieve higher valuations or, if they do so that such higher valuations can be maintained. There was no corporate adviser involved in establishing the Subscription Price for the purposes of the Offer and accordingly no independent opinion was expressed.

Raising working capital to fund development and consequences of doing so

It is possible that the Company will need to raise further funds in the future. There is no guarantee that the then prevailing market conditions will allow for such a fundraising or that new investors will be prepared to subscribe for Ordinary Shares at the same price as the Offer Price, or higher. Shareholders may be materially diluted by any further issue of Ordinary Shares by the Company.

Future payment of dividends and trading discounts

There can be no assurance as to the level of future dividends. The declaration, payment and amount of any future dividends of the Company are subject to the discretion of the directors and shareholders of the Company and will depend upon, inter alia, the Company's earnings, financial position, cash requirements and availability of profits as well as the provisions of relevant laws and/or generally accepted accounting principles from time to time. The Company has no plans to pay a dividend in the immediate future. The trading discount is available to individual retail shareholders who own a minimum of 2,500 shares and is relative to published variable trading commission applicable at the time of trade. The trading fee discount is subject to a minimum charge, whichever is the lowest at the time of trade. This discount will only take effect when the company starts its equity trading activities, which is subject to various factors and may not occur or may be suspended if the company cannot continue to offer its equity trading activities.

9.4 SEIS, EIS and VCT statuses

(Seed Enterprise Investment Scheme, Enterprise Investment Scheme, Venture Capital Trust)

Provisional assurance has been granted by HMRC that the Company should be a qualifying company for the purposes of SEIS, EIS and VCT provisions. Neither the Company nor any of the Company's advisers give any warranties or undertakings that SEIS, EIS relief or VCT qualifying status will be available or that, if given, such relief or status will not be withdrawn. Should the law regarding SEIS, EIS or VCT change then any reliefs or qualifying status previously obtained may be lost. If the Company ceases to carry on the business outlined in this document or acquires or commences a business which is not insubstantial to its activities and which is a non-qualifying trade for SEIS, EIS and VCT relief during the three year period from the last allotment of Ordinary Shares, this could prejudice the qualifying status of the Company (as referred to above) under the SEIS, EIS and VCT scheme. This situation will be closely monitored with a view to preserving the Company's qualifying status but this cannot be guaranteed.

Circumstances may arise where the Directors believe that the interests of the Company are not best served by acting in a way that preserves the SEIS, EIS relief (including Capital Gains Tax) or VCT qualifying status. In such circumstances, the Company cannot undertake to conduct its activities in a way designed to secure or preserve any such relief or status claimed by any shareholder. If the Company does not employ all of the proceeds of an SEIS/EIS/VCT share issue (and other shares of the same class issued on the same day) for qualifying trading purposes within 24 months of the shares being issued (or within 24 months of the trade commencing, if that is later), the SEIS, EIS shares would cease to be eligible shares and all of the SEIS/EIS tax reliefs of investors would be withdrawn. In respect of share subscriptions made by a VCT, the funds invested by the VCT would be apportioned pro rata and its qualifying holding would be equal to the VCT's funds that had been employed for qualifying trading purposes within the above time limits. Any remaining element of the VCT's investment would comprise part of its non-qualifying holding. The information in this document is based upon current tax law and practice and other legislation and any changes in the legislation or in the levels and bases of, and reliefs from, taxation may affect the value of an investment in the Company.

10 Financial Information on The Share Republic plc

BALANCE SHEET AS AT 30 SEPTEMBER 2012

	Notes	2012 £
Fixed assets		
Investments	2	73,752

Current assets		
Debtors		-

		-

Creditors: amounts falling due within one year	3	(15,000)

Net current liabilities		(15,000)

Total assets less current liabilities		58,752

Net assets		58,752
		=====
Capital and reserves		
Called up share capital	4	58,752
Profit and loss account	5	-

Shareholder's funds	5	58,752
		=====

The balance sheet was approved and signed on behalf of the Board by the directors and authorised for issue on 10th October 2012 and signed on behalf of the Board.

NOTES TO THE BALANCE SHEET

1. Accounting policies

Basis of preparation

The balance sheet and related notes have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards (United Kingdom Generally Accepted Accounting Practice).

Investments

Fixed asset investments are carried at cost less provision for impairment. They are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Deferred tax

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance is not discounted.

2. Investments

	Investment in subsidiary undertaking £
Cost	
On incorporation	-
Additions	73,752

As at 30 September 2012	73,752
	=====

During the period from incorporation the Company acquired 93,750 ordinary shares in The Share Republic.com Limited for consideration of £15,000. On 2 August 2012 the Company acquired the remaining share capital of The Share Republic.com Limited via a share for share exchange.

In the opinion of the directors, the aggregate value of the investment in its subsidiary undertaking is not less than the amount at which it is stated in the balance sheet.

Details of the investments in which the company (unless indicated) holds 20% or more of the nominal values of the class of share capital are as follows:

Name of entity subsidiary undertaking	Holding	Proportion rights held	Nature of business
The Share Republic.com Ltd	Ordinary Shares	100%	Corporate finance advisory

3. Creditors: amounts falling due within one year

	2012
	£
Other creditors	15,000
	=====

During the period the Company received a loan of £15,000 from Eurico Oscar da Conceicao dos Santos Covas and Geoffrey Hoodless to facilitate the acquisition of shares in The Share Republic.com Limited. The loan is unsecured and is convertible, at the behest of the creditors into ordinary shares in the Company at a price of £0.08 pence per share up to 31 August 2022.

4. Share capital

	No	2012 £
Allotted, called up and fully paid		
Ordinary shares of £0.01 each	5,875,200	58,752
		=====
Issued in the period		58,752

As at 30 September 2012		58,752
		=====

The Company was incorporated on 15 March 2012 with 1 ordinary share of £0.01.

On 2 August 2012 the Company issued 5,875,199 ordinary shares of £0.01 in consideration for the remaining issued share capital of The Share Republic.com Limited.

5. Reconciliation of shareholders' funds and movements on reserves

	Share Capital £	Profit and loss account £	Total £
On incorporation	-	-	-
Issue of share capital	58,752	-	58,752
	-----	-----	-----
At 30 September 2012	58,752	-	58,752
	=====	=====	=====

11 Statutory and General Information

Responsibility

The Directors of the Company, whose names appear in section 5 of this document, accept responsibility, both individually and collectively, for the information contained in this Document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Document is in accordance with the facts and there are no other facts which, if omitted, would affect the import of such information. All Directors accept responsibility accordingly.

Incorporation and status of the Company

The Company was incorporated and registered in England and Wales on 13th March 2012 as a private limited company with the name of The Share Republic Ltd with the registered number 7988346.

The principal legislation under which the Company operates is the Act and the regulations made thereunder.

The liability of the members of the Company is limited.

The Registered Office of The Company is at Quadrant House Floor 6, 4 Thomas More Square, London, E1W 1YW.

The accounting reference date of the Company is 31st March. The intention is to change the accounting reference date to 31st May.

The Company has one subsidiary and no other associated undertaking. The company owns 100% of The Share Republic.com Limited, a private limited company incorporated and register in England and Wales on 14th May 2009 with the registered number 6905213, which is Authorised and Regulated by the Financial Services Authority no 523422.

The Company's principal activity is that of a general commercial company.

The Company re-registered as a public limited company on 12 October 2012.

Share Capital

Directors' and others' interests

The interests of the Directors' and the persons connected with them in the ordinary share capital, all of which are beneficial as at the date of this Document, and as expected to be immediately after this subscription, will be as follows, on the assumption that £300,000 is raised from two offers for subscription at £150,000 each.

The issued share capital at the date of this Document is as follows:

5,875,200 ordinary shares of £0.01

Shareholding pre-funding	Shares	% of total issued shares
Eurico Covas	1,468,750	25%
Geoffrey Hoodless	1,468,950	25%
Vola Parker	1,468,750	25%
E. H. Holdings Ltd (Danesh Varma)	1,468,750	25%

On subscription of £150,000 under this offer, the issued share capital will be:

6,625,200 ordinary shares of £0.01

Following this offer, the Company proposes to make a further offer, and if another £150,000 is subscribed at the same price the total issued share capital will be:

7,375,200 ordinary shares of £0.01

Shareholding post-funding	Shares	% of total issued shares
Eurico Covas	1,468,750	20%
Geoffrey Hoodless	1,468,950	20%
Vola Parker	1,468,750	20%
E. H. Holdings Ltd (Danesh Varma)	1,468,750	20%
FUNDRAISING 2012	1,500,000	20%

Additional information on the Board

In addition to Directorships of the Company the Directors hold or have held the following Directorships (including Directorships of companies registered outside England and Wales) or have been partners in the following partnerships within the five years prior to the date of this Document:

Director	Present Directorships/Partnerships	Past Directorships/Partnerships
Vola Parker	Andrew Lees Trust The Share Republic.com Ltd TSRC Nominees Ltd The Share Republic plc	
Geoffrey Hoodless	Centaur Seaplane plc Hart Hill House Management Company Limited Nameco (No.251) Limited Tom Hoskins plc The Share Republic.com Ltd TSRC Nominees Ltd The Share Republic plc	Dimension Resources Limited HB Corporate Finance Limited HB Markets plc HBP Limited Hoodless Brennan & Associates Limited Hoodless Brennan Holdings plc Raven Nominees Limited Ruby ISA Nominees Limited The Agent Mole Technology Medical Partnership Cherryhawk Limited

12 Material Contracts

The Share Republic has entered into a five year contact with a break clause after three years, with Peter Evans Ltd, to supply Crest settlement software.

13 Investment structure

Funds will be invested in The Share Republic plc as ordinary shares. The Share Republic plc owns 100% of the Share Republic.com Ltd, and this structure will remain after capital injection in the parent company.

13.1 Existing investment

The four founder shareholders have provided the following development equity to date:

Financial Investment: 185,000 GBP

Non financial investment:

3 years non salaried employment service by Geoffrey Hoodless, Vola Parker

3 years free office hosting by Danesh Varma

3 years free IT consultancy by Eurico Covas

13.2 New investment required

Investment Target 300,000 GBP

Equity offered: 20%

Offer open: Monday 29 October 2012

Offer ends: As soon as the target investment is secured.

Minimum investment: 500 GBP

Price per share: 0.20 GBP

Retail Investor incentive: 20% discount on published dealing commission charge *

*Minimum shareholding of 2,500 shares = 500 GBP

*Subject to a minimum charge

13.3 Use of funds

- Working capital and Marketing: client acquisition 200,000 GBP
- Regulatory Capital 125,000 Euros

The Share Republic.com Limited was created in March 2009. In October 2011, we applied to vary (i.e. upgrade) our permission with the UK Financial Services Authority so that we can provide a full service online share dealing, from placing orders to buy and sell securities, to the delivery of assets ownership contract notes to individual investors.

We now seek to raise 300,000 GBP to meet FSA ongoing minimum capital requirement of 125,000 Euros, plus the cost launching the online share trading operation, and to grow the number of investors using our trading platform.

14 Forecast financials

14.1 Forecast 5 year Profit and Loss

The Share Republic plc					
5 Year Forecast Profit and Loss	Year 1	Year 2	Year 3	Year 4	Year 5
Income					
Commission earnings	260,000	740,000	1,480,000	2,830,000	4,965,000
Interest earnings on TSRC cash	108	308	617	1,179	6,206
Interest earnings on Client Money	6,771	28,906	115,625	221,094	1,163,672
Corporate finance earnings	5,000	12,000	12,000	12,000	12,000
Total income	271,879	781,215	1,608,242	3,064,273	6,146,878
Expenditure					
Trading platform					
Software development	17,700	15,500	19,700	26,000	33,350
Markets	61,150	41,150	41,150	41,150	41,150
Settlements	112,865	235,916	413,567	695,504	1,092,294
Overheads					
Human Resources	75,353	169,524	368,560	419,440	422,440
Marketing/PR running costs	17,500	20,500	36,000	48,000	62,000
Services	17,733	35,500	59,500	59,500	59,500
Finance	55,930	24,000	45,000	67,050	109,075
Membership fees	22,500	29,124	45,665	74,785	136,438
Unrecoverable VAT	56,576	74,513	122,983	187,441	279,474
Depreciation	15,292	17,692	20,092	22,492	24,892
Contingency	12,000	36,000	60,000	84,000	108,000
Total Expenditure	464,600	699,420	1,232,217	1,725,363	2,368,612
Profit/Loss before bonus provision	-192,720	81,795	376,024	1,338,910	3,778,266
Staff bonus provision	0	16,359	75,205	267,782	422,440
Profit/Loss before tax	-192,720	65,436	300,819	1,071,128	3,355,826
Cummulative balance for tax consideration	-192,720	65,436	300,819	1,071,128	3,355,826
Corporation Tax	0	54,213	63,172	224,937	704,723
Profit/loss after tax deduction	-192,720	11,223	237,647	846,191	2,651,102
Dividends distribution	0	2,806	59,412	211,548	662,776
Retained profit	-192,720	8,417	178,235	634,644	1,988,327

14.2 Forecast 5 year Balance Sheet

The Share Republic Balance Sheet						
Balance Sheet	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
B/f balance						
Fixed asset						
Tangible asset	585	585	585	585	585	585
Intangible asset	76,461	73,169	67,477	59,384	48,892	36,000
Tottal fixed asset	77,046	73,754	68,062	59,969	49,477	36,585
Current Assets						
Debtors	8,028	0	0	0	0	0
Cash at bank and in hand	44,488	163,088	177,197	363,525	1,008,661	3,009,880
Total Current Assets	52,516	163,088	177,197	363,525	1,008,661	3,009,880
Creditors						
Amoungs falling due within one year	7,669	7,669	7,669	7,669	7,669	7,669
Net current Assets	44,847	155,419	169,528	355,856	1,000,992	3,002,211
Total assets less current liabilities	121,893	229,173	237,590	415,825	1,050,469	3,038,796
Capital and reserves						
Called up share capital	30,314	45,314	45,314	45,314	45,314	45,314
Share premium account	154,687	439,687	439,687	439,687	439,687	439,687
Profit and loss account	-63,108	-255,828	-247,411	-69,176	565,468	2,553,795
Shareholders funds	121,893	229,173	237,590	415,825	1,050,469	3,038,796

15 The Return on Investment and exit strategy

15.1 Forecast value

15.1.1 Forecast Earnings Per Share and Net Present Value

Based on an assumption of one trade per client per month, the client growth in section 4, and a discount factor of 15%, the Share Republic's Net Present Value of a 5 year forecast is 0.36 GBP per share or 2.71m GBP (based on pre-tax profit).

The Share Republic.com Limited

Year	Turnover	EBITDA	PAT	EPS
YEAR 1	271,879	-192,720	-192,720	-0.03
YEAR 2	781,215	65,436	11,223	0.00
YEAR 3	1,608,242	300,819	237,647	0.03
YEAR 4	3,064,273	1,071,128	846,191	0.11
YEAR 5	6,146,878	3,355,826	2,651,102	0.35

15.1.2 Value of company as a multiple of Earnings

Current Value

On the basis of 20 pence per share, and with 6m shares pre-money and 7.5m shares post money.

Pre-money valuation = 1.2m GBP

Post-money valuation = 1.5m GBP

Future value

Estimated value in Year 5 based on a Price Earnings Ratio (PER) 7x = 18.55m GBP.

15.2 Acquirer landscape & rationale

The Share Republic can be acquired by either a larger software company seeking to expand into the financial services provision or by a larger financial services company seeking to improve its trading and settlement systems.

15.3 Float on the stock market

A company with two founder shareholders who are seasoned corporate finance dealers, it is a natural migration path for the Share Republic to aim to go public when it can support and demonstrate sustainable value and growth capabilities.

We anticipate being able to do so within three to five years of trading, when we have gained sufficient market share and achieved development in terms of clients number, clients assets and software capabilities.

16 APPLICATION PROCEDURE

Before making an application to subscribe for New Ordinary Shares, **you are recommended to consult your financial adviser or a person authorised under the FSMA, who specialises in advising on the acquisition of shares and other securities.** The following instructions should be read in conjunction with the Application Form and the Terms and Conditions of Application set out in this Document. Applications must be for a minimum of 2,500 New Ordinary Shares and thereafter in multiples of 2,500 Ordinary Shares.

1. Insert in Box 1 (in figures) the number of New Ordinary Shares for which you are applying.
2. Insert in Box 2 (in figures) the amount of your cheque.
3. Insert your full name and address in BLOCK CAPITALS in Box 3.
4. You may apply jointly with up to three other persons. If you are applying jointly you must arrange for the Application Form to be completed by or on behalf of each joint applicant. Their full names and addresses should be inserted in BLOCK CAPITALS in Box 4.
5. Box 5 must be signed by or on behalf of each joint applicant (other than the first who should complete Box 3 and sign Box 6).
6. Sign and date the Application Form in Box 6.

The Application Form may be signed by another person on your behalf if that person is duly authorised to do so, but the power of attorney (or a copy or copies thereof duly certified by a solicitor) or form(s) of authority must be enclosed for inspection. A corporation should sign under the hand of a duly authorised official whose representative capacity must be stated.

7. You must attach a single cheque in the name of the applicant, to your completed Application Form at Box 7. Your cheque must be made payable to **"The Share Republic plc"** for the amount payable on your application (inserted in Box 2) and should be crossed "A/C payee only". A separate cheque with the name of the applicant must accompany each application. No other method of payment is acceptable. No receipt will be issued for this payment. Your cheque must be drawn in sterling and bear a UK bank sorting code.
8. By completing and returning the Application Form you irrevocably undertake, confirm and agree that:
 - a. you are not a national or resident of the United States of America (including its territories, its possessions and all areas subject to its jurisdiction) or Canada or Australia or a corporation, partnership or other entity organised under the laws of the United States of America or Canada (or any political sub-division of either) , Australia, Ireland, Japan or South Africa, and that you will not offer, sell or deliver directly or indirectly any of the New Ordinary Shares under the Offer in the United States of America or Canada or Australia, Ireland, Japan or South Africa or to the benefit of any person resident in the United States of America or Canada or Australia, Ireland, Japan or South Africa.
 - b. you are entitled to take New Ordinary Shares under the Offer comprised herein under the laws of all relevant jurisdictions which apply to you, and that you have observed such laws and obtained all governmental and other consents which may be required thereunder and complied with all necessary formalities; and

- c. you have read the Section headed “Risk Factors” in section 8 of this Document and confirm that you understand the nature of the risks and that you could lose all your investment in the Company.
9. The address to return your completed Application form to is:

The Share Republic plc

Painters’ Hall Chambers

8 Little Trinity Lane

London EC4V 2AN

17 TERMS AND CONDITIONS

1. The Offer will open at 9 am on 29 October 2012 and close when the subscription sum of £150,000 has been reached. Following the closing of the initial offer, a second subscription offer will open to raise another £150,000 which will close when that subscription sum reaches £150,000.
2. Applicants who wish to apply for New Ordinary Shares must complete the Application Form (in accordance with this Part VI) and return it, together with the appropriate remittance for the full amount payable (by way of cleared funds) on application, by post to The Share Republic plc, so as to arrive as soon as possible. Application will be accepted in the order of receipt. Applications will not be acknowledged.
3. Remittance paid by way of cheque should be crossed "Account Payee only" and made payable to "The Share Republic plc." They must be drawn in sterling on a UK bank account in the name of the applicant at a branch of a bank or building society which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company or a member of either of the committees of the Scottish or Belfast Clearing Houses or which has arranged for its cheques and bankers' drafts to be cleared through the facilities provided by either of those companies or those committees (and must bear the appropriate sorting code number in the top right hand corner). Cheques are liable to be presented for payment upon receipt. It is a term of the Offer that cheques shall be honoured on first presentation. The Company may elect to treat as invalid any application in respect of which a remittance is not so honoured.
4. Share certificates will be despatched to shareholders within 30 days following acceptance. Share certificates and any surplus money will be retained pending clearance of an applicant's cheque. The applicant, by completion of the Application Form, forgoes his right to any interest on the subscription monies.
5. The Board reserves the right to reject any application for New Ordinary Shares. The Board also reserves the right to treat as valid any applications for new Ordinary Shares, which do not fully comply with the application procedure set out herein and/or the Terms and Conditions. If any application for New Ordinary Shares is not accepted or the Offer lapses, the amount paid on application will be returned within 14 days of such rejection or lapse. All documents and remittances relating to the Offer sent by or to an applicant are at the applicant's risk. Applications will be considered in order of receipt, save that applications received with post-dated cheques will not be considered until the date of the cheque.
6. Joint applications are acceptable. All joint applicants should sign the Application Form and give full names and addresses in block capitals. An applicant applying on behalf of another person must complete the Application Form in the name of that other person and sign his/her name as attorney and must enclose a power of attorney duly executed.
7. No person receiving a copy of this Document and/or the Application Form in any territory other than the UK may treat the same as constituting an invitation or offer to him, nor should he/she in any event use such Application Form, unless in the relevant territory such an invitation could lawfully be made to him or such form could lawfully be used without contravention of any other legislation or other legal requirements. It is the responsibility of any person outside the UK wishing to make an application hereunder to satisfy himself as to the full observance of the laws and regulations of the relevant territory in connection therewith including obtaining any governmental or other consents which may be required or observing any other formalities needing to be observed in such territory.
8. By completing and delivering an Application Form to the Registrars the Applicant offers to subscribe for the number of New Ordinary Shares specified in his/her Application Form (or such lesser number for which his/her Application Form is accepted) at the Subscription Price on the terms of and subject to this Document, including these Terms and Conditions, and the Memorandum and Articles of the Company.
9. The acceptance and basis of allocation of the New Ordinary Shares is in the absolute discretion of the Directors and they reserve the right to reject in whole or in part or to scale down any application including without limitation multiple or suspected multiple applications or any application considered by the

Directors to have been made by a nominee. If any application is not accepted, or is accepted for fewer New Ordinary Shares than the number applied for, the application monies or the balance thereof (as the case may be) will be returned by sending the Applicant's cheque, or a crossed cheque in favour of the Applicant in each case by post or by hand and at the risk of the person entitled thereto to the address of the Applicant without interest.

10. In respect of those New Ordinary Shares for which an application has been received and is not rejected, acceptance of that application shall be constituted by notification of acceptance thereof to the Registrars.
11. Any monies returnable to the Applicant may be retained by The Share Republic plc pending clearance of his/her remittance and that such monies will not bear interest.
12. An applicant must comply with Money Laundering Regulations:
13. It is a term of the Offer that, to ensure compliance with the UK Money Laundering Regulations 2007, the Company is entitled to require, at its absolute discretion, verification of the identity from any person lodging an application form for New Ordinary Shares ("the Applicant").
14. Pending the provision of evidence satisfactory to the Company, as to the identity of the Applicant and/or any person on whose behalf the Applicant appears to be acting, the Company, may, in its absolute discretion, retain an application form lodged by an Applicant and/or the cheque or other remittance relating thereto and/or not enter the Applicant on the register of members or issue any certificate in respect of New Ordinary Shares allotted to the Applicant.
15. If, within a reasonable period of time following request for verification of identity and in any case no later than 3pm on the relevant date of allotment, the Company has not received evidence of the identity of the Applicant satisfactory to it, the Company may, at its absolute discretion, reject any such application in which event the remittance submitted in respect of that application will be returned to the Applicant (without prejudice to the rights of the Company to undertake proceedings to cover any loss suffered by it as a result of the failure of the Applicant to produce satisfactory evidence of identity).
16. Verification of identity procedures may include making electronic searches for which the consent of the applicant is deemed to have been given by virtue of making the application.
17. By completing and delivering an Application Form to The Share Republic plc and in consideration of the Directors agreeing that they will consider and process applications for the New Ordinary shares, the Applicant, and if he/she signs the Application Form on behalf of somebody else or a corporation, that person or corporation, hereby:
18. warrants that his/her cheque or banker's draft will be honoured on first presentation and agrees that if it is not so honoured he/she will not be entitled to receive a share certificate in respect of the New Ordinary Shares applied for or to enjoy or receive any rights or distributions in respect of such shares unless and until payment is made in cleared funds for such shares and such payment is accepted by the Company in its absolute discretion (which acceptance shall be on the basis that the Applicant indemnifies it against all costs, damages, losses, expenses and liabilities arising out of or in connection with the failure of his/her remittance to be honoured on first presentation) and he/she agrees that, at any time prior to the unconditional acceptance by the Company of any such later payment, the Company may (without prejudice to its other rights) avoid the agreement to subscribe for such shares and may allot such shares to some other person, in which case such Applicant will not be entitled to any payment in respect of such New Ordinary Shares other than the refund to him/her at his/her risk of any proceeds of the cheque or banker's draft accompanying his/her application, without interest;
19. warrants that, if he/she signs the Application Form on behalf of somebody else or on behalf of a corporation, he/she has due authority to do so on behalf of that other person or corporation, and such person or corporation will also be bound accordingly and will be deemed also to have given the confirmations, warranties and undertakings contained herein and undertakes to enclose his/her power of attorney or a copy thereof duly certified by a solicitor with the Application Form;

20. confirms that, in making such application, neither the Applicant nor any person on whose behalf he/she is applying is relying on any information or representation in relation to the Company other than the information contained in this Document and accordingly agrees that no person responsible solely or jointly for this document or any part hereof or involved in the preparation hereof shall have any liability for any such information or representation;
21. authorises the Registrars or any person authorised by them, as his/her agent to do all things necessary to effect registration of any New Ordinary Shares subscribed by him/her into his/her name(s) and authorises any representative of the Registrars to execute any document required therefore;
22. agrees that, having had the opportunity to read this Document, he/she shall be deemed to have had notice of all information and representations concerning the Company and the New Ordinary Shares contained herein;
23. agrees on request by the Company or at its discretion on behalf of the Company, to disclose promptly in writing to it, any information which it may reasonably request in connection with his/her application and authorises it to disclose any information relating to his/her application as it considers appropriate;
24. authorises the Company to send a cheque for any moneys returnable to him/her by first class post at his/her risk to the address given overleaf or introducing agent;
25. warrants that if he/she has signed this Application Form on behalf of any other person he/she are due authority to do so, and that such person will also be bound accordingly and be deemed to have given the confirmations, warranties and undertakings contained in this Document;
26. warrants that he/she is not, and is not applying on behalf of a person who is, under the age of 18;
27. warrants that he/she is not connected with the Company and he/she will notify the Directors immediately in writing if he/she becomes so connected as defined in section 291 of the Income and Corporation Taxes Act 1988;
28. warrants that he/she is not a person in the United States and is not applying on behalf of or with a view to the re-offer, sale, transfer, delivery or distribution to, or for the benefit of, any person within the United States or who is a US person, and will not, as principal or agent, offer, sell, transfer renounce, deliver or distribute, directly or indirectly, any New Ordinary Offer Shares being acquired by him/her to any person within the United States or who is a US person. As used herein "United States" means the United States of America (including the States thereof and the District of Columbia) its territories and possessions and "US person" means any person or entity defined as such in Rule 902(o) under the United States Securities Act of 1933 (as amended), and (xiii) warrants that he/she is not a Canadian person (which expression shall mean any individual resident in Canada, any corporation, partnership or firm organised under or governed by the laws of Canada (or any political sub-division thereof), any branch in Canada of a corporation, partnership or firm incorporated or established outside Canada and any investment fund, estate or trust organised under or governed by the laws of Canada (or any political sub-division thereof)) and is not applying on behalf of, or with a view to the re-offer, sale or transfer to or for the benefit of, any such person;
29. agrees that all applications, acceptances of applications and contracts resulting therefrom under the Offer shall be governed by and construed in accordance with English Law, and that he/she submits to the exclusive jurisdiction of the English Courts and agrees that nothing shall limit the right of the Company to bring any action, suit or proceeding arising out of or in connection with any such applications, acceptances of applications and contracts in any other manner permitted by law or in any court of competent jurisdiction;
30. the Applicant hereby declares that he/she has read, understood and agreed to the terms of this Document Including these Terms and Conditions and the Risk Factors in Part II of this Document and have taken all the appropriate professional advice which he/she considers necessary before submitting his/her application and that he/she is aware of the special risks involved in participating in an investment of this nature, and he/she understands that his/her application is made upon the all the terms of this Document;

31. the Applicant acknowledges that in relation to the transactions in this Document, the advisers of the Company mentioned herein are acting for the Company and not for the Applicant or on his/her account and that accordingly will not be responsible to me for providing protections afforded to the Applicant's clients, for advising the Applicant on any transaction described herein, or for ensuring that any such transaction is suitable for the Applicant; and
32. the Applicant agrees that acceptance of an Application Form by the Company will have the meaning set out in this Document unless the context requires otherwise.

18 APPLICATION FORM

The Share Republic plc
Initial Offer for subscription of up to 750,000 New Ordinary Shares at 20p per share

This Application Form should be completed and sent to:

The Share Republic plc
Painters' Hall Chambers
8 Little Trinity Lane
London
EC4V 2AN

together with your cheque payable to **"The Share Republic plc"** and crossed "Not Negotiable" for the amount payable (inserted in Box 2) so as to arrive as soon as possible. The subscription offer will open at 9 am on 29 October 2012 and will close when the subscription reaches £150,000, after which a second offer will open and then close when a second £150,000 has been subscribed, or earlier at the Directors' discretion.

IMPORTANT: Before completing this Application Form you should read the above terms and conditions of application and the above notes on how to complete the Application Form.

All Applicants must complete Boxes 1-7. Your remittance must be attached at Box 5.

This Application Form is only made available with and as an enclosure to the Business Plan Document. The entire contents of the section in the Business Plan Document headed "Terms and Conditions and Procedures for Application" is deemed to be included and set out in this Application Form.

PLEASE RETURN YOUR COMPLETED APPLICATION FORM BY POST TO
THE SHARE REPUBLIC LIMITED, 8 LITTLE TRINITY LANE, LONDON, EC4V 2AN

PLEASE USE BLOCK CAPITALS

<p>I/We hereby irrevocably offer (save for the circumstances set out in Section 87q of the FSMA (right of withdrawal) to subscribe for fully paid New Ordinary Shares in The Share Republic plc on the terms and subject to the conditions of application set out in the Document of which this Application Form is part.</p>	<p>BOX 1</p>
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<p>I/We attach a cheque for the amount payable, namely £</p>	<p>BOX 2</p>
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Mr/Mrs/Miss or Title	Forename (s) (in full)	Surname	<p>BOX 3</p>
<p>Address (in full)</p> <p>Postcode:</p> <p>Date of birth:</p> <p>Country of birth:</p> <p>Email address (compulsory):</p> <p>Telephone number:</p>			

Boxes 4 and 5 must be completed in the case of joint applicants only

Mr/Mrs/Miss or Title	Mr/Mrs/Miss or Title	Mr/Mrs/Miss or Title	<p>BOX 4</p>
Name (s) in full	Name (s) in full	Name (s) in full	
Address in full	Address in full	Address in full	
Postcode	Postcode	Postcode	
Email Address (compulsory)	Email Address (compulsory)	Email Address (compulsory)	
Signature	Signature	Signature	<p>BOX 5</p>

I/We confirm that I have read “Terms and Conditions of the Offer for Subscription” in section 11 and “Risk Factors” in section 8 of this Document.

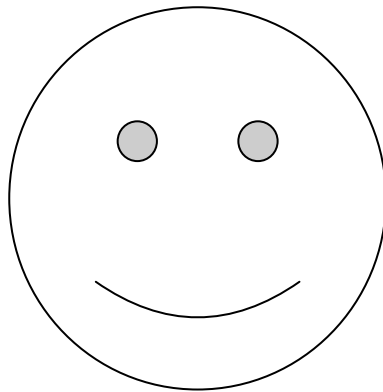
I/We authorise the Company or its advisers to contact me/us by telephone in connection with any queries arising on my application.

Signature (s)	Date	BOX 6
Please attach your cheque for the amount shown in Box 2 made payable to “ The Share Republic plc ”		BOX 7

If you have any queries relating to the completion of this Application Form, please contact The Share Republic plc on 020 3355 4412 or 020 3302 3414.

PLEASE RETURN YOUR COMPLETED APPLICATION FORM TOGETHER WITH YOUR PAYMENT BY POST TO:

**THE SHARE REPUBLIC plc
8 LITTLE TRINITY LANE
LONDON
EC4V 2AN**



THE SHARE REPUBLIC TEAM THANKS YOU FOR YOUR INTEREST IN OUR BUSINESS